THE CITY COUNCIL OF THE CITY OF WATERLOO, IOWA, REGULAR SESSION TO BE HELD AT Harold E. Getty Council Chambers Monday, May 2, 2022 5:30 PM

CITY OF WATERLOO
GOALS

1. Support the creation of new, livable wage jobs through a balanced economic development approach of assisting existing businesses, fostering start-ups, attracting new employers and cultivating an adequate workforce.
2. Implement a Community Policing strategy that creates a safe environment in Waterloo.
3. Reduce the City's property tax levies through a responsible balance of cost reduction in City operations and increases in taxable property valuations to ensure that Waterloo is a competitive, affordable, and livable city.
4. Enhance the image of Waterloo and the City to residents and businesses inside and outside of the community.

GENERAL RULES FOR PUBLIC PARTICIPATION REGULAR SESSION AGENDA

A. 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 public is required to follow the rules listed in this article when speaking during any meeting of the city council.

B. At the presiding officer's discretion, individuals may address the presiding officer by stepping to the podium, and after recognition by the presiding officer, shall state their name, address and group affiliation, if appropriate, and speak clearly into the microphone.

C. Comments shall be germane and refrain from personal, impertinent, or slanderous remarks.

D. Cell phones and electronic devices shall be set to silent prior to the start of the meeting.

RULES FOR PUBLIC COMMENT SECTION OF THE AGENDA

A. Individuals shall speak one (1) time on only one (1) issue for a maximum of five (5) minutes only if they have registered with the city clerk's office no later than 4:00 p.m. on the day of the council meeting. Individuals who have not registered shall not be permitted to speak during the public comment portion of the agenda. Individuals shall only speak on matters not listed on the regular session agenda for that date. Any matter presented shall be directed to the presiding officer and addressed, if necessary, after the meeting.; Individuals may call the city clerk's office at 319-291-4323 or email clerk@waterloo-ia.org.

B. Council members may speak during public comment portion of the agenda after the public has finished speaking

C. City staff shall not be required to provide an immediate answer to a matter presented during a council meeting unless it specifically pertains to an item on the agenda

RULES FOR PUBLIC COMMENT DURING PUBLIC HEARINGS

Individuals may speak during the public comment portion of a scheduled public hearing for a maximum of three (3) minutes or may submit written comments to the city clerk by 4:00 p.m. on the day of the public hearing. Groups of citizens with similar viewpoints are encouraged to select a representative to share the viewpoint of the group.

RULES FOR PUBLIC COMMENT DURING AGENDA ITEMS

At the discretion of the presiding officer, individuals may speak for a maximum of three (3) minutes when the council discusses agenda items. This section does not apply to businesses or parties directly involved in agenda items.

Roll Call.

Prayer or Moment of Silence

Pledge of Allegiance

Mayor Quentin Hart

Agenda, as proposed or amended.

Minutes of April 18, 2022 Regular Session, as proposed.

Proclamation declaring May 15-21, 2022 as National Police Week.

Proclamation declaring May 2022 as Historic Preservation Month.

Proclamation declaring May 8-14, 2022 as World Migratory Bird Week.

PUBLIC COMMENTS

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 of Waterloo encourages the public to participate during the Oral Presentations by following the rules listed on the front of the agenda.

1. Consent Agenda:

(The following items will be acted upon by voice vote on a single motion without separate discussion, unless someone from the council or public requests that a specific item be considered separately.)

A. Resolution to approve the following:

1. Bills Payment, Finance Committee Invoice Summary Report, a copy of which is on file in

the office of the City Clerk.

2. Resolution approving request of CRF Rentals, LLC, for a waiver for a concrete driveway, located at 1501 Jefferson Street, and authorize the construction of a concrete driveway and placing a driveway or sidewalk on city right-of-way on an unimproved street.

   Submitted By: Jamie Knutson, PE, City Engineer

3. Resolution approving Variance to Noise Ordinance request from Danielle Eastman, in conjunction with the Aya Dancing in the Park event, to be held May 6, 7, July 21 and 29, August 26, September 9, and October 7, 2022 from 6:00 p.m. to 7:00 p.m. grassy area near the shelter at Valley View Park.

   Submitted By: Kelley Felchle, City Clerk

4. Resolution approving submission of the Congresswoman Ashley Hinson FY2023 Community Project Funding grant application.

   Submitted By: Paul Huting, Leisure Services Director

5. Resolution approving a request by the City of Waterloo to remove private street name "Chapel Court", located adjacent to 600 Park Lane, Friendship Village.

   Submitted By: Aric Schroeder, City Planner

6. Resolution approving preliminary plans, specifications, form of contract, etc., setting date of bid opening as May 19, 2022 and date of public hearing as June 6, 2022, in conjunction with the FY 2023 Levee Rip Rap Spraying, Contract No. 1065, and instruct the City Clerk to publish notice.

   Submitted By: Wayne Castle, PLS, PE, Associate Engineer

7. Resolution setting date of public hearing as May 16, 2022 for an amendment to the FYE 2022 Budget, and instruct the City Clerk to publish notice.

   Submitted By: Michelle Weidner, Chief Financial Officer

8. Resolution setting date of public hearing as May 16, 2022, to approve the request by Mark Moser to rezone 3.68 acres from “A-1” Agricultural District to “R-1, C-Z” Conditional Zoning District, located at 4528 Kimball Avenue, and instruct the City Clerk to publish notice.

   Submitted By: Noel Anderson, Community Planning and Development Director

9. Resolution setting date of public hearing as May 16, 2022 for the sale and conveyance of City property located west of 3180 West Airline Highway, in the amount of $1.00, to RNK Investments, LLC, with five years of tax rebates of 50%, and approval of a Development and Minimum Assessment Agreement, in the amount of $822,000.00.

   Submitted By: Noel Anderson, Community Planning and Development Director

10. Resolution setting date of public hearing as June 20, 2022 and date of bid opening as June 9, 2022, to allow the Police Department to seek bids for Level II soft Ballistic Body Armor needs, and instruct the City Clerk to publish said notice.

    Submitted By: Aaron P. McClelland, Police Captain

11. Resolution approving specifications, bid documents, etc., setting date of bid opening as June 9, 2022 and date of public hearing as June 20, 2022, in conjunction with the Police Department FY23 Ammunition Bids, and instruct City Clerk to publish notice.

    Submitted By: Aaron P. McClelland, Police Captain

12. Resolution approving a Variance to the Noise Ordinance for Agustin Perez-Vorgas for the Perez Family Reunion, from 3:00 p.m. to 9:00 p.m. on May 7, 2022, located at 505 Sherman Avenue.

    Submitted By: Captain Feaker

B. Motion to approve the following:

1. **TRAVEL REQUESTS**

   a. **Wilson, Schaaf, Girsch, Hoelscher, Nichols and Tindall, Police Officers**
   Class/Meeting: Firearms Instructor Recertification
   Destination: Johnston, IA
   Dates: 05/05/2022
   Amount not to exceed: $1,490.00

   b. **Schaaf and Wittmayer, Police Officers**
   Class/Meeting: Field Training Officer Certification
   Destination: Waterloo, IA
   Dates: 05/09-11/2022
   Amount not to exceed: $600.00

   c. **Roberts, Christiansen, Police Officers; Ludwig, Sergeant**
   Class/Meeting: ILEA Driving Instructor Recertification
   Destination: Newton, IA
   Dates: 05/18/2022
   Amount not to exceed: $545.00

   d. **Aitchison and Kramer, Police Officers**
   Class/Meeting: Field Training Officer Certification
   Destination: Waterloo, IA
   Dates: 06/21-23/2022
   Amount not to exceed: $600.00

   e. **Michelle Weidner, CFO**
   Class/Meeting: Iowa Governmental Roundtable.
   Destination: In-office webinar
   Dates: 05/17/2021
   Amount not to exceed: $275.00

2. **LIQUOR LICENSES**

   a. **Anton's Garden, 518 Sycamore Street**
   Class: Special Class C/Outdoor Service
   Renewal Application Includes Sunday
   Expiration Date: 04/30/2023

   b. **Basal Pizza, 225 W. 4th Street**
   Class: C Liquor w/Outdoor Service
   Renewal Application Does not include Sunday
   Expiration Date: 04/30/2023

   c. **Cork's Grocery, 1956 Lafayette Street**
   Class: C/Beer
   Renewal Application Includes Sunday
   Expiration Date: 04/30/2023

   d. **CVS Pharmacy #8544, 1825 E. San Marnan Drive**
   Class: E Liquor/ B Wine/ C Beer

Renewal Application Includes Sunday

Expiration Date: 5/31/2023

e. **CVS Pharmacy #8546, 205 Franklin Street**

Class: E Liquor/ B Wine/ C Beer

Renewal Application Includes Sunday

Expiration Date: 5/31/2023

f. **Kwik Stop 4, 515 Broadway Street**

Class: E Liquor/ B Wine/ C Beer

Renewal Application Includes Sunday

Expiration Date: 05/07/2023

g. **Smitty's Bar, 709 Jefferson Street**

Class: C Liquor w/Outdoor Service

Renewal Application Includes Sunday

Expiration Date: 05/26/2023

h. **Waterloo Bucks, 850 Park Road Waterloo Bucks, 850 Park Road – 6 Month License**

Class: B Beer w/Outdoor Service

Renewal Application Includes Sunday

Expiration Date: 10/15/2022

i. **Waterloo Softball Association**

Class: B Beer w/Outdoor Service

Renewal Application Includes Sunday

Expiration Date: 04/16/2023

3. **APPOINTMENTS**

a. **Allen J. Green**

Board/Commission: Cultural & Arts

Expiration Date: May 11, 2023

New Appointment

b. **Susan Price**

Board/Commission: Historic Preservation Commission

Expiration Date: May 13, 2025

Re-Appointment

c. **Andrew Tink**

Board/Commission: Plumbing Board of Licensing, Examiners and Appeals

Expiration Date: May 2, 2025

New Appointment

d. **Robert Welch**

Board/Commission: Civil Service Commission

Expiration Date: April 1, 2024

New Appointment

e. **Ellen Vanderloo**

Board/Commission: Leisure Services Commission

Expiration Date: May 2, 2025

New Appointment

4. Motion to approve Application for Fireworks Display at the Bamboo Ridge Camp Ground, in conjunction with the July 4th Celebration, to be held on July 3, 2022 with an alternate date of July 4, 2022, beginning at approximately 9:45 p.m. and lasting 10-13 minutes.

   Submitted By: Kelley Felchle, City Clerk

5. Motion to approve Application for Fireworks Display for the Waterloo Bucks Ball Club, located at 850 Park Road, on June 11, 18, July 2, 4, 9, 16, 30, and August 13, 2022, starting at 10:00 p.m. and lasting ten minutes.

   Submitted By: Kelley Felchle, City Clerk

6. Motion to approve Application for Fireworks Display at the Lost Island Theme Park Lake, in conjunction with the Park Grand Opening, to be held on one of the following dates: 5/21 or 5/28, 6/4 or 6/11/2022, beginning at approximately 9:30-10:00 p.m. and lasting 20 minutes.

   Submitted By: Kelley Felchle, City Clerk

7. Motion to approve Application for Fireworks Display for The VGM Group for the VGM Heartland Conference 2022 at 5th Street Bridge, on June 13, 2022, at approximately 9:45 p.m. (Approx. 15-18 minutes).

   Submitted By: Kelley Felchle, City Clerk

8. Motion to approve Exception to Burning Yard Waste application by Mike Kearney, to have a bon fire in an approximately 5'x5' area, located at 1524 Shultz Street, on May 14, 2022.

   Submitted By: Kelley Felchle, City Clerk

9. Motion to approve recommendation of appointment of Jeremy Even, from the current Civil Service list to the position of Operator in the Waste Management Services Department, effective Monday May 23, 2022, pending successful completion of pre-employment physical and drug screening.

   Submitted By: Brian Bowman, Treatment Operations Supervisor

10. Motion to approve Change Order No. 33 with Cardinal Construction, Inc., of Waterloo, Iowa, for a net increase of $1,769.00, in conjunction with the Five Sullivan Brothers Convention Center Addition and Renovation Project, and authorizing the Mayor to execute said document.

    Submitted By: Noel Anderson, Community Planning and Development Director

11. Motion to approve Change Order No. 4 with Boomerang Corporation of Anamosa, Iowa for a decrease of $5,819.05, in conjunction with the Dry Run Creek Interceptor Project Contact No. 877, and authorizing the Mayor to execute said document.

    Submitted By: Brian Bowman, Treatment Operations Supervisor

12. Motion approving Change Order No. 11 from WRH of South Amana, Iowa, for a decrease of $84,170.00, in conjunction with the Satellite Wet Well Rehabilitation Project, Contract No. 907, and authorizing the Mayor to execute said documents.

    Submitted By: Brian Bowman, Treatment Operations Supervisor

13. Bonds.

PUBLIC HEARINGS

2. FY 2022 Asphalt Overlay Program, Contract No. 1056.

Motion to receive and file proof of publication of notice of public hearing.

HOLD HEARING - No comments on file.
Motion to close hearing and receive and file oral and written comments.
Resolution confirming approval of plans, specifications, form of contract, etc., and authorizing to proceed.
Motion to receive, file and instruct City Clerk to read bids.
Resolution approving award of bid to Aspro, Inc., of Waterloo, Iowa, in the amount of $3,234,420.62, approving the contract, bond and certificate of insurance, in conjunction with the FY 2022 Asphalt Overlay Program, Contract No. 1056, and authorizing the Mayor and City Clerk to execute said document.

Submitted By: Wayne Castle, PLS, PE, Associate Engineer

3. **FY 2022 Sidewalk Inspection and Repair Program – Zone 2.**

Motion to receive and file proof of publication of notice of public hearing.
HOLD HEARING - No comments on file.
Motion to close hearing and receive and file oral and written comments.
Resolution authorizing proposed repairs to sidewalk.
Resolution adopting Proposed Resolution of Necessity, as proposed or amended.

Submitted By: Wayne Castle, PLS, PE, Associate Engineer

4. **Purchase of one (1) John Deere 6120M tractor with 22 Foot Cradle Mount mower.**

Motion to receive and file proof of publication and notice of public hearing.
HOLD HEARING- No Comments on File.
Motion to close hearing and receive and file oral and written comments.
Resolution confirming approval of specifications, bid documents, form of contract etc., and authorizing to proceed.
Motion to receive, file, and instruct City Clerk to read bids.
Resolution awarding bid to P & K Midwest of Waterloo, Iowa, in the amount of $179,362.00.

Submitted By: JB Bolger, Assistant Park Superintendent

5. **Sale and conveyance of City property located northwest of 326 W. 14th Street, to 3 Stooges, LLC, in the amount of $1.00, and approval of a Development Agreement and Minimum Assessment Agreement, in the amount of $250,000.00, for the development of a 6,000 square foot building.**

Motion to receive and file proof of publication of notice of public hearing.
HOLD HEARING - No comments on file.
Motion to close hearing and receive and file oral and written comments.
Resolution approving the sale and conveyance of city owned property located northwest of 326 W. 14th Street, in the amount of $1.00, to Three Stooges, LLC, and authorizing the Mayor and City Clerk to execute necessary documents.
Resolution approving a Development Agreement and Minimum Assessment Agreement, with 3 Stooges, LLC, in the amount of $250,000.00, in conjunction with the development of a 6,000 square foot building, and authorizing the Mayor and City Clerk to execute said document.

Submitted By: Noel Anderson, Community Planning and Development Director

6. **Reallocation of Unspent Proceeds 2019A General Obligation Bonds**

Motion to receive and file proof of publication of notice of public hearing.
HOLD HEARING - Comments on file.
Motion to close hearing and receive and file oral and written comments.
Resolution instituting proceedings to take additional action.

Submitted By: Michelle, Weidner, Chief Financial Officer

7. **Reallocation of Unspent Proceeds, 2020A General Obligation Bonds.**

Motion to receive and file proof of publication of notice of public hearing.
HOLD HEARING - Comments on file.
Motion to close hearing and receive and file oral and written comments.
Resolution instituting proceedings to take additional action.
Submitted By:

RESOLUTIONS

8. Resolution approving an Encroachment Easement Agreement for property located at 513 Ivanhoe Road, and authorizing the Mayor and City Clerk to execute said document.

Submitted By: Chad Coon, General Manager Waterloo Water Works

9. Resolution approving a variance to the requirements of the Subdivision Ordinance in Section 11-1-13 Variances, relating to the approval of the Preliminary Plat of Paradise Estates Addition, subject to the condition that any final plat or final plats for any portion of the approved Preliminary Plat of Paradise Estates Addition submitted for approval on or prior to May 14, 2024 shall be subject to any new zoning restrictions or subdivision regulations adopted by the City of Waterloo prior to submittal of any such Final Plat for any portion of said area.

Submitted By: Noel Anderson, Community Planning and Development Director

10. Resolution approving an Amendment to the Development Agreement with Bertha Johnson, originally executed January 23, 2017, adding Infill Policy incentives for the renovation of 1420 Byron Avenue, in the amount of $10,000.00, for the completed project, and authorizing the Mayor and City Clerk to execute said document.

Submitted By: Noel Anderson, Community Planning and Development Director

11. Resolution approving Addendum No. 2 to a Professional Services Agreement with Robinson Engineering Company of Independence, Iowa, originally executed March 16, 2020, in an amount not to exceed $6,000.00, in conjunction with the Delane Creek Watershed Assessment, and authorizing the Mayor and City Clerk to execute said document.

Submitted By: Wayne Castle, PLS, PE, Associate Engineer

12. Resolution approving Professional Services Agreement with Terracon Consultants, Inc., of Cedar Falls, Iowa, in an amount not to exceed $16,500.00, in conjunction with the Hawthorne Avenue Storm Sewer Pumping Station Relief Wells, and authorizing the Mayor to execute said document.

Submitted By: Wayne Castle, PLS, PE, Associate Engineer

13. Resolution approving an agreement with the Black Hawk County Metropolitan Planning Organization, for a funding award through Iowa's Transportation Alternatives Program Funding, in the amount of $465,233.00, with the City paying the balance, in conjunction with the Sergeant Road Bridge Replacements Project, and authorizing the Mayor and City Clerk to execute said document.

Submitted By: Matt Schindel, Associate Engineer

14. Resolution directing the advertisement for sale of $5,685,000.00 General Obligation Bonds, Series 2022B, setting sale date as May 18, 2022, and approving electronic bidding procedures and distribution of Preliminary Official Statement for the sale.

Submitted By: Michelle Weidner, Chief Financial Officer

15. Resolution directing the advertisement for sale of $4,315,000.00 Taxable General Obligation

Bonds, Series 2022C, setting sale date as May 18, 2022, and approving electronic bidding procedures and the distribution of the Preliminary Official Statement for the sale.

Submitted By: Michelle Weidner, Chief Financial Officer

16. Resolution approving the Economic Development Assistance Contract with the Iowa Economic Development Authority (IEDA) and CPM Acquisition Corporation, and authorizing the Mayor to execute said document.

Submitted By: Noel Anderson, Community Planning and Development Director

17. Resolution approving a new record request fee schedule for the Waterloo Police Department.

Submitted By: Joel F. Fitzgerald, PhD., Police Chief

18. Resolution approving Gaming Grant Agreement with the Black Hawk County Gaming Association, for a grant award in the amount of $6.5 million, in conjunction with the Transforming Gates and Byrnes Parks Project, and authorizing the Leisure Services Director to execute said document.

Submitted By: Paul Huting, Leisure Services Director

ORDINANCES

19. An ordinance amending the term and duties of the City Clerk's Office and Fire Department.

Motion to receive, file, consider, and pass for the first time an ordinance amending the City of Waterloo Code of Ordinances by repealing Article A, City Clerk of Chapter 5, Municipal Officials, Title 1, Administration and Article B, Fire Department of Chapter 6, Municipal Departments, Title 1, Administration, and enacting in lieu thereof a new Article A, City Clerk of Chapter 5, Municipal Officials, Title 1, Administration and Article B, Fire Department of Chapter 6, Municipal Departments, Title 1, Administration.
Motion to suspend the rules.
Motion to receive, file, consider, and pass for the second and third times and adopt said ordinance.

Submitted By: Kelley Felchle, City Clerk and Pat Treloar, Fire Chief

20. An Ordinance amending the 2020 Traffic Code by deleting Section 279, Truck and Bus Parking Prohibited, in its entirety, and inserting in lieu thereof of new Section 279, Truck and Bus Parking, to the 2020 Traffic Code.

An Ordinance amending the 2020 Traffic Code by deleting Section 279, Truck and Bus Parking Prohibited, in its entirety, and inserting in lieu thereof of new Section 279, Truck and Bus Parking, to the 2020 Traffic Code as follows: No person shall park a motor truck, implement of husbandry, special mobile unit, van or other vehicle used for the carrying of freight or persons on any residential street in the city, or on the following commercial streets: Cyclone Drive, Titan Trail and Athens Drive, except when making a delivery or picking up persons or freight on said street and when doing so shall park only for a length of time reasonably necessary to perform said function.
Motion to suspend the rules.
Motion to receive, file, consider and pass for the second and third time and adopt said ordinance.

Submitted By: Sandie Greco, Traffic Operations Director

OTHER COUNCIL BUSINESS

21. Recommendation of denial of a refund request for property located at 314-320 Johnson Street, for incorrect charges for curbside garbage services, in the amount of $919.32.

Recommendation of denial of a refund request for property located at 314-320 Johnson Street, for incorrect charges for curbside garbage services, in the amount of $919.32.

Submitted By: Randy Bennett, Public Works Division Manager

EXECUTIVE SESSION

Motion to adjourn to Executive Session

22. Executive Session on the purchase of real estate pursuant to Iowa Code Section 21.5(1)(j).

23. Executive Session on discussion of strategy in matters relating to employment conditions of employees not covered by a collective bargaining agreement, pursuant to Iowa Code Section 21.9.

Motion to adjourn Executive Session

ADJOURNMENT

Motion to adjourn.

Kelley Felchle
City Clerk

MEETINGS

3:45 p.m. Council Work Session, Harold E. Getty Council Chambers

5:10 p.m. Finance Committee, Harold E. Getty Council Chambers

PUBLIC INFORMATION

1. Leisure Services Commission Board Minutes of March 8, 2022.
2. March 2022 Community Development Board Meeting Minutes.
3. Planning, Programming and Zoning minutes of March 8, 2022.
4. Historic Preservation Commission minutes of March 15, 2022
5. Board of Adjustment minutes of January 25, 2022.

CITY OF WATERLOO

Council Communication

Mayor Quentin Hart

City Council Meeting: 5/2/2022
Prepared:

Submitted by: Submitted By:

CITY OF WATERLOO

Council Communication

Minutes of April 18, 2022 Regular Session, as proposed.

City Council Meeting: 5/2/2022
Prepared:

ATTACHMENTS:

	Description	Type
	04.18.2022 Minutes	Backup Material

SUBJECT: Minutes of April 18, 2022 Regular Session, as proposed.

Submitted by: Submitted By:

April 18, 2022

The Council of the City of Waterloo, Iowa, met in Regular Session at Harold E. Getty Council Chambers, Waterloo, Iowa, at 5:30 p.m., on Monday, April 18, 2022. Mayor Pro Tem Ray Feuss in the Chair. Roll Call: Boesen, Nichols, Amos, Chiles, Grieder, Wilder and Feuss.

Prayer or Moment of Silence.

Pledge of Allegiance:

107185 - Grieder/Chiles

that the Agenda, as proposed, for the Regular Session on Monday, April 18, 2022 at 5:30 p.m., be accepted and approved. Voice vote-Ayes: Seven. Motion carried.

107186 - Grieder/Chiles

that the Minutes, as proposed, for the Regular Session on Monday, April 4, 2022, at 5:30 p.m., be accepted and approved. Voice vote-Ayes: Seven. Motion carried.

Proclamation declaring April 24 - May 1, 2022 as Soil and Water Stewardship Week.
Proclamation declaring April 24-30, 2022 as Arbor Week.
Proclamation declaring May 2022 as Bike Month.
Proclamation declaring May 1, 2022 as Global Love Day.
Proclamation declaring April 2022 as Fair Housing Month.

PUBLIC COMMENTS
Sheila Beal, 315 Gayle Street, addressed the council regarding code enforcement infractions. Ms. Beal was advised she would need to address items through the district court system at this point.

Dawn Henry, 2121 W. 7th Street, expressed concerns regarding the plans for the overlay project on Ridgeway Avenue between Kimball and Ansborough.

Jamie Knutson, City Engineer, explained the city's plans are to remove portions of the current surface, grind and patch sections and replace with overlay this summer after the bidding process is completed. He further explained there has been discussion regarding long term road widening and sidewalk in this section and possible funding for the estimated 10 million dollar project.

David Dreyer 3145 W. 4th Street, questioned lack of public meetings for the Kimball and Ansborough reconstruction project as promised.

Jamie Knutson confirmed through discussions, the overlay project was chosen in the interim and discussion was continuing to look at the long term repairs/replacement project for this section of road.

Mr. Grieder advised the audience, in the effort of transparency, he will be holding a public meeting to give the public the opportunity to speak with employees and ask questions regarding projects or general city issues, Thursday 5:30-6:30 at the Waterloo Public Library, meeting room A, and that he will be having these meetings once a month.

Mr. Boesen questioned the theme park construction and if we are deviating from the phase schedule.

Jamie Knutson explained engineering is still waiting on FEMA permits, which has effected the schedule, and therefore in order to keep the project moving are working on other phases of the project first, and assured the council he continues to work with FEMA to obtain updated permits.

Mr. Boesen expressed his concerns regarding the upcoming camping season and working with Bertch to minimize interruption of shuttle service to the campgrounds.

Jamie Knutson explained the current construction would not affect the KOA campground, as that project is under design right now and construction will not be during this camping season.

Ms. Wilder informed the audience that Ward 3 monthly meetings are Sundays from 5-6 via zoom.

Mr. Chiles, informed the audience that Ward 1 monthly meetings are in council chambers, noon on Saturdays.

Mr. Chiles questioned construction progress on the Bike Trail bridges on Fletcher/Hwy. 63.

Jamie Knutson, explained, they are currently working on design and as soon as council approves the CIP and funding is in hand, engineering will go out to bid in June for work hopefully to be completed by November.

107187 - Grieder/Wilder

that the above oral comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

CONSENT AGENDA

107188 - Grieder/Wilder

that the following items on the consent agenda be received, placed on file and approved:

a. Resolutions to approve the following:

1. Resolution approving Finance Committee Invoice Summary Report, dated April 11, 2022, in the amount of $2,978,903.21 and April 18, 2022, in the amount of $1,841,890.79, a copy of which is on file in the City Clerk's office, together with recommendation of approval of the Finance Committee.

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-204

2. Resolution approving a Variance to Noise Ordinance request from George Nicholas, in conjunction with the Mama Nicks 60th Anniversary event, to be held on May 15, 2022 from 12:00 p.m. to 5:00 pm. at 1934 Washington Street, including live entertainment, food and alcohol both inside and outside.

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-205

3. Resolution approving a Variance to the Noise Ordinance Request of Raynelle Walker, from 1:00-6:00 p.m., May 28, 2022, in conjunction with the Beat the Streetz Weekend event, located in Sullivan Park, including use of a PA system.

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-206

4. Resolution approving a Variance to the Noise Ordinance for Mike Robinson in conjunction with the Take Back Our Community Back 2 School Bash, to be held from 11:00 a.m. to 4:00 p.m. at Sullivan Park on August 20, 2022.

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-207

5. Resolution approving a Variance to the Noise Ordinance for Emily Dvorak for the Good Neighbor Iowa Earth Day Picnic event, located at Hope Martin Park from 12:00 to 3:00 p.m. on April 23, 2022.

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-208

6. Resolution approving a Variance to the Noise Ordinance for Sidney Simpson for the Gospel Celebration and Birthday Celebration event at 916 Ash Street, from 7:00 a.m. to 9:00 p.m., on May 13-14, 2022.

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-209

7. Resolution approving the submission of a grant application to the Van G. Miller Family Charitable Trust, in the amount of $1 million, in conjunction with the Transforming Gates and Byrnes Parks Project.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-210

8. Resolution approving the request of MDJNAD Investment, LLC, for tax exemptions on the construction of a new single family home valued at $316,427.00, for property located at 3330 Lincolnshire Drive, and located in the City Limits Urban Revitalization Area (CLURA).

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-211

9. Resolution setting date of public hearing as May 2, 2022 for the Reallocation of Unspent Bond Proceeds, Series 2019A, in an amount not to exceed $875,000.00, and instruct the City Clerk to publish notice.

   Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-212

10. Resolution setting date of public hearing as May 2, 2022 for the Reallocation of Unspent Bond Proceeds, Series 2020A, not to exceed $875,000.00, and instruct the City Clerk to publish notice.

    Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-213

11. Resolution setting date of public hearing as May 2, 2022 for the sale and conveyance of City property located northwest of 326 W. 14th Street, to 3 Stooges, LLC, in the amount of $1.00, and to a approve a Development Agreement and Minimum Assessment Agreement, in the about of $250,000.00, for the development of a 6,000 square foot building, and instruct the City Clerk to publish notice.

    Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-214

12. Resolution approving preliminary specifications, bid documents, etc., setting date of bid opening as April 28, 2022 and date of public hearing as May 2, 2022, in conjunction with the purchase of one (1) John Deere 6120M Tractor with 22-foot Cradle Mount Mower, and instruct City Clerk to publish said notice.

    Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-215

13. Resolution approving the Home Investment Partnership Program Consortium Cooperation Agreement with the City of Cedar Falls, Iowa, for the period of October 1, 2022 to September 30, 2025, and authorizing the Mayor and City Clerk to execute said document.

    Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-216

14. Resolution authorizing an exception to the City of Waterloo's Purchasing Procedure Policy to approve the purchase of four (4) Spreader Stands ,for the 14-foot Henderson V-Box Spreaders, in the amount of $41,844.00, and fifteen (15) Spreader Stands for 10-foot Henderson FSH V-Box Spreaders, in the amount of $113.880.00, from Henderson Products, Inc. of Manchester, Iowa.

    Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-217

15. Resolution approving a change of location to Upper Iowa University Waterloo Campus, 3563 University Ave, for a council meeting to be held at 6:00 p.m. on April 26, 2022, and direct the City Clerk to publish said notice.

    Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-218

16. Resolution approving a cancellation of assessment for a sidewalk repair at 1015 Steely Street, in the amount of $338.83.

    Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-219

b. Motion to approve the following:

1.

Travel Requests				
Name & Title of Personnel	Class/Meeting	Destination	Date(s)	Amount not to Exceed
a. N. Costarella and K. Tucker, Police Officers	Basic Officer Certification Iowa Law Enforcement Academy.	Des Moines, IA	5/3/2022-8/19/2022	$19,218.00
b. Chesmore, K. Martin, J. Martin, Fordyce, Community Development	Iowa Association of Housing Officials-Electrical Module Safety Measures Class.	Cedar Falls, Hawkeye Community College	4/28-29, 2022	$800.00
c. Brandt, Ullom and T. Schuster, Police Officers	Field Training Officer Certification.	Waterloo, IA	4/25-27/2022	$900.00
d. A. Bovy, W. Herkelman, J. Ehlers and D. Lindaman, Police Officers	Dogs for Law Enforcement K-9 teams yearly recertification.	Independence, IA	5/2-6/2022	$1,900.00
e. J. Bargman, T. Gesie, D. Hook, Firefighters	Stryker Cot Maintenance Training.	Waterloo, IA	5/15/2022	$2,430.00
f. Senada Muhic, Housing Coordinator	Housing Choice Voucher Specialist training.	Online	6/13-17/2022	$1,192.50
g. Mindy Smith, Intake Specialist	Nan Mckay Webinar on Rent Calculation.	Webinar	4/26-28-2022	$975.00

2.

Approved Beer, Liquor, and Wine Applications				
Name & Address of Business	Class	New or Renewal	Expiration Date	Includes Sunday
a. Cadillac Lanes, 650 LaPorte Road	C Liquor and Outdoor Service	Renewal	3/27/2023	Sunday Sales
b. Family Dollar #32789, 2206 Kimball Ave.	B Wine and C Beer	Renewal	2/15/2023	Sunday Sales
c. Hometown Foods, 1010 E. Mitchell Ave.	B Wine, C Beer, and E Liquor	Renewal	4/30/2023	Sunday Sales
d. Golden China, 106 Brookeridge Dr.	C Liquor	Renewal	5/4/2023	Sunday Sales
e. Tokyo Japanese Steakhouse, 1931 Sears St.	C Liquor	Renewal	2/13/2023	Sunday Sales
f. J's R&B Lounge, 501 Independence Ave.	A Liquor with Outdoor Service	Renewal	4/6/2023	Sunday Sales
g. Michoacana Meat Market, 1215 Franklin St.	C Beer	Renewal	4/26/2023	Sunday Sales
h. Sunnyside Country Club, 1600 Olympic Dr.	A Liquor with Outdoor Service	Renewal	4/13/2023	Sunday Sales
i. On the Rocks, 708 Jefferson St.	C Liquor and Outdoor Service	Renewal	3/27/2023	Sunday Sales
j. Half Pint Saloon, 1831 Independence Ave.	C Liquor and Outdoor Service	Renewal	4/18/2023	Sunday Sales
k. HyVee Food Store #2, 2181 Logan Ave.	B Wine, C Beer, and E Liquor	Renewal	3/23/2023	Sunday Sales

3. Mayor Hart's recommendation of the following appointments:

Appointee	Board/Commission	Expiration Date	New or Re-Appointment
Hector Salamanca Arroyo	Historic Preservation Commission	April 18, 2025	New Appointment
Ivan Valtchev	Historic Preservation Commission	April 18, 2025	New Appointment

Roll call vote-Ayes: Seven. Motion carried.

4. Motion to approve recommendation of appointment of Brittney Hoyer to the position of Human Resources Administrative Secretary, effective April 19, 2022.

5. Bonds.

PUBLIC HEARINGS

The FY2023 One-Year Action Plan for CDBG and HOME Funds public hearing was cancelled and is to be rescheduled for June 6, 2022.

107189 - Grieder/Amos

that proof of publication of notice of public hearing on the FY2022 Wastewater Treatment Plant and Lift Stations Mowing Contract, as published in the Waterloo Courier on April 4, 2022, be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

This being the time and place of public hearing, the Mayor Pro Tem called for written and oral comments and there were none.

107190 - Grieder/Amos

that the hearing be closed and oral and written comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

107191 - Grieder/Amos

that "Resolution approving plans, specifications, forms of contract, etc., and authorizing to proceed", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-220

107192 - Grieder/Amos

Motion to receive and file and instruct Deputy City Clerk to read bids.

Bidder	**Bid Security**	**Total Bid Amount**
Wilson Custom Tree Cresco, IA	5%	Option A:$925.00/$2,575.00 Option B:$360.00/$800.00 Option C:$400.00/$900.00 Option D:$33,145.00
B & B Lawn Care, Inc. Waterloo, IA	5%	Option A:$1,599.75/$2,500.00 Option B:$500.00/$1,500.00 Option C:$600.00/$1,500.00 Option D:$55,196.00

107193 - Grieder/Amos

that "Resolution awarding bid to Wilson Custom Tree of Cresco, Iowa, in the amount of Option A:$925.00/$2,575.00; Option B:$360.00/$800.00; Option C:$400.00/$900.00; Option D:$33,145.00,

approving the contract, bond and certificate of insurance in conjunction with the FY2022 Waste Water Treatment Plant Lift Stations Mowing Contract, and authorizing the Mayor to execute said document", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-221

107194 - Amos/Wilder

that proof of publication of notice of public hearing on the 2022 and 2023 Residential Lots/Miscellaneous Areas Mowing and Lot Maintenance Services Contract, as published in the Waterloo Courier on April 12, 2022, be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

This being the time and place of public hearing, the Mayor Pro Tem called for written and oral comments and there were none.

107195 - Amos/Wilder

that the hearing be closed and oral and written comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

107196 - Amos/Wilder

that "Resolution approving plans, specifications, forms of contract, etc., and authorizing to proceed", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-222

107197 - Amos/Wilder

Motion to receive and file and instruct the Deputy City Clerk to read bids.

Bidder	Bid Option A	Bid Option B	Bid Security
B & B Lawn Care, Inc. Waterloo, IA	$12.99	$57.00	5%

107198 - Amos/Wilder

that "approving award of bid to B&B Lawn Care, Inc., of Waterloo, Iowa, in conjunction with the 2022 and 2023 Residential Lots/Miscellaneous Areas Mowing and Lot Maintenance Services Contract, in the amount of $12.99 per lot, Option A lots under one acre, and $57.00 per hour for Option B lots 1 acre or more, approving the contract, bond, and certificate of insurance, and authorizing the Mayor and City Clerk to execute said documents", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-223

107199 - Nichols/Amos

that proof of publication of notice of public hearing on the FY2023 Complaint Mowing with Complaint Snow Removal Contract, as published in the Waterloo Courier on April 4, 2022, be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

This being the time and place of public hearing, the Mayor Pro Tem called for written and oral comments and there were none.

107200 - Nichols/Amos

that the hearing be closed and oral and written comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

107201 - Nichols/Amos

that "Resolution approving plans, specifications, forms of contract, etc., and authorizing to proceed", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-224

107202 - Nichols/Amos

Motion to receive and file and instruct the Deputy City Clerk to read bids.

Bidder	Bid Security	Bid Amount
A. Thompson Construction Company Waterloo, IA	5% Check	Alt. A $4,300.00 Alt. B $3,200.00 Alt. C $90.00 Alt. D $90.00
P&J Lawn Care Waterloo, IA	5% Check	Alt. A $1,050.00 Alt. B $1,150.00 Alt. C $25.00 Alt. D $25.00
Premium Lawn Care Hudson, IA	5% Check	Alt. A $4,200.00 Alt. B $3,000.00 Alt. C $60.00 Alt. D $75.00
B & B Lawn Care, Inc. Waterloo, IA	5% Check	Alt. A $3,850.00 Alt. B $2,750.00 Alt. C $79.00 Alt. D $79.00
A1 Property Services, LLC Cedar Falls, IA	5% Check	Alt. A $5,000.00 Alt. B $3,500.00 Alt. C $75.00 Alt. D $95.00

107203 - Nichols/Amos

that "Resolution approving award of bid to P & J Operations, L.L.C, of Waterloo, Iowa, Option A $1,050.00 per occurrence, Option B $1,150.00 per occurrence, Option C $25.00 per man hour, and to B & B Lawn Care, Inc., of Waterloo, Iowa for Option D $79.00 per man hour, and approving the contract, bonds and certificate of insurance, in conjunction with the FY 2023 Complaint Mowing with Complaint Snow Removal Contract, and authorizing the Mayor and City Clerk to execute said document", be adopted.

Mr. Boesen questioned if we were receiving realistic bids as there was a wide range between amounts.

Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-225

107204 - Grieder/Amos

that proof of publication of notice of public hearing on General Obligation Bonds - ECP-1 - The issuance of not to exceed $11,600,000.00 in General Obligation Bonds for essential corporate purposes, as published in the Waterloo Courier on March 30, 2022, be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

This being the time and place of public hearing, the Mayor Pro Tem called for written and oral comments and there were none.

107205 - Grieder/Amos

that the hearing be closed and oral and written comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

107206 - Grieder/Amos

that "Resolution approving instituting proceedings to take additional action for the issuance of not to exceed $11,600,000.00 General Obligation Bonds, and levying a tax for the payment thereof", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-226

107207 - Grieder/Amos

that proof of publication of notice of public hearing on General Obligation Bonds - GCP 2 - The issuance of not to exceed $700,000.00 General Obligation Bonds for general corporate purposes, as published in the Waterloo Courier on March 30, 2022, be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

This being the time and place of public hearing, the Mayor Pro Tem called for written and oral comments and there were none.

107208 - Grieder/Amos

that the hearing be closed and oral and written comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

107209 - Grieder/Amos

that "Resolution approving instituting proceedings to take additional action for the issuance of not to exceed $700,000.00 General Obligation Bonds", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-227

107210 - Grieder/Amos

that proof of publication of notice of public hearing on General Obligation Bonds -GCP 3-The issuance of not to exceed $700,000.00 General Obligation Bonds for general corporate purposes, as published in the Waterloo Courier on March 30, 2022, be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

This being the time and place of public hearing, the Mayor Pro Tem called for written and oral comments and there were none.

107211 - Grieder/Amos

that the hearing be closed and oral and written comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

107212 - Grieder/Amos

that "Resolution approving instituting proceedings to take additional action for the issuance of not to exceed $700,000.00 General Obligation Bonds", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-228

107213 - Grieder/Amos

that proof of publication of notice of public hearing on General Obligation Bonds-ECP-UR 4 -The issuance of not to exceed $800,000.00 General Obligation Bonds for essential corporate urban renewal purposes, as published in the Waterloo Courier on March 30, 2022, be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

This being the time and place of public hearing, the Mayor Pro Tem called for written and oral comments and there were none.

107214 - Grieder/Amos

that the hearing be closed and oral and written comments be received and placed on file. Voice vote-Ayes: Seven. Motion carried.

107215 - Grieder/Amos

that "Resolution approving instituting proceedings to take additional action for the issuance of not to exceed $800,000.00 General Obligation Bonds", be adopted. Roll-call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-229

RESOLUTIONS

107216 - Boesen/Nichols

that "Resolution approving a Waterloo Convention and Visitors Bureau board recommendation of mini-grants to IOWA Corrections Association 2022 in the amount of $3,000.00 and KOLO Folkdance Festival in the amount of $3,000.00", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-230

107217 - Boesen/Nichols

that "Resolution approving and authorizing a form of Loan and Disbursement Agreement by and between the City of Waterloo, Iowa and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of $8,105,000.00 Taxable Sewer Revenue Capital Loan Notes, Series 2022A, of the City of Waterloo, Iowa, under the provisions of the Code of Iowa, and providing for a method of payment of said Notes, and authorizing the Mayor to execute said document", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-231

107218 - Boesen/Nichols

that "Resolution approving and authorizing a form of Loan and Disbursement Agreement by and between the City of Waterloo, Iowa and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of $4,202,000.00 Taxable Sewer Revenue Capital Loan Notes, Series 2022B, of the City of Waterloo, Iowa, under the provisions of the Code of Iowa, and providing for a method of payment of said Notes, and authorizing the Mayor to execute said document", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-232

107219 - Boesen/Nichols

that "Resolution approving and authorizing a form of Loan and Disbursement Agreement by and between the City of Waterloo, Iowa and the Iowa Finance Authority, and authorizing and providing for the issuance and securing the payment of $1,036,000.00 Taxable Sewer Revenue Capital Loan Notes, Series 2022C, of the City of Waterloo, Iowa, under the provisions of the Code of Iowa, and providing for a method of payment of said Notes, and authorizing the Mayor to execute said document", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-233

107220 - Nichols/Amos
that "Resolution approving a Professional Services Agreement with HDR Engineering of Omaha Nebraska, in conjunction with the Upgrade to Adaptive Traffic Signal Technology on Logan Avenue Project, DOT No. STGB-SWAP-8155(781)--SH-07, in an amount not to exceed $23,000.00, and authorizing the Mayor to execute said document", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-234

107221 - Nichols/Amos

that "Resolution approving construction plans for the private sanitary sewer extension serving 146 Martin Road Condominiums, as submitted by Helland Engineering and Surveying, LTD, of Cedar Falls, Iowa, and a Sewage Treatment Agreement, DNR Form 29 (Nov 00) with the Department of Natural Resources, and final acceptance of construction plans, subject to the review and acceptance by the Department of Natural Resources, and authorizing the Mayor to execute said documents", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-235

107222 - Nichols/Amos

that "Resolution approving Addendum No. 1 to a Professional Services Agreement with Robinson Engineering Company of Independence, Iowa, originally executed March 16, 2020, in an amount not to exceed $5,980.00, in conjunction with the Delane Creek Watershed Assessment, and authorizing the Mayor and City Clerk to execute said document", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-236

107223 - Nichols/Amos

that "Resolution approving a Development Agreement with Vaxxone, LLC, for the construction of an infill lot located north at 1600 Lark Lane, including $5,000.00 in incentive payment upon completion of new home, and authorizing the Mayor and City Clerk to execute said document", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-237

107224 - Grieder/Amos

that "Resolution approving a request by the City of Waterloo for the Final Plat of West Port, a 5-lot commercial subdivision located in the "M-1" Light Industrial District, east of 3338 West Airline Highway", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-238

107225 - Grieder/Amos

that "Resolution concurring with the determination of the City Planner approving a proposed change to the approved site plan in the "S-1" Shopping Center District for the construction of a convenience store/gas station (Kwik Star) of approximately 10,000 square feet with a 78-stall parking lot, located near the northeast corner of Kimball Avenue and East Ridgeway Avenue, as a Minor Site Plan Amendment", be adopted. Roll call vote-Ayes: Seven. Motion carried.

Resolution adopted and upon approval by Mayor Pro Tem assigned No. 2022-239

107226 - Grieder/Amos

that "Resolution approving an Employment Agreement with Dr. Joel Fitzgerald, for the position of Police Chief, effective April 19, 2022, and authorizing the Mayor and City Clerk to execute said document", be adopted.

Forest Dillavou, 1725 Huntington Road, stated the public was not informed of the issue or the contents of the proposed contract.

David Dreyer, 3145 W. 4th Street, questioned the contents of the previous contract, if previous mayors were allowed four-year contracts, changes in the proposed contract, and feels the proposal is a financial burden to the city rather than a benefit for the citizens. Mr. Dreyer questioned if there wouldn't be a conflict of contract when mayor/council members change.

Mr. Feuss explained the contract afforded due process if the mayor/council changed and a conflict arose.

Dawn Henry, 2121 W. 7th Street, questioned the transparency, accessibility and timing of this item considering the budget has already been approved.

Mr. Grieder explained this item was added to the agenda on Friday, he did not receive the changes to the contract until this morning and had no opportunity to review them before the council meeting, so to support public transparency, requested the item be postponed for executive session to review the contract and development process for the contract.

107227 - Grieder/Amos

that the Employment Agreement, agenda item No. 20, with Dr. Joel Fitzgerald for the position of Police Chief, be postponed for discussion in executive session with the Mayor. Roll call vote-Ayes: Five. Nays: Amos and Feuss. Motion carried.

EXECUTIVE SESSION

107228 - Feuss/Grieder

that the council adjourn to Executive Session at 6:45 p.m. Roll call vote-Ayes: Seven. Motion carried.

107229 - Feuss/Wilder

that the Council adjourn from Executive Session at 6:55 p.m. Voice vote-Ayes: Seven. Motion carried.

ADJOURNMENT

107230 - Feuss/Wilder

that the Council adjourn at 6:56 p.m. Voice vote-Ayes: Seven. Motion carried.

_____
LeAnn M. Even, CMC, IaCMC
Deputy City Clerk

CITY OF WATERLOO

Council Communication

Proclamation declaring May 15-21, 2022 as National Police Week.

City Council Meeting: 5/2/2022
Prepared:

ATTACHMENTS:

	Description	Type
	Proclamation - National Police Week	Backup Material

Submitted by: Submitted By:

CITY OF WATERLOO, IOWA

PROCLAMATION

NATIONAL POLICE WEEK

PEACE OFFICER'S MEMORIAL DAY

WHEREAS, the Congress of the United States of America has designated the week of May 15 – 21, 2022, as **"National Police Week"**; and

WHEREAS, the Law Enforcement Officers are our guardians of life and property, defenders of the individual right to be free men and women, warriors in the war against crime and dedicated to the preservation of life, liberty and the pursuit of happiness; and

WHEREAS, it is known that all too often Police Officers are killed in the line of duty nationwide. Our community joins with other cities and towns to honor all Peace Officers everywhere.

NOW THEREFORE, BE IT RESOLVED, that I, Quentin Hart, Mayor of the City of Waterloo, Iowa, do hereby proclaim the week of May 15 – 21, 2022, as

NATIONAL POLICE WEEK

I call upon all citizens to honor and show our sincere appreciation for the Police Officers of this city by deed, remark, and attitude. I also call upon all our citizens to make every effort to express their thanks to our men and women who make it possible for us to leave our homes and family in safety each day and to return to our homes knowing we are protected by men and women willing to sacrifice their lives, if necessary, to guard our loved ones, property and government against all who would violate the law.

IN WITNESS WHEREOF, I have hereunto subscribed my name and caused the Seal of the City of Waterloo to be affixed this 2nd day of May, 2022.

ATTEST:

Kelley Felchle
City Clerk

CITY WATERLOO IOWA SEAL

Quentin Hart
Mayor

CITY OF WATERLOO, IOWA

PROCLAMATION

WHEREAS, May is Historic Preservation Month; and

WHEREAS, Historic Preservation is an effective tool for economic development, tourism promotion, neighborhood revitalization, fostering local pride, and maintaining overall community character while enhancing livability; and

WHEREAS, Historic preservation can benefit Americans of all ages, walks of life, and ethnic backgrounds in communities; and

WHEREAS, It is important to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped us as a people; and

WHEREAS, The Waterloo Historic Preservation Commission will be holding its annual celebration of those who have made a difference in Waterloo Preservation over the last year on May 12th; and

WHEREAS, Waterloo currently has 25 National Register listings and 3 Historic Districts.

NOW, THEREFORE, I, Mayor Quentin Hart, hereby proclaim in the city of Waterloo, May 2022, as

HISTORIC PRESERVATION MONTH

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the City of Waterloo to be affixed this 2nd day of May, 2022.

ATTEST:

Kelley Felchle

Kelley Felchle
City Clerk

CITY WATERLOO IOWA SEAL

Quentin Hart

Quentin Hart
Mayor

CITY OF WATERLOO, IOWA

PROCLAMATION

WHEREAS, nature lovers around the world are celebrating World Migratory Bird Day on May 14, 2022, which supports our moral responsibility to protect birdlife; and

WHEREAS, Waterloo, having been officially recognized as Iowa's longest standing Bird Friendly City, has taken steps and will continue to take steps to improve conditions necessary for the health and welfare of our nesting and migratory birds; and

WHEREAS, Waterloo is taking measures to educate and engage people in birding and wildlife conservation; and

WHEREAS, over 300 migratory and resident bird species use the various habitats in Waterloo for feeding and nesting; and

WHEREAS, birds and bird-related activities have a significant economic impact; and

WHEREAS, promoting abundant, sustainable bird populations and healthy habitats benefits our world's biodiversity and human society.

NOW, THEREFORE, I, Quentin Hart, Mayor of the City of Waterloo, Iowa, do hereby proclaim May 8 - 14, 2022, as

WORLD MIGRATORY BIRD WEEK

in Waterloo, Iowa, and urge all citizens to celebrate this observance and to support efforts to protect and conserve birds and their habitats in our community and the world at large throughout the year.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the City of Waterloo to be affixed this 2nd day of May 2022.

ATTEST:

CITY WATERLOO IOWA

Kelley Felchle
City Clerk

Quentin Hart
Mayor

CITY OF WATERLOO

Council Communication

Resolution approving request of CRF Rentals, LLC, for a waiver for a concrete driveway, located at 1501 Jefferson Street, and authorize the construction of a concrete driveway and placing a driveway or sidewalk on city right-of-way on an unimproved street.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

	Description	Type
	DW Waiver_1501 Jefferson St	Backup Material

SUBJECT:	Resolution approving request of CRF Rentals, LLC, for a waiver for a concrete driveway, located at 1501 Jefferson Street, and authorize the construction of a concrete driveway and placing a driveway or sidewalk on city right-of-way on an unimproved street.
Submitted by:	Submitted By: Jamie Knutson, PE, City Engineer
Recommended Action:	Recommend for approval by the City Engineer.
Summary Statement:	This waiver is needed due to the placement of a driveway or sidewalk on City right-of-way on an unimproved street. I have reviewed this request and recommend its approval subject to the following provisions. 1.Work to be performed by an approved and bonded contractor. 2.A permit is to be obtained from the office of the City Engineer prior to construction. 3.All work shall be performed under the supervision of the City Engineer and at no cost to the City of Waterloo. $7.00 cash for the purpose of recording this waiver and a copy of the legal description have been provided to the City Clerk's office.
Legal Descriptions:	The Southwesterly Half of Lot 6 and all of Lot 7, in Block 57, in Anthony Baker's Addition to the Village (now City) of Waterloo, in Black Hawk County, Iowa.

WAIVER

Date: 4-19-22

Honorable Mayor and City Council
City Hall
Waterloo, IA 50703

Council Persons:

I hereby request a waiver to the driveway and sidewalk specifications for the construction of a Concrete driveway or sidewalk located at
(concrete or asphalt)

1501 Jefferson St Waterloo
(Address)

This waiver is needed because of:

____ special surface texture (i.e., exposed aggregate, brick stamped pattern, paving brick) to be used on the concrete approach.

____ elimination of the sidewalk section due to the inability to meet requirements of the driveway and sidewalk policy, paragraph 1.

____ asphalt driveway with the elimination of the sidewalk section.

X placing a driveway or sidewalk on City right of way on an unimproved street.

____ Other: _____

I agree to the following:

1. To remove and replace this driveway to an official elevation at no additional expense to the City of Waterloo at such time that sidewalk is constructed.
2. To remove and replace the private driveway, as needed, to an official elevation at no additional expense to the City of Waterloo at such time that curb and gutter is constructed.
3. To pay for any additional expenses for the replacement of any such textured driveway or sidewalk that has been removed for any City of Waterloo project.
4. To employ a bonded contractor who shall obtain a permit from the office of the City Engineer.
5. To have the driveway constructed according to the specifications and policies of the City Engineer and under his supervision.
6. This waiver is for this property only.

Attached herewith is a payment in the amount of seven dollars ($7.00) for the purpose of recording this agreement.

Respectfully submitted,

CRF Rentals LLC
Printed Name of Property Owner

Signature of Property Owner

CITY OF WATERLOO

Council Communication

Resolution approving Variance to Noise Ordinance request from Danielle Eastman, in conjunction with the Aya Dancing in the Park event, to be held May 6, 7, July 21 and 29, August 26, September 9, and October 7, 2022 from 6:00 p.m. to 7:00 p.m. grassy area near the shelter at Valley View Park.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

SUBJECT:	Resolution approving Variance to Noise Ordinance request from Danielle Eastman, in conjunction with the Aya Dancing in the Park event, to be held May 6, 7, July 21 and 29, August 26, September 9, and October 7, 2022 from 6:00 p.m. to 7:00 p.m. grassy area near the shelter at Valley View Park.
Submitted by:	Submitted By: Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Resolution approving submission of the Congresswoman Ashley Hinson FY2023 Community Project Funding grant application.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

Description	Type
HinsonCommunityProjectFundingApp	Backup Material

SUBJECT:	Resolution approving submission of the Congresswoman Ashley Hinson FY2023 Community Project Funding grant application.
Submitted by:	Submitted By: Paul Huting, Leisure Services Director
Recommended Action:	Recommend Approval
Summary Statement:	This grant would help fund elements of the Transforming Gates and Byrnes Park project as presented at the January 31 Council Work Session.
Neighborhood Impact:	This grant would help fund a project which would have a significant positive impact on the surrounding neighborhoods.
Data/Analysis and Strategies:	Ballard King and Associates have done a comprehensive analysis of the project demographics and service area.
Community Engagement Methods:	Public input for this project has been provided using a variety of methods, including comprehensive surveys and direct input from focus group meetings. Neighborhood Services has been directly involved to engage the community.
Expenditure Required/Source of Funds:	This grant request is for $2 million for a $16 million project. There is no required match. A $6.5 million grant request is currently under consideration by the BHCGA board. A $1 million request has been submitted to the Van G. Miller Family Charitable Trust. $4.5 million has been requested through the City Capital Improvements Program over the next 2 years. Current CIP funds of $759,000 are available for this project. Presentations have been made to the McElroy Trust Board, NE Iowa Community Foundation, and others. A grass roots fundraising account has been set up at the Waterloo Community Foundation.
Alternative:	The public swimming pools at Gates and Byrnes parks are beyond their useful life and this project is the most viable replacement alternative.

Congresswoman Ashley Hinson's FY2023 Community Project Funding Request Form

This form is to be used *only* for submissions to the Office of Congresswoman Ashley Hinson (IA-01) for fiscal year 2023 Community Project Funding requests through the Appropriations process.

All requests must be made by an eligible entity based in the district. The form must be completely filled out and submitted in order for it to be considered. Each request must be filled out in a separate form.

The deadline for submissions is April 15, 2022, at 12:00 pm ET/11:00 am CT. No exceptions will be made.

Submitting a request does not guarantee that the request will be accepted or offered by the Office of Congresswoman Hinson, nor does it guarantee its inclusion in a final Appropriations bill.

For issues with the form or if you have questions, please call the office at (202) 225-2911.

Supporting documents *must* be sent to IA01.Approps@mail.house.gov. If you do not provide community supporting documents, including letters of support, your request will not be considered.

craig.denner@gmail.com (not shared) Switch account

Draft restored

* Required

Requesting Entity Name *

City of Waterloo, IA Leisure Services

Your Name and Title (Requestor/Primary Point of Contact) *

Paul Huting - Leisure Services Director

Requestor's/Point of Contact's Cell Phone Number *

1-319-290-4057

Requestor's/Point of Contact's Email Address *

paul.huting@waterloo-ia.org

Requesting Entity Type *

- (●) Local Government - Town, City, Municipality
- ( ) Local Government - County
- ( ) Local Government - State of Iowa
- ( ) Tribal Government/Representative
- ( ) Qualifying Non-Profit 501(c)(3)
- ( ) Qualifying Non-Profit 501(c)(6)
- ( ) Other:

If you are making more than one Community Project Funding Request, please rank this request in order of priority (1=highest priority). *

1

Subcommittee *

Transportation, and Housing and Urban Development, and Related Agencies

Next

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Congresswoman Ashley Hinson's FY2023 Community Project Funding Request Form

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* Required

Transportation, and Housing and Urban Development, and Related Agencies

Account *

Department of Housing and Urban Development - Economic Development Initiative

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Congresswoman Ashley Hinson's FY2023 Community Project Funding Request Form

craig.denner@gmail.com (not shared) Switch account

* Required

HUD - EDI

Provide all basic information for this project including project name, requesting organization, proposed recipient (if different from requesting org), street and mailing address, point of contact, email address, and phone number. *

Gates Park Revitalization - City of Waterloo, IA Leisure Services 1101 Campbell Ave. Waterloo, IA 50701, Paul Huting, paul.huting@waterloo-ia.org, 319-291-4370

Please describe the project. *

The City of Waterloo is ready to move ahead with an ambitious plan to transform their two anchor parks within their vast park system. This project will be one of the most transformational projects within the storied park system of Waterloo since many of the parks were originally developed. The project will position each park as a unique destination for both our residents as well as numerous visitors from neighboring communities. A master plan has been created to summarize the transformation of both parks. For the purpose of this grant, we will be focusing on the historic Gates Park portion of the overall project. A key component of this undertaking would be to make a more seamless trail connection between the north and south end of the 235 acre park with the surrounding neighborhood and the nearby medical campus. Amenities would include unique offerings such as a large spray park, expansive inclusion park, a first class outdoor basketball complex, amphitheater, and renovation of the existing soccer field and parking on the north end of the park. Also planned is a large sculpture park and pollinator/prairie planting on the former Chamberlain manufacturing site and trails connecting throughout. The south end of Gates Park will feature visual improvements to mitigate the impacts of a recently constructed flood wall along with relocating and reconstructing a picnic shelter, playground, and basketball amenities.

If funding is provided, will a different non-federal entity administer the funding? If so, please identify that non-federal entity and provide all relevant information requested in the previous question. *

No

Please provide the public website for the proposed recipient. *

www.cityofwaterlooiowa.com

Please describe the project and the community benefits. Be as specific as possible. All community support documents should be emailed to IA01.Approps@mail.house.gov. *

The City of Waterloo is ready to move ahead with an ambitious plan to transform their two anchor parks within their vast park system. This project will be one of the most transformational projects within the storied park system of Waterloo since many of the parks were originally developed. The project will position each park as a unique destination for both our residents as well as numerous visitors from neighboring communities. A master plan has been created to summarize the transformation of both parks. For the purpose of this grant, we will be focusing on the historic Gates Park portion of the overall project. A key component of this undertaking would be to make a more seamless trail connection between the north and south end of the 235 acre park with the surrounding neighborhood and the nearby medical campus. Amenities would include unique offerings such as a large spray park, expansive inclusion park, a first class outdoor basketball complex, amphitheater, and renovation of the existing soccer field and parking on the north end of the park. Also planned is a large sculpture park and pollinator/prairie planting on the former Chamberlain manufacturing site and trails connecting throughout. The south end of Gates Park will feature visual improvements to mitigate the impacts of a recently constructed flood wall along with relocating and reconstructing a picnic shelter, playground, and basketball amenities.

Waterloo is a remarkably diverse community made up of people from a broad spectrum. Transforming Gates Park will positively impact the entire Waterloo community and surrounding areas. All features of this project will be built to be open and accessible to people of all races, genders, physical and cognitive abilities, and socio-economic levels. The planned inclusion park at Gates will be particularly designed to welcome and stimulate use from all, including those with limited mobility and cognitive challenges. Free and open access to the spray park, basketball courts, turf fields, sculpture/prairie gardens, and many other features at Gates Park will mean neighborhood residents and visitors will have a beautiful park in which to recreate.

What is the total amount of FY2023 funding requested? *

$ 2,000,000.00

What is the total cost to complete the project? *

$ 8,000,000.00 (Gates Park) of a $ 16,000,000.

Is there a letter of support from a non-Federal sponsor for this project? Please email all community support documents to IA01.Approps@mail.house.gov *

- (●) Yes
- ( ) No

Is the proposed recipient a governmental entity or non-profit organization? *

- ( ) State government
- (●) Local government
- ( ) Non-profit

If a non-profit, is the organization a 501(c)(3) exempt from tax under section 501(a) of the Internal Revenue Code of 1986?

- ( ) Yes
- ( ) No

In which congressional district is the project located? *

First Congressional district

Has the project received federal funding in the past? If so, how much and in what fiscal years? *

No

Please provide the source and amount of all non-federal funding secured for or already applied toward this project. Include both formula funds and any discretionary grants. *

City of Waterloo Capital Improvement Funds - $ 759,000.00 - Current

Please specify any source and amounts of non-federal funding that are reasonably anticipated to be secured for the project. *

Black Hawk County Gaming Association - $ 6,500,000.00 - Pending Grant Application
City of Waterloo - $ 4,500,000.00 - Pending Capital Improvement Request
Van G. Miller Family Trust - $ 1,000,000.00 - Pending Grand Application
City of Waterloo Capital Improvement Funds - $ 759,000.00 - Current
Other local grant funding sources are being explored.

If the project was funded in the past, were such funds provided for discrete, severable activities (phases)? *

- ○ Yes
- ◉ No

Is the proposed recipient currently in material non-compliance of a prior grant award made by the proposed Federal funding agency? *

- ○ Yes
- ◉ No

Can the proposed project obligate all of the requested funds by no later than 12 months after enactment of the FY2023 Appropriations Act? *

- ◉ Yes
- ○ No

If the Appropriations Committee is not able to provide the full amount of funding requested, can this project spend a smaller amount of appropriated funds within 12 months of enactment? *

- ◉ Yes
- ○ No

If yes, please describe the range of funding that can be obligated in that time frame and any severable/distinct components of the project that could be completed under various funding conditions.

Gates Park – North End Improvements including: Basketball Courts with multipurpose rink surrounding the courts, Performance Area, Inclusive Park, Spray Park, Shelters, Restrooms, Additional Parking, Trail connecting upper and lower amenities: $5,993,315
Gates Park – Sculpture Garden and Soccer Field including: Trail connecting north and south segments of park, Multipurpose Soccer Field, Playground, Interpretative Sculpture Garden featuring commissioned artwork capturing the African American history of Waterloo, Additional Parking: $1,147,447
Gates Park – South End at Lester Street including: Shelters, Half Basketball Court, Playground, Restrooms, Additional Parking, Flood Wall Transformation: $850,553
Total for all three segments: $7,991,315

Does the proposed recipient have the required non-federal cost-share on-hand? Please provide any relevant background including the legislative language outlining cost-sharing requirements, amount of non-federal funds on hand, etc. *

No match required based off the webinar session 3/31/2022.

Is the proposed project a priority for the local community? Please email all community support documents to IA01.Approps@mail.house.gov. *

- (●) Yes
- ( ) No

Has this project been submitted to another Appropriations subcommittee?

- ○ Yes
- ◉ No

Clear selection

If yes, which one(s)

Your answer

What are the estimated start and end dates of the project? Please include timelines for any discrete or severable activities. *

Estimated Start Date May 2023 to May 2024.

In what stage of development is the project currently? For example, at what stage is design, environmental review, etc.? *

Master plan has been completed and will be moving soon into design phase.

Where is the project in the construction process? Write "N/A" if the project has not begun construction. *

N/A

Does the project primarily benefit persons of low-income, rural, or tribal communities? *

- (●) Yes - low-income
- ( ) Yes - rural
- ( ) Yes - tribal
- ( ) No

Does the project impact beneficiaries of HUD's rental assistance programs? *

- ( ) Yes - owners
- ( ) Yes - public housing agencies
- ( ) Yes - service providers
- (●) Yes - tenants
- ( ) No

Who are the community partners participating in this project? *

Gates Neighborhood Association, Black Hawk Gaming Association, Waterloo Community Foundation, Grow Cedar Valley, Waterloo Center for the Arts, VGM Group, INC., Tyson Foods, Waterloo Leisure Services, Community Foundation of Northeast Iowa, City of Waterloo, IA., Young Family Foundation, McElroy Trust, Otto Schoitz Foundation

If the project includes new construction or land or site acquisition activities, does it comply with local zoning requirements?

- (●) Yes
- ( ) No

Clear selection

If yes, please justify

This project is on land zoned for park usage.

Is the project included or supported by an identified priority area within the community's HUD Consolidated Plan? *

- (●) Yes
- ( ) No

If yes, please provide a link to the plan and reference the appropriate page number(s) in justification. *

https://www.cityofwaterlooiowa.com/departments/community_development/index.php on the City Website; pages 107, 126, 127

Is the project intended to address issues related to climate change or resiliency, civil unrest, or inequities? *

- ○ Yes - climate change or resiliency
- ○ Yes - civil unrest
- ◉ Yes - inequities
- ○ Yes - multiple
- ○ No

If yes, please explain how. *

The overwhelming response from participants in the focus group for Gates Park was that the park as a whole had been forgotten by the City. It became clear that Gates Park needed a complete master plan and subsequent transformational investment to regain its status as a significant community asset.

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WATERLOO
COMMUNITY
FOUNDATION

April 11, 2022

Congresswoman Ashley Hinson
U.S. House of Representatives
1429 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Ashley Hinson:

I am writing on behalf of the Waterloo Community Foundation to show my support for the project to revitalize Gates and Byrnes Parks in Waterloo, Iowa. This grant would allow the city of Waterloo to transform its largest and most essential parks providing recreation and community life for the citizens of Waterloo.

Byrnes' Park plan will replace its outdated pool with a brand new aquatic center, which includes a lap pool, lazy river, and zero depth entry play pool to replace its outdated facilities. The Gates Park plan will include a spray pad, inclusive playground, basketball courts, skating rink, and performance stage.

Each plan was thoughtfully designed with input from the community and surrounding neighborhoods. This 16-million-dollar project will upgrade the city's two major parks providing residents with beautiful places to gather and play.

In partnership with the City of Waterloo, the Waterloo Community Foundation set up a new fund where anyone can donate to the renovation of Gates and Byrnes' Parks. We are committed to marketing the Fund- and managing donations for the parks' renovations.

The Transformation of Gates and Byrnes Parks project by the City of Waterloo has our full support. If you have any additional questions, please feel free to contact me at 319-883-6022.

Thank you!

Erin Tink
Executive Director

425 Cedar Street, Suite 320, Waterloo, IA 50701 | www.wloocommunityfoundation.org

BLACK HAWK COUNTY
GAMING ASSOCIATION
HELPING THE CEDAR VALLEY PROSPER

April 8, 2022

Congresswoman Ashley Hinson
U.S. House of Representatives
1429 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Hinson:

The City of Waterloo has faced it's fair share of challenges, but it is incredibly resilient and innovative. The Byrnes and Gates Park Improvement Project is a prime example of how they are working to create solutions that address a multitude of community needs; it is a chance to unite a City that is often divided. Adding basketball courts, an inclusive playground, splash pad, and recreation trail to Gates Park will increase community pride in an area that has long been overlooked. In turn, this will increase quality of life and the housing market in one of our oldest parts of town. On the "West Side" of town, Byrnes Park houses an important community pool that is failing. A massive overhaul would make it a safer facility, while allowing the City to strategically enhance and offer additional recreation features not currently featured.

I am proud to share this letter in support of the City of Waterloo's Byrnes and Gates Park Improvement Project for funding consideration from the FY23 Community Project Funding.

This $16 million project has support from the larger community, and as Executive Director of Black Hawk County Gaming Association, I foresee our organization supporting the project with a substantial financial commitment to help make it. I am proud of the City's effort at transforming Byrnes and Gates Parks and ask the Members of Congress to financially support this project too.

Sincerely,

Emily Hanson
Executive Director
Black Hawk County Gaming Association

GROW
CedarValley

Congresswoman Ashley Hinson
U.S. House of Representatives
1429 Longworth House Official Building
Washington, DC 20515

Dear Congresswoman Hinson:

On behalf of Grow Cedar Valley, I am providing this letter of support for the proposed community project to upgrade two Waterloo parks. This is a project that the entire Cedar Valley community would benefit from. Waterloo has the vision to improve both Gates Park and Byrnes Park with several improvements and amenities. The community is supporting the development of a new aquatics center at Byrnes Park and the vision for Gates Park would include basketball courts, an inclusion park, a large splash pad, and a new recreational trail, along with other amenities. This is an estimated $16 million project with an exponential positive impact for Waterloo and the Cedar Valley. One source of financial support could be the FY23 Community Project Funding (CPF) available through Members of Congress.

One of the important goals of Grow Cedar Valley is for every member of our community to contribute towards and benefit from a vibrant economy. The upgrades to these two parks would enhance the quality of life for all residents who are here as well as contribute to the placemaking needed to recruit and retain talent for our future workforce.

Thank you for your consideration of this project and thank you for your service for the 1st District and the state of Iowa.

Sincerely,

Cary Darrah

Cary Darrah, President & CEO

Grow Cedar Valley, Inc.
360 Westfield Ave., Ste. 200/Waterloo, IA 50701 319/232.1156 GrowCedarValley.com

April 8, 2022

Congresswoman Ashley Hinson
U.S. House of Representatives
1429 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Hinson,

I am writing on behalf of the Waterloo Center for the Arts and the Waterloo Cultural & Arts Commission to express support for proposed recreational and cultural projects in Waterloo's Gates and Byrnes Parks. These projects represent critically needed investments in facilities and quality of life which will have immediate and long-lasting direct positive impacts for our citizens and which will support our local economy by making Waterloo an even better place to live, work, do business, play and visit.

As a life-long resident of the Cedar Valley and a passionately-engaged public servant, I can attest to the great need for this project and the important role these two parks and their facilities play for our citizens. Such improvements are long overdue and are essential for our community to remain viable and to grow.

And as an advocate for community arts and culture, I am excited to be working as part of a community initiative to develop a local music history-based interpretive experience, incorporating public art and a musical instrument playground. Project partners include representatives from the University of Northern Iowa, North End Arts & Cultural Festival/ Center, Grout Museums and City of Waterloo. The initiative is planned to dovetail with and expand upon other planned recreational improvements, further enhancing the overall project.

We strongly encourage you to consider supporting this exciting and important project to the fullest extent possible.

Sincerely,

Kent Shankle, Director

waterloo center for the arts
225 Commercial Street Waterloo, Iowa 50701 | Phone 319.291.4490 | Fax 319.291.4270 | www.waterloocenterforthearts.org

VGM Group, Inc.

April 4, 2022

Congresswoman Ashley Hinson
U.S. House of Representatives
1429 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Hinson:

Thank you for your service to Iowa and to our Cedar valley community. Your work is not at all easy; please know that your commitment to serving our state is acknowledged and appreciated.

There is an important project in Waterloo that has the potential to significantly elevate the quality of life and economic vitality of our community. The project is a re-imagining and modernizing of two major parks -- one on the east side (Gates Park) of town, the other on the west side (Byrnes Park.) The Gates Park renovation can be transformational as it is being developed to not only improve quality of life, but also as part of an effort to dramatically increase home ownership and further develop the surrounding area. The park is near the Unity Point Allen Hospital and that area of town has actually had a great deal of commercial development in recent years, almost entirely built around the healthcare entities that both feed and rely upon Allen Hospital. An enhancement of Gates Park, along with our initiative to elevate home ownership, are likely to spur transformation.

With respect to Byrnes Park, the community pool has aged past its useful life and needs to be replaced. By consolidating to one outstanding community pool in Waterloo, the City is being prudent with resources, while also ensuring residents' access to water recreation, swim lessons, water safety and all the benefits that go with families having access to a nice pool in the summer.

Our Company, VGM Group, which I know you know well, is a 100% employee-owned company with approximately 900 employees in the Cedar Valley and another 400 elsewhere. We strongly support the City of Waterloo project to renovate the two parks.

Our community is financing these parks through City funds, strong support from local foundations and the business sector and expected strong support from individual community members. But we could benefit greatly from funding via the FY23 Community Project Funding (CPF) of the Federal government. I respectfully request you give consideration to this project for the CPF funds. Any support you can provide would be deeply appreciated.

Sincerely,

Mike Mallaro
CEO
VGM Group, Inc.

1111 W. San Marnan Drive | P.O. Box 2817 | Waterloo, Iowa 50704
Phone: 888.828.5928 | Fax: 319.235.9774 | www.vgm.com

Brenda Durbahn
3405 Inverness Rd
Waterloo IA 50701

April 5, 2022

Congresswoman Ashley Hinson
US House of Representatives
1429 Longworth House Office Building
Washington DC 20515

Dear Ms. Hinson,

This letter is to express my strong support for the city of Waterloo's development of a new aquatics center at Byrnes Park and new basketball courts, inclusive playground, large splash pad, recreational trail and other amenities at Gates Park. Currently I serve as Chair of Waterloo Leisure Services Commission and in that capacity I see firsthand the need for these amenities. The truth is our Leisure Services staff has worked hard to keep Byrnes and Gates existing pools and amenities functioning far beyond their expected life span. Now we are in need of replacing them. Community input was sought and the plan that has been developed will serve all citizens of Waterloo no matter where they live or what their abilities are, there will be activities for them. These amenities were developed to accommodate citizens of today as well tomorrow.

As a citizen of Waterloo and in my capacity as a member of the Leisure Services Commission, I am excited about and proud to support this important project. Being able to provide a wide variety of activities for the community is part and parcel to Leisure Services and this will only enhance what we have to offer.

Sincerely,

/s/ Brenda Durbahn

Brenda Durbahn
Chair, Leisure Services Commission

COMMUNITY FOUNDATION
OF NORTHEAST IOWA

here for good.

April 11, 2022

The Honorable Ashley Hinson
U.S. House of Representatives
1429 Longworth House Office Building
Washington, DC 20515

Dear Representative Hinson:

The Community Foundation of Northeast Iowa is writing in support of the City of Waterloo's renovations of Gates and Byrnes Parks. Completion of these projects will be a significant improvement to the quality of life for the residents of Waterloo and surrounding communities.

We are particularly pleased with the thoughtful planning of these projects to ensure they are addressing the community's needs, both immediately and for the long term. We applaud the extensive efforts to ensure that a wide range of community voices were heard in the planning process.

There are a number of notable features of the plans that are worth highlighting. For starters, the addition of the inclusive playspace will be a welcome addition to the greater Cedar Valley. We are also excited with the amenities at Gates Park being available for extended hours and throughout the seasons for the neighborhoods surrounding the park in East Waterloo.

In addition to the outstanding park plans themselves, the planning team has been diligent in making sure the project can be feasibly completed and maintained over the decades to come. In fact, the overall end result will be less costly to staff than the current situation.

As a regional foundation, we are committed to securing funding to support this project. We encourage the Community Project Funding to support this effort as well.

If you have any questions, please don't hesitate to contact me at kenglin@cfneia.org or at 319-243-1350.

Sincerely,

Kaye M. Englin
President & CEO

3117 Greenhill Circle Cedar Falls, Iowa 50613 TEL 319-287-9106 FAX 319-287-5015 cfneia.org

Confirmed in Compliance with National Standards for U.S. Community Foundations

CITY OF WATERLOO, IOWA

CITY HALL • 715 Mulberry Street • Waterloo, IA 50703 • (319) 291-4301 Fax (319) 291-4286

April 5, 2022

Congresswoman Ashley Hinson
U.S. House of Representatives
1429 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Hinson:

We proudly support that Waterloo is trying to improve both Gates Park and Byrnes Park with a number of improvements and amenities. The community is supporting the development of a new aquatics center at Byrnes Park and new basketball courts, an inclusion park, a large splash pad, a new recreational trail, and other amenities at Gates Park.

The proposed new aquatics center and park amenities are the result of much collaboration with neighborhood representatives, city officials, landscape architects, and Waterloo citizens.

We fully support the proposed improvements at Gates and Byrnes Park that the City Council has unanimously endorsed.

Sincerely,

Quentin Hart

Mayor

CITY OF WATERLOO

Council Communication

Resolution approving a request by the City of Waterloo to remove private street name "Chapel Court", located adjacent to 600 Park Lane, Friendship Village.

City Council Meeting: 5/2/2022
Prepared: 12/7/2021

ATTACHMENTS:

Description	Type
Council Packet	Backup Material
Resolution	Backup Material

SUBJECT:	Resolution approving a request by the City of Waterloo to remove private street name "Chapel Court", located adjacent to 600 Park Lane, Friendship Village.
Submitted by:	Submitted By: Aric Schroeder, City Planner
Recommended Action:	Approval.
Summary Statement:	The applicant is requesting to remove private street name "Chapel Court" located adjacent to Park Lane.
Neighborhood Impact:	The request would not appear to have a negative impact on the surrounding neighborhood. The request would not appear to have a negative impact upon the pedestrian and traffic conditions. There is a public sidewalk located along the north and south side of Park Lane. There are no trails near the area in question. The surrounding land use is residential and commercial.
Data/Analysis and Strategies:	Removal of Street Name

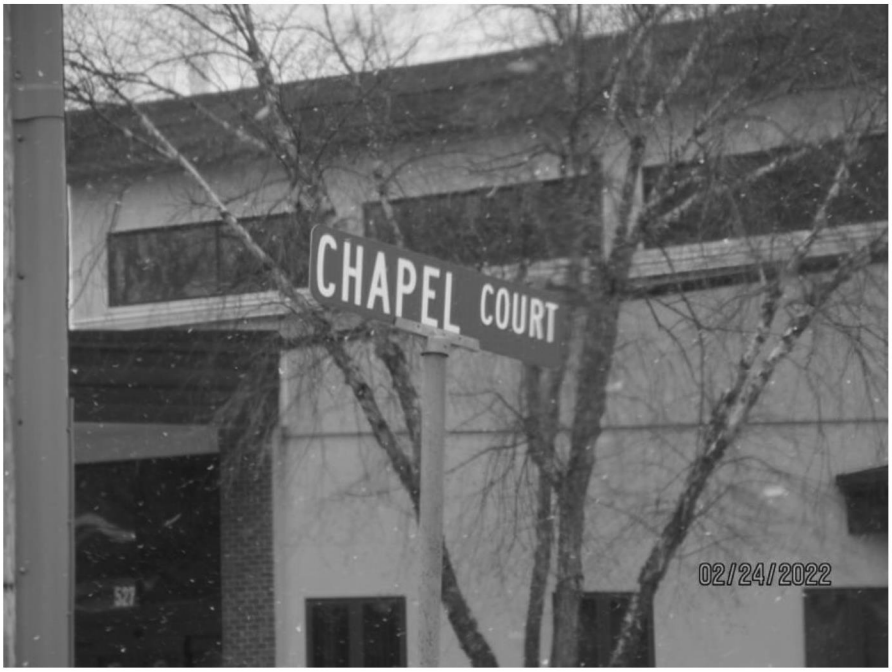
Expenditure Required/Source of Funds: None.

REQUEST:	Request by the City of Waterloo to remove private street name “Chapel Court” located adjacent to 600 Park Lane (Friendship Village).
APPLICANT(S):	City of Waterloo, 715 Mulberry Street, Waterloo, Iowa 50703
GENERAL DESCRIPTION:	The applicant is requesting to remove the name of private street “Chapel Court”, located adjacent to 600 Park Lane.
IMPACT ON NEIGHBORHOOD:	The request would not appear to have a negative impact upon the surrounding neighborhood.
VEHICULAR & PEDESTRIAN TRAFFIC CONDITIONS:	The request would not appear to have a negative impact upon the pedestrian and traffic conditions.
RELATIONSHIP TO RECREATIONAL TRAIL PLAN:	There is a public sidewalk located along the north and south side of Park Lane. There are no trails near the area in question.
SURROUNDING LAND USE:	The surrounding land use is residential and commercial.
ZONING HISTORY FOR SITE AND IMMEDIATE VICINITY:	The property in question is zoned “R-4,R-P” Planned Multiple Residence District and has been zoned as such since being rezoned from “R-2” One and Two Family Residence District and “R-3” Multiple Residence District by Ordinance 5446 on April 2, 2018. Surrounding land uses and their zoning are as follows: **North** –Clark and Associates and Bontrager Park, zoned “R-2, C-Z” Conditional Zoning District, and “R-2” One and Two Family Residence District **South** – Hidden Cove Condominiums, zoned “R-3” Multiple Residence District. **East** – Apartments, zoned “R-4” Multiple Residence District and Mercy One Hospital, zoned “R-3” Multiple Residence District **West** – Single-family residences, zoned “R-2” One and Two Family Residence District.
BUFFERS REQUIRED/ NEEDED:	This request would not require any additional buffers and screening.
DEVELOPMENT HISTORY:	The area has a mix of residential development uses, with some single family development, but the area is predominantly multi-family residences. The area has development that was built from 1970 up to 1998.
FLOODPLAIN:	The area in question is not located within any Special Flood Hazard Area as indicated by the Federal Insurance Administration's Flood Insurance Rate Map, Community

	Number 190025 and Panel Number 0284F, dated July 18, 2011.
PUBLIC /OPEN SPACES/ SCHOOLS:	Lou Henry Elementary School is located 0.90 miles to the northeast, Hoover Middle School is located 0.90 miles to the west and West High School is located 0.90 miles to the north. The nearest park is Bontrager Park, located across Park Lane.
UTILITIES: WATER, SANITARY SEWER, STORM SEWER, ETC.	There is an 8" sanitary sewer line along the right-of-way of Park Lane. 4" drain tiles are located along the north and south right-of-way lines of Park Lane. An 8' water line is located north of Southbrooke.
RELATIONSHIP TO COMPREHENSIVE LAND USE PLAN:	The Future Land Use Map designates this area as Mixed Commercial: Low, Medium, High Density Residential; Professional Offices; Neighborhood Commercial. This request would be in compliance with such designation. The site is located within the Primary Growth Area as designated on the Growth Area Map within the Comprehensive Plan.
STAFF ANALYSIS – ZONING ORDINANCE:	The applicant is requesting to remove the private street name "Chapel Court" in Friendship Village Retirement Community. The Engineering department has reviewed the request and concurs with the removing of the name, as no Chapel Court addresses would need to be changed. With the redevelopment of the Friendship Village campus, Chapel Court is no longer needed as a named street to address buildings from, and will just remain as a private driveway. *There were no concerns expressed at Tech Review.*



Picture 1: Existing Chapel Court



Picture 2: Street Sign

STAFF ANALYSIS – SUBDIVISION ORDINANCE:

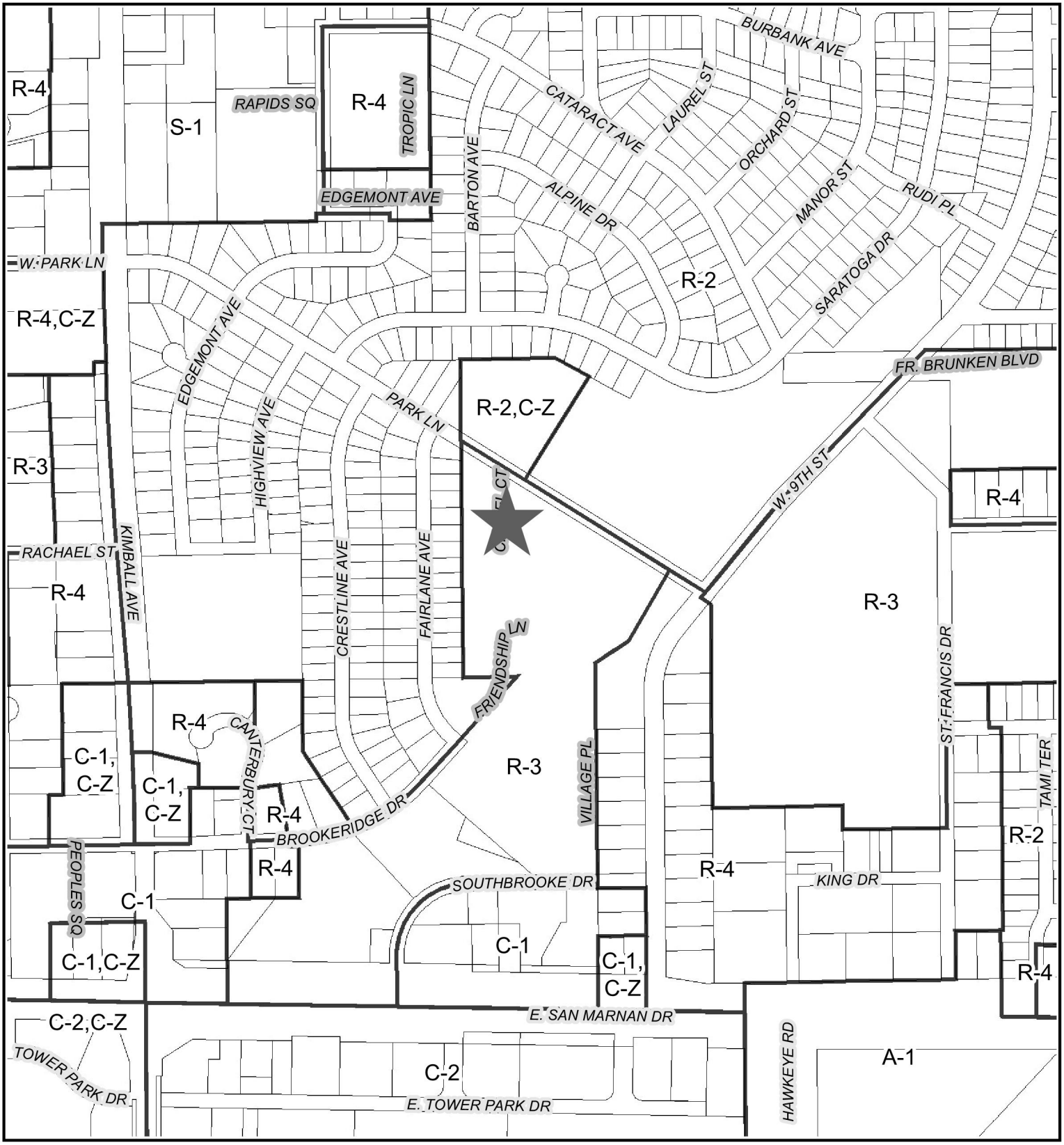
No subdividing of land is required for this request.

STAFF RECOMMENDATION:

Therefore, staff recommends that the removal of the street name be approved for the following reason(s):

1. The Engineering Department has reviewed the request and concurs with the removing of the private street name “Chapel Court”, as no Chapel Court addresses would need to be changed.

City of Waterloo Planning, Programming and Zoning Commission
March 8, 2022



N
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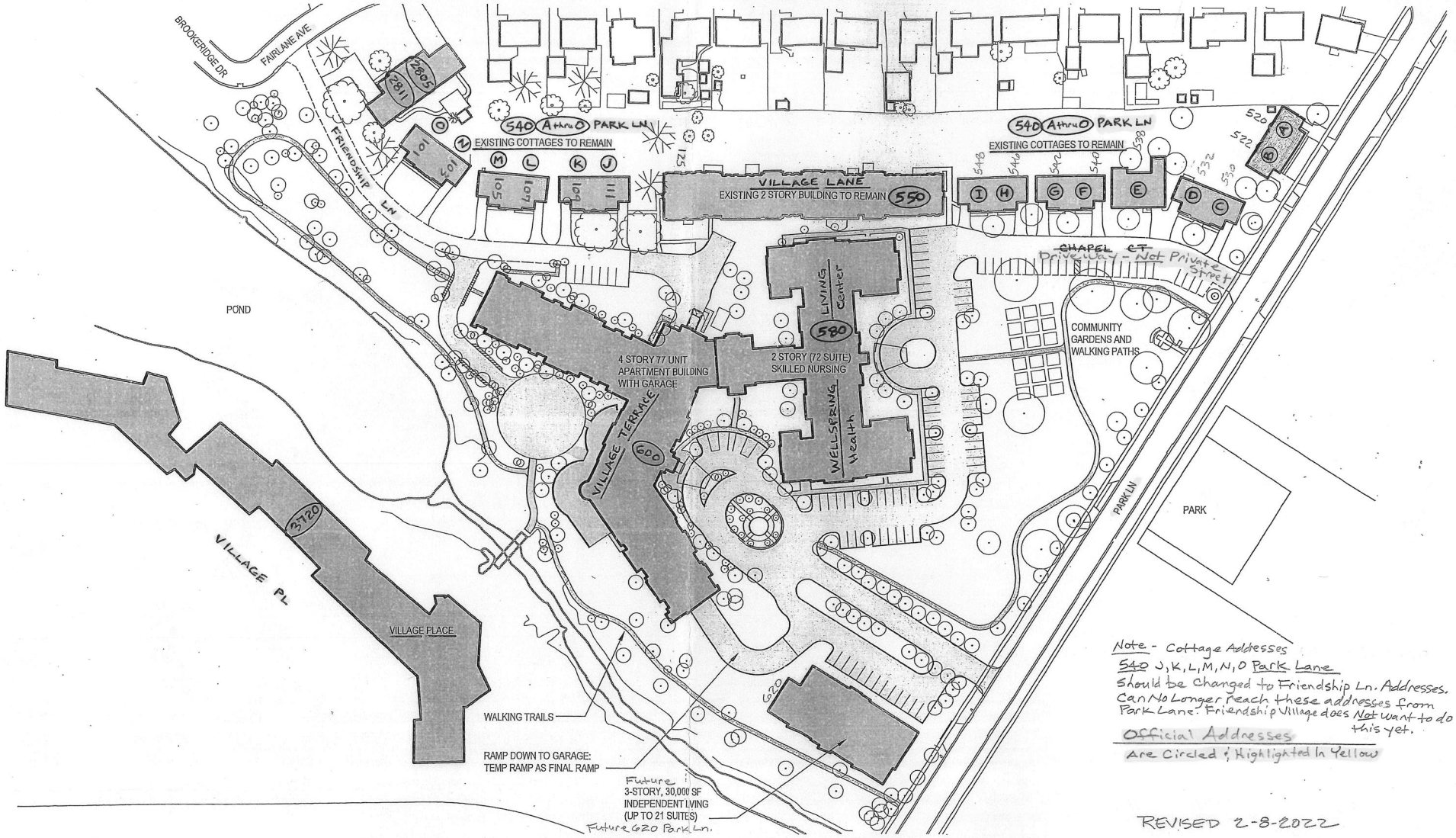
Waterloo Iowa

Remove Private Street Name "Chapel Court" Adjacent to 600 Park Lane.

City of Waterloo Planning, Programming and Zoning Commission
March 8, 2022



Remove Private Street
"Chapel Court"
Adjacent to 600 Park Lane



SITE PLAN - OPTION 1

rdla: #17193S COPYRIGHT © 2019

RDL ARCHITECTS
16102 Chagrin Blvd. Suite 200
Shaker Heights, Ohio 44120
T: 216-752-4300 F: 216-752-4301
www.rdlarchitects.com

FRIENDSHIP VILLAGE
WATERLOO, IOWA

FRIENDSHIP VILLAGE OF WATERLOOO
600 PARK LAKE
WATERLOO, IOWA 50702
T: 319-291-8100

CITY OF WATERLOO, IOWA

ENGINEERING DEPARTMENT

715 Mulberry St. • Waterloo, IA 50703 • Phone (319) 291-4312 • Fax (319) 291-4262
Email: city.engineer@waterloo-ia.org
JAMIE KNUTSON, PE • *City Engineer*

Mayor
QUENTIN HART

COUNCIL MEMBERS

JOHN CHILES
Ward 1

JONATHAN GRIEDER
Ward 2

NIA WILDER
Ward 3

JEROME AMOS, JR.
Ward 4

RAY FEUSS
Ward 5

ROB NICHOLS
At-Large

DAVE BOESEN
At-Large

February 10, 2022

Aric Schroeder
City Planner
City of Waterloo
715 Mulberry Street
Waterloo, IA 50703

RE: REMOVING THE PRIVATE STREET KNOWN AS CHAPEL COURT FROM THE CITY OF WATERLOO STREET MAP AND INDEX

Dear Aric:

The Engineering Department has been working with Friendship Village on addressing some buildings as part of their new construction and site plan improvements. An email from Friendship Village indicated that the private street, Chapel Court, is no longer needed as a private street and will now become a private driveway only.

Chapel Court was originally named as a private street as part of Ordinance No. 2867, passed on February 14, 1977. There are no Chapel Court addresses that would need to be changed.

The Engineering Department recommends removing the private street, Chapel Court, from the City of Waterloo Street Map and Index.

Sincerely,

Jamie Knutson, PE
City Engineer

Cc: Steve Walker, Draftsman
Ben Wagner, GIS Coordinator

RESOLUTION NO. 2022-_____

RESOLUTION APPROVING THE REQUEST BY THE CITY OF WATERLOO ENGINEERING DEPARTMENT TO REMOVE THE PRIVATE STREET KNOWN AS CHAPEL COURT FROM THE CITY OF WATERLOO STREET MAP AND INDEX

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATERLOO, IOWA, that the private street known as Chapel Court be removed from the City of Waterloo Street Map and Index, as it is no longer needed as a private street for Friendship Village, is hereby approved.

PASSED AND ADOPTED this _____ day of _____, 2022.

_____
Quentin Hart, Mayor

ATTEST:

_____
Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Resolution approving preliminary plans, specifications, form of contract, etc., setting date of bid opening as May 19, 2022 and date of public hearing as June 6, 2022, in conjunction with the FY 2023 Levee Rip Rap Spraying, Contract No. 1065, and instruct the City Clerk to publish notice.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

SUBJECT:	Resolution approving preliminary plans, specifications, form of contract, etc., setting date of bid opening as May 19, 2022 and date of public hearing as June 6, 2022, in conjunction with the FY 2023 Levee Rip Rap Spraying, Contract No. 1065, and instruct the City Clerk to publish notice.
Submitted by:	Submitted By: Wayne Castle, PLS, PE, Associate Engineer
Summary Statement:	Plans prepared by the City Engineer's Office.

Expenditure Required/Source of Funds: TBD

CITY OF WATERLOO

Council Communication

Resolution setting date of public hearing as May 16, 2022 for an amendment to the FYE 2022 Budget, and instruct the City Clerk to publish notice.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

Description	Type
Budget Amendment Req FYE22	Backup Material

SUBJECT:	Resolution setting date of public hearing as May 16, 2022 for an amendment to the FYE 2022 Budget, and instruct the City Clerk to publish notice.
Submitted by:	Submitted By: Michelle Weidner, Chief Financial Officer
Recommended Action:	Approve a resolution to set the date of hearing for an amendment to the FYE2022 Budget as May 16, 2022, and instruct the City Clerk to publish notice.
Summary Statement:	The City is required under state law to amend the budget prior to exceeding expenditures in any one of the nine program areas; public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects and the proprietary funds (sewer and sanitation). The City routinely needs to amend the budget to reflect things such as the expenditure of additional grant funds received during the year and to adjust construction costs to the amount of work expected to be completed by year-end. Additional information will be provided prior to the hearing.
Neighborhood Impact:	We are required to publish the estimated budget amendment no more than twenty and no fewer than ten days (excluding holidays) prior to the hearing, which means the budget estimate must be provided to the Waterloo Courier and published by early May in order to hold the hearing at a regularly scheduled meeting.
Data/Analysis and Strategies:	Compliance with state law regarding budgeted expenditures.
Implementation, Accountability, and Communication:	Various.

Mayor
QUENTIN HART

COUNCIL MEMBERS

JOHN CHILES
Ward 1

JONATHAN GRIEDER
Ward 2

NIA WILDER
Ward 3

JEROME AMOS, JR.
Ward 4

RAY FEUSS
Ward 5

ROB NICHOLS
At-Large

DAVE BOESEN
At-Large

Council Communication
City Council Meeting: May 2, 2022
Prepared: April 19, 2022
Dept. Head Signature: Michelle Weidner, Chief Financial Officer

Number of Attachments: None

SUBJECT: FYE2022 Budget Amendment Hearing

Submitted by: Michelle Weidner, Chief Financial Officer

Recommended City Council Action: Approve a resolution to set the date of hearing on amendments to the FYE2022 Budget as May 16, 2022.

Summary Statement: The City is required under state law to amend the budget prior to exceeding expenditures in any one of the nine program areas; public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects and the proprietary funds (sewer and sanitation).

The City routinely needs to amend the budget to reflect things such as the expenditure of additional grant funds received during the year and to adjust construction costs to the amount of work expected to be completed by year-end.

Additional information will be provided prior to the hearing date.

Expenditure Required: N/A

Source of Funds: Various

Policy Issue: Compliance with state law regarding budgeted expenditures.

Alternative: None

Background Information: We are required to publish the estimated budget amendment no more than twenty and no fewer than ten days (excluding holidays) prior to the hearing, which means the budget estimate must be provided to the Waterloo Courier and published by early May in order to hold the hearing at a regularly scheduled meeting.

CITY OF WATERLOO

Council Communication

Resolution setting date of public hearing as May 16, 2022, to approve the request by Mark Moser to rezone 3.68 acres from "A-1" Agricultural District to "R-1, C-Z" Conditional Zoning District, located at 4528 Kimball Avenue, and instruct the City Clerk to publish notice.

City Council Meeting: 5/2/2022
Prepared: 11/24/2021

ATTACHMENTS:

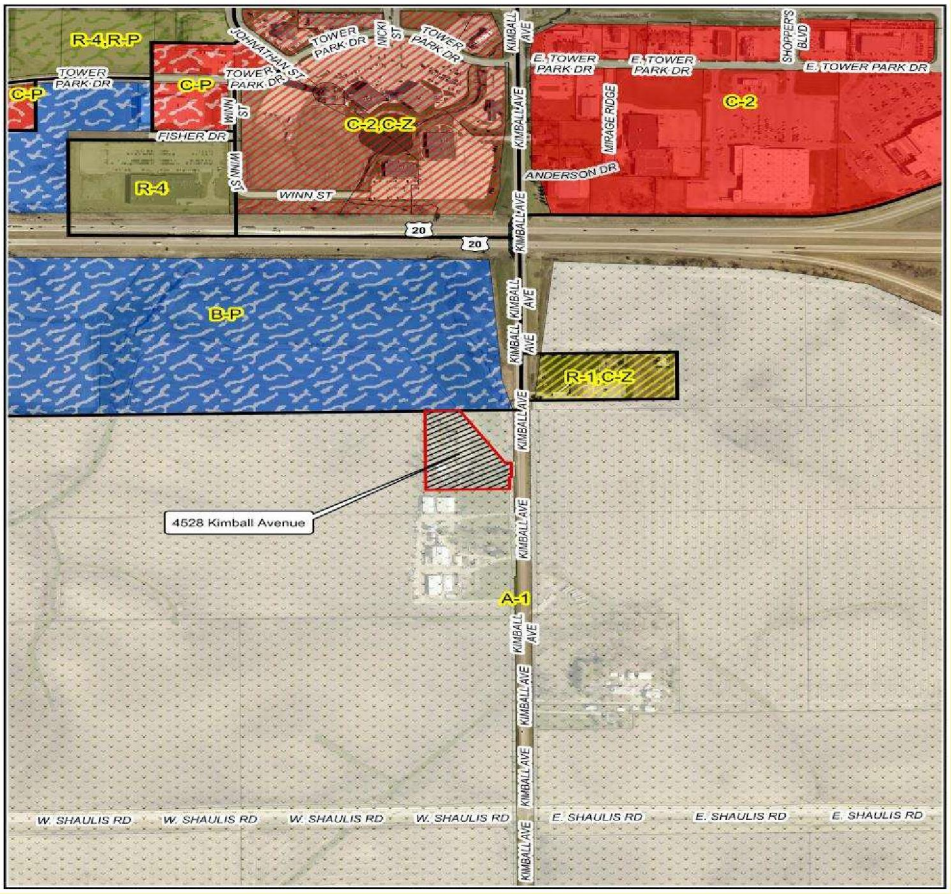
Description	Type
Legal Description	Backup Material
Council Packet	Backup Material

SUBJECT:	Resolution setting date of public hearing as May 16, 2022, to approve the request by Mark Moser to rezone 3.68 acres from "A-1" Agricultural District to "R-1, C-Z" Conditional Zoning District, located at 4528 Kimball Avenue, and instruct the City Clerk to publish notice.
Submitted by:	Submitted By: Noel Anderson, Community Planning and Development Director
Recommended Action:	Approval
Summary Statement:	Transmitted herewith is a resolution setting date of public hearing as May 16, 2022, to approve the request by Mark Moser to rezone 3.68 acres from "A-1" Agricultural District to "R-1,C-Z" Conditional Zoning District located at 4528 Kimball Avenue, and instruct the City Clerk to publish notice. The Planning and Zoning Commission voted unanimously to recommend approval of the request at their April 12, 2022 Meeting. The request would not appear to have a negative impact on the surrounding area, as the contractor business is currently operational at this site The request would not appear to have a negative impact on vehicular or pedestrian traffic movements in the area. The site in question is served by Kimball Avenue which is considered a Minor Arterial Street. There are no sidewalks along Kimball Avenue. The Shaulis Road Trail is 0.4 miles to the south of the area to be rezoned. The proposed rezone area is currently zoned "A-1" Agricultural District and has been zoned as such since the adoption of the Zoning Ordinance No. 2479 in 1969. The site is predominately surrounded by agricultural uses with the exception of Trinity Episcopal Parish and Preschool zoned "R-1,C-Z" Conditional Zoning District located to the northeast and vacant land to the north zoned "B-P" Business Park. The applicant is requesting to rezone 3.68 acres of land to the "R-1,C-Z"

Neighborhood Impact:	Conditional District to allow for the construction of a 56' x 72' building, a 12' x 30' building, two 20' x 77' lean to's, and a 40' x 32' extension to an existing building to store vehicles and equipment in for their construction company, Mark Moser Construction, and to allow outside storage of equipment and vehicles. The "C-Z" Conditional Zoning classification works to allow uses in unique locations or transitional sites between different land use. Staff is in support of the request as additional buildings will provide storage for equipment and vehicles necessary to the applicant's construction company, and help eliminate much of the outside storage area. The proposed buildings will be screened from Kimball Avenue and located behind the house in the rear yard. At their April 12 meeting, the Planning, Programming and Zoning Commission voted unanimously to recommend approval of the rezone request. Therefore, staff recommends that the request by Mark Moser to rezone 3.68 acres from “A-1” Agricultural District to “R-1,C-Z” Conditional Zoning District located at 4528 Kimball Avenue be approved for the following reasons: 1. The request would not appear to have a negative impact on traffic conditions in the area. 2. The request would not have a negative impact on the surrounding area, as the contractor business is currently operational at this site.
Data/Analysis and Strategies:	Zoning, Land Use and Economic Development.
Expenditure Required/Source of Funds:	None
Legal Descriptions:	Beginning at a point on the East line of said Southeast Quarter that is 334.4 feet South of the Northeast corner of said Southeast Quarter, as measured along said East line; thence South 0 Degrees 10 minutes West along said East line 175 feet; thence South 89 degrees 15 minutes 30 seconds West 452 feet; thence North 0 degrees 10 minutes West 509.4 feet to the North line of said Southeast Quarter; thence North 89 degrees 15 minutes 30 seconds East along said North line 163 feet; thence South 32 degrees 35 minutes East 393.11 feet; thence North 89 degrees 24 minutes 30 seconds East 79 feet to the point of beginning, except that part condemned for road purposes by Black Hawk County, Iowa, by Condemnation Proceedings #204 filed in the Auditor's Office of said County and also except that part conveyed to the City of Waterloo, Iowa, in 550 LD 322.

Beginning at a point on the East line of said Southeast Quarter that is 334.4 feet South of the Northeast corner of said Southeast Quarter, as measured along said East line; thence South 0 Degrees 10 minutes West along said East line 175 feet; thence South 89 degrees 15 minutes 30 seconds West 452 feet; thence North 0 degrees 10 minutes West 509.4 feet to the North line of said Southeast Quarter; thence North 89 degrees 15 minutes 30 seconds East along said North line 163 feet; thence South 32 degrees 35 minutes East 393.11 feet; thence North 89 degrees 24 minutes 30 seconds East 79 feet to the point of beginning, except that part condemned for road purposes by Black Hawk County, Iowa, by Condemnation Proceedings #204 filed in the Auditor's Office of said County and also except that part conveyed to the City of Waterloo, Iowa, in 550 LD 322.

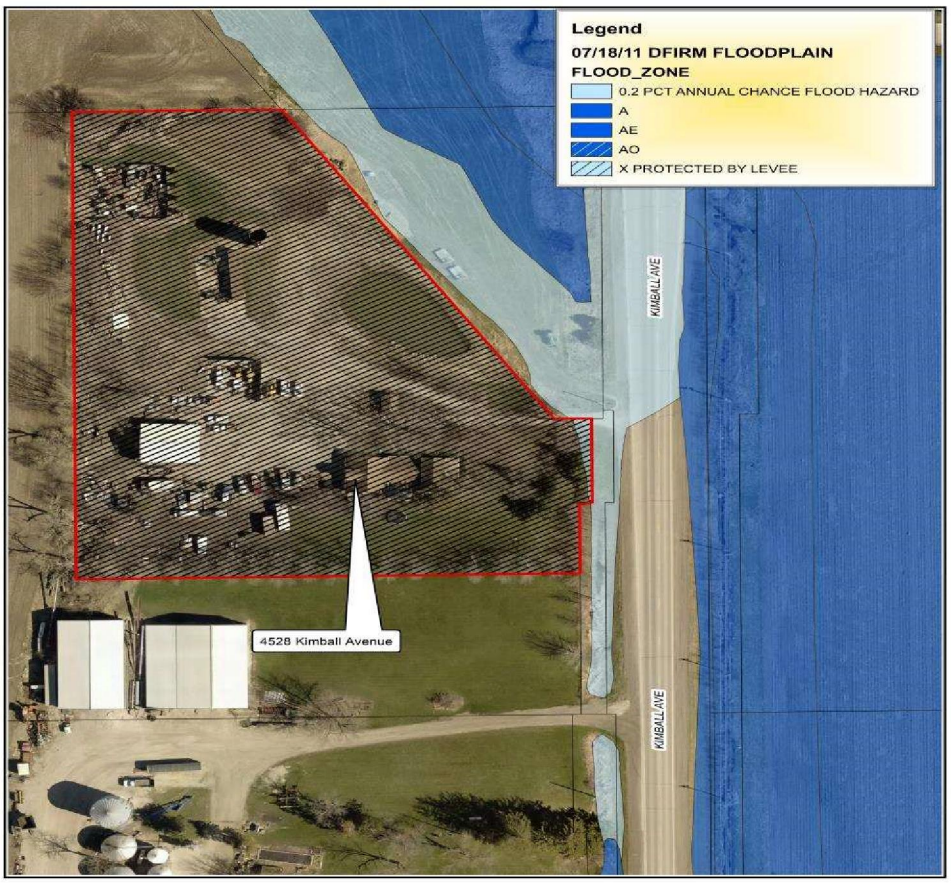
REQUEST:	Request by Mark Moser to rezone approximately 3.68 acres from “A-1” Agriculture District to “R-1,C-Z” Conditional Zoning District, to allow for the development of additional storage buildings associated with a contractor business located at 4528 Kimball Avenue.
APPLICANT:	Mark Moser, 4528 Kimball Avenue, Waterloo, Iowa, 50701
GENERAL DESCRIPTION:	The applicant is requesting to rezone the site in question to allow for the construction of a 56’ x 72’ building, a 12’ x 30’ building, two 20’ x 77’ lean to’s, and a 40’ x 32’ extension to an existing building to store vehicles and equipment in for their construction company, Mark Moser Construction, and to allow outside storage of equipment and vehicles.
IMPACT ON NEIGHBORHOOD & SURROUNDING LAND USE:	The site is predominately surrounded by agriculture uses with the exception of Trinity Episcopal Parish and Preschool zoned “R-1,C-Z” Conditional Zoning District located to the northeast and vacant land to the north zoned “B-P” Business Park. Rezoning of the property to “R-1,C-Z” would not appear to have a negative impact on the area as the construction business has been operating on the property since 2005 as a home based business.
VEHICULAR & PEDESTRIAN TRAFFIC CONDITIONS:	The site in question is served by Kimball Avenue which is considered a Minor Arterial Street. There are no sidewalks along Kimball Avenue.
RELATIONSHIP TO RECREATIONAL TRAIL PLAN:	The Shaulis Road Trail is 0.4 miles to the south of the area to be rezoned.
ZONING HISTORY FOR SITE AND IMMEDIATE VICINITY:	The proposed rezone area is currently zoned “A-1” Agricultural District and has been zoned as such since the adoption of the Zoning Ordinance No. 2479 in 1969.
DEVELOPMENT HISTORY:	The surrounding area is mostly comprised of “A-1” Agricultural Use with the exception of Trinity Episcopal Parish and Preschool zoned “R-1,C-Z” and the vacant land to the north of the site zoned “B-P” Business Park. It would appear that rezoning of the property to “R-1, C-Z” would not appear to have a negative impact on the area. The church in the area was built in 1981 and an addition was added in 2005.



BUFFERS/ SCREENING: At this time, there would not appear to be any need for screening.

DRAINAGE: Rezoning of the property for the addition of storage buildings would not appear to have a negative impact upon drainage in the area.

FLOODPLAIN: The area to be rezoned is in the Zone X, which is not a special flood hazard area as established by the Federal Emergency Management Association (FEMA) Flood Insurance Rate Map dated July 11, 2011.



PUBLIC /OPEN SPACES/ SCHOOLS:

Orange Elementary School is located approximately 1.2 miles to the south of the site in question. Hoover Middle School is located approximately 1 mile to the northwest. West High School is located 1.5 miles to the northeast.

UTILITIES: WATER, SANITARY SEWER, STORM SEWER

There is no sanitary sewer or storm sewer serving this property. Power lines are located along the east and west sides of Kimball Avenue.

RELATIONSHIP TO COMPREHENSIVE LAND USE PLAN:

The Future Land Use Map designates this area as Business Park: Professional Offices; Commercial; and Compatible Light Industrial. This rezone request is in conformance with the Future Land Use Map and Comprehensive Plan for this area. The site is located within the Secondary Growth Area.

STAFF ANALYSIS – ZONING ORDINANCE:

The “C-Z” Conditional Zoning classification works to allow uses in unique locations or transitional sites between different land uses. Staff is in support of the request as additional buildings will provide storage for vehicles and equipment necessary to the applicant’s construction company, and help eliminate much of the outside storage area. The proposed buildings will be screened from Kimball Avenue and located behind the house in the rear yard.

At Tech Review Knutson mentioned that a storm water detention plan would be required since the proposed additional buildings total over 5000 square feet. Knutson questioned whether hard

surfacing would be required at this site because of the new commercial zoning. Schroeder mentioned hard surfacing would need to be discussed further. Ahlhelm noted the applicant will need stamped drawings to recieve a permit for the buildings.



Picture 1: Looking west along driveway with main house on the left.



Picture 2: Existing building on site.



Picture 3: Existing Shed and Building beside and behind the house.



Picture 4: Looking northwest.

STAFF ANALYSIS – SUBDIVISION ORDINANCE:

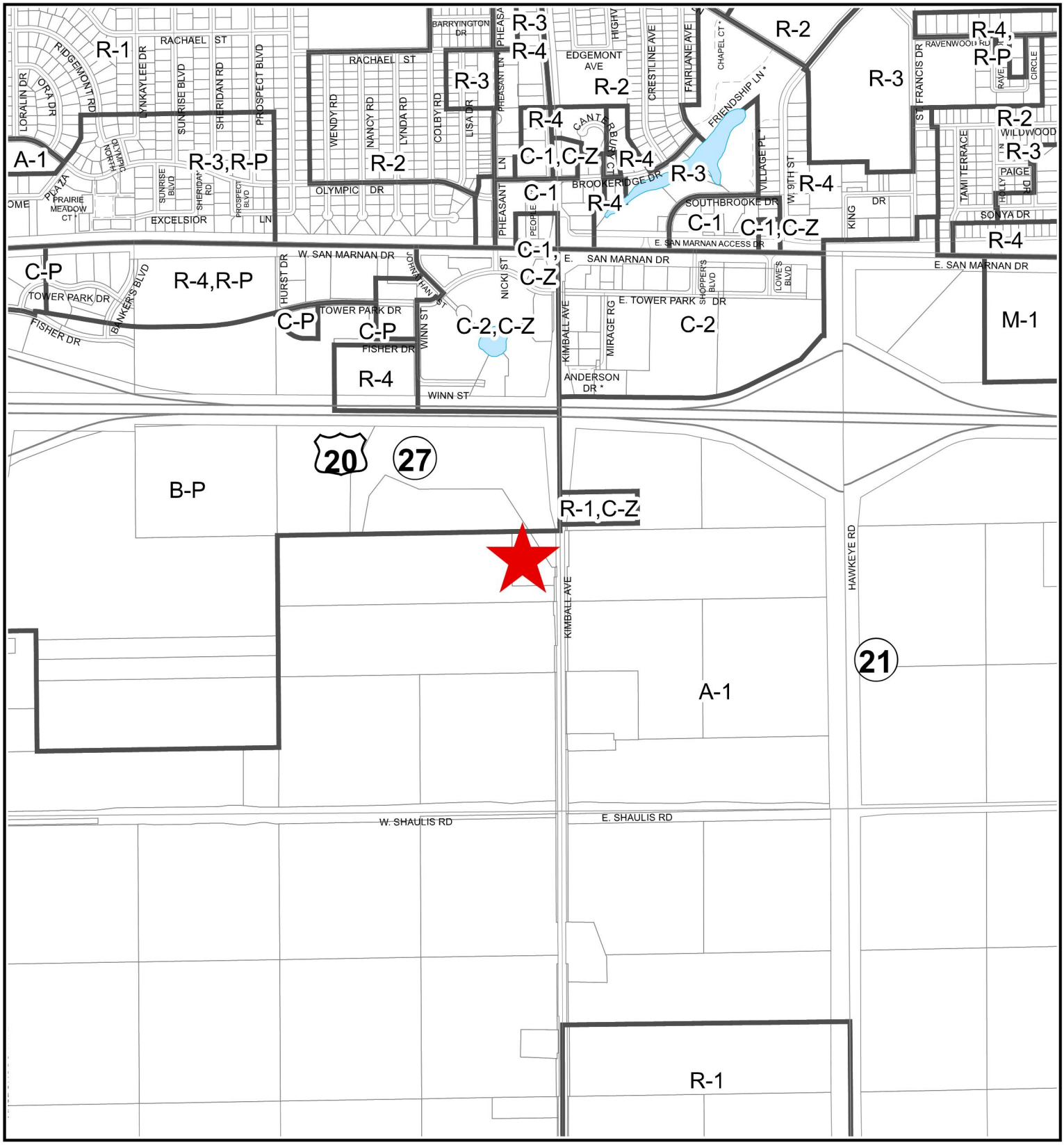
There is no platting required for this request.

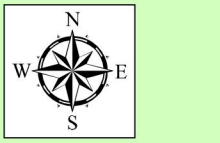
STAFF RECOMMENDATION:

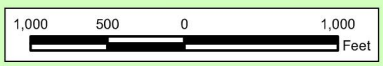
Therefore, staff recommends the request by Mark Moser to rezone approximately 3.68 acres from "A-1" Agricultural District to "R-1,C-Z" Conditional Zoning District, to allow for the development of additional storage buildings associated with a contractor business located at 4528 Kimball Avenue be approved for the following reasons:

1. The request would not have a negative impact on traffic conditions in the area.
2. The request would not have a negative impact on the surrounding area, as the contractor business is currently operational at this site.

City of Waterloo Planning, Programming and Zoning Commission
April 12,2022









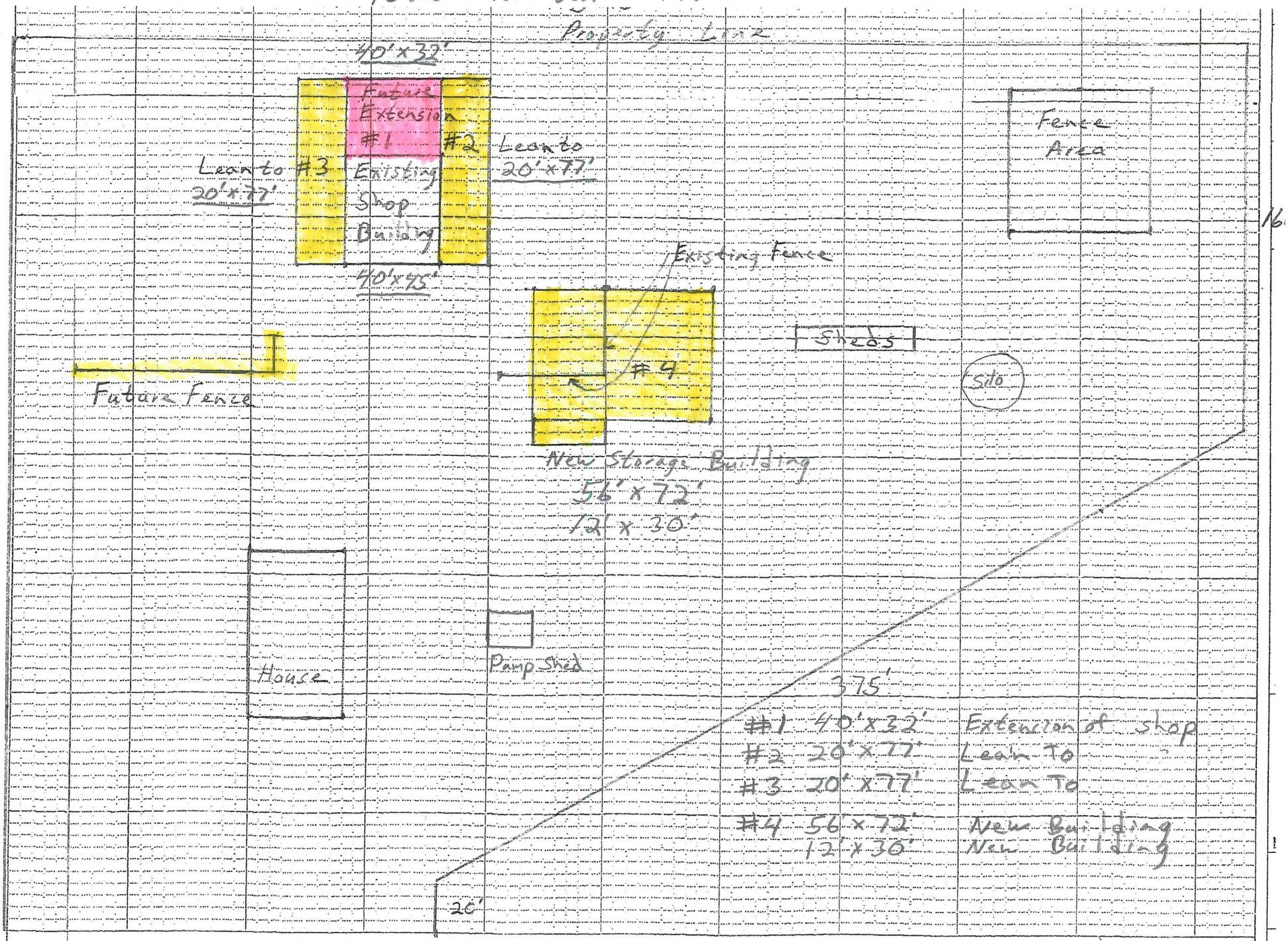
4528 Kimball Avenue
Rezone from "A-1" to "R-1,C-Z"
Mark Moser

City of Waterloo Planning, Programming and Zoning Commission
April 12, 2022



4528 Kimball Avenue
Rezone from "A-1" to "R-1,C-Z"
Mark Moser

4528 kimball Ave



PLAT FOR PERMIT APPLICATION

PERMIT APPLICATION FOR : CITY ____ COUNTY ____

APPLICATION FOR REZONING
CITY OF WATERLOO PLANNING, PROGRAMMING,
AND ZONING COMMISSION
WATERLOO, IOWA
319.291.4366

1. APPLICATION INFORMATION:

a. Applicant's name (please print): Mark Moser
Address: 4528 Kimball Ave Phone: 319-239-5200 Fax: _____
City: Waterloo State: IA Zip: 50701
Email: mpmmoser@gmail.com
b. Status of applicant: (a) Owner X (b) Other _____ (CHECK ONE): If other explain: _____
c. Property owner's name if different than above (please print): _____
Address: _____ Phone: _____ Fax: _____
City: _____ State: _____ Zip: _____
Email: _____

2. PROPERTY INFORMATION:

a. General location of property to be rezoned: 4528 Kimball Ave
b. Legal description of property to be rezoned: Unplatted Waterloo West Tract of land in N½ASE Sec 9 T88R13
c. Dimensions of Proposed Zoning Boundary (Excluding Right of Way): _____
d. Area of Proposed Zoning Boundary (Excluding Right of Way): _____
e. Current zoning: "A-1" Agricultural Requested zoning: "A-1, C-2" Conditional Zoning
f. Reason(s) for rezoning and proposed use(s) of property: To add additional storage buildings to keep vehicles and equipment inside.
g. Conditions (if any) agreed to: _____
h. Other pertinent information (use reverse side if necessary): _____

Please Note: If applicant is not the owner of the property, the signature of the owner must be secured. If it is the intent to subdivide (split) any land, vacant or improved in conjunction with this request it **must** go through a platting process (separate from rezone request).

The filing fee of **$300 + $10 per acre ($750 max)** (payable to the City of Waterloo) is required (round amount down to nearest $10 increment). **This fee is non-refundable**. Under no condition shall said sum or any part thereof be refunded for failure of said amendment to be enacted into law. Any major change in any of the information given will require that the request go back through the process, with a new filing fee. If the request is denied no new petition covering the same or portion of the same property shall be filed with or considered by the Planning, Programming, and Zoning Commission until four (4) months have elapsed from the date of denial by the Waterloo City Council. The undersigned certify under oath and under the penalties of perjury that all information on this request and submitted along with it is true and correct. All information submitted will be used by the Waterloo Planning, Programming, and Zoning Commission and the Waterloo City Council in making their decision. The undersigned authorize City Zoning Officials to enter the property in question in regards to the request.

Mark Moser 2-14-22
Signature of Applicant Date

Mark Moser 2-14-22
Signature of Owner Date

CITY OF WATERLOO

Council Communication

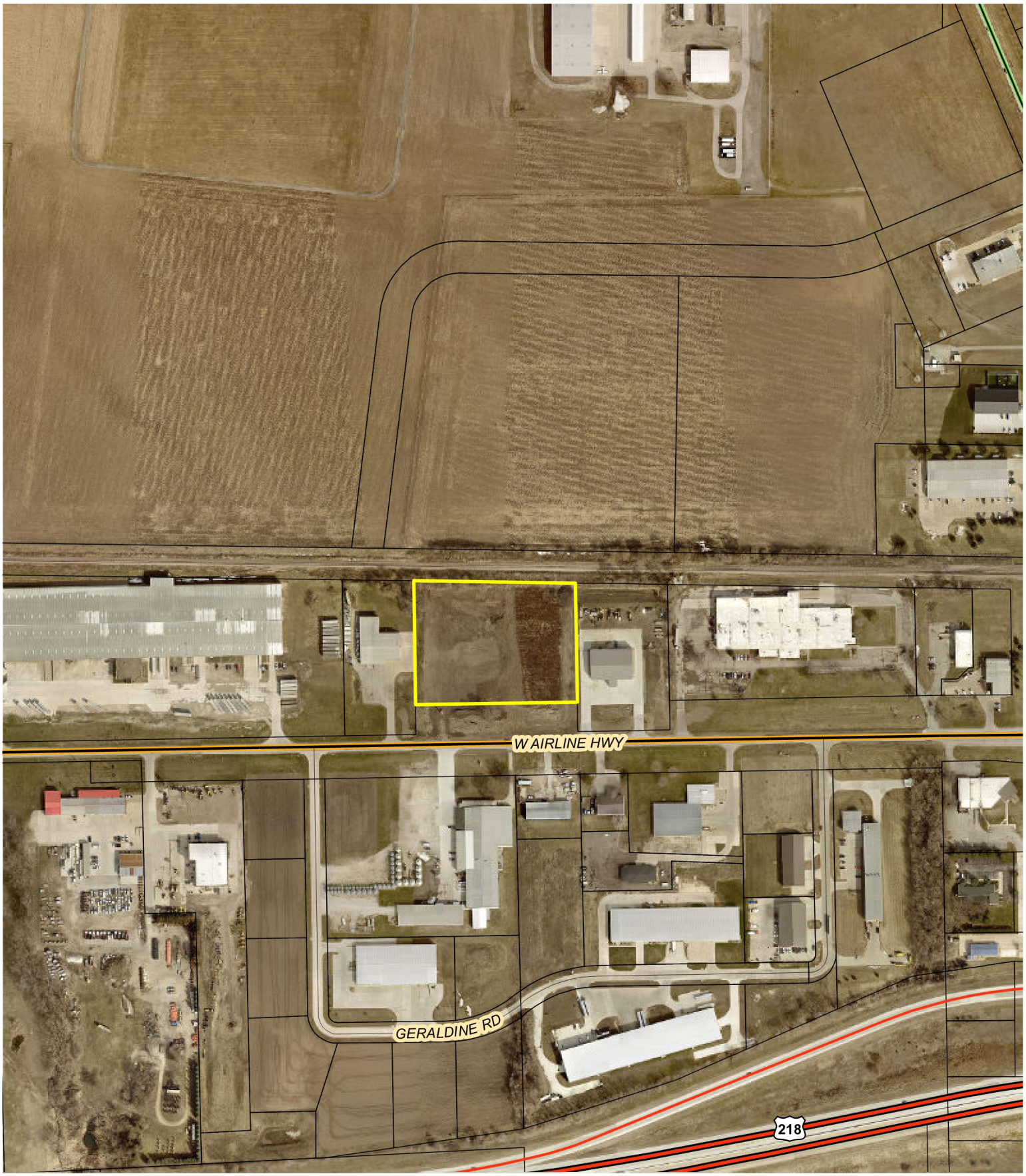
Resolution setting date of public hearing as May 16, 2022 for the sale and conveyance of City property located west of 3180 West Airline Highway, in the amount of $1.00, to RNK Investments, LLC, with five years of tax rebates of 50%, and approval of a Development and Minimum Assessment Agreement, in the amount of $822,000.00.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

	Description	Type
	Aerial Map	Backup Material
	Development Agreement - RNK Investments.pdf	Backup Material

SUBJECT:	Resolution setting date of public hearing as May 16, 2022 for the sale and conveyance of City property located west of 3180 West Airline Highway, in the amount of $1.00, to RNK Investments, LLC, with five years of tax rebates of 50%, and approval of a Development and Minimum Assessment Agreement, in the amount of $822,000.00.
Submitted by:	Submitted By: Noel Anderson, Community Planning and Development Director
Recommended Action:	Approval
Summary Statement:	The City is finishing up the platting process on land that was acquired from 3070 West Airline Highway. This is a two phase development agreement and the first building built will be 16,800 square feet and second building will be 10,000 square feet. The company shall obtain a building permit within four months of the date of the agreement, and phase two shall begin within 36 months of this agreement.
Neighborhood Impact:	The area has seen many similar developments in the past 10 years and the City is always working towards acquiring lots in this area for redevelopment purposes. This continues to be one of the most sought after areas for small contractor businesses in Waterloo.
Data/Analysis and Strategies:	Sale of Property
Expenditure Required/Source of Funds:	TIF rebates of five years at 50%
Legal Descriptions:	Phase One: Lots 4 and 5 of West Port, City of Waterloo, Black Hawk County, Iowa. Phase Two: Lot 3 of West Port, City of Waterloo, Black Hawk County, Iowa.



City of Waterloo, Iowa

N
W E
S

Prepared by Christopher S. Wendland, P.O. Box 596, Waterloo, IA 50704 Phone (319) 234-5701

DEVELOPMENT AGREEMENT – Phased Development

This Development Agreement (the "Agreement") is entered into as of _____, by and between RNK Investments, LLC (the "Company") and the City of Waterloo, Iowa (the "City").

RECITALS

A. In furtherance of the objectives of Chapter 403 of the Code of Iowa, 2015, as amended (the "Urban Renewal Act"), City is engaged in carrying out urban renewal project activities in an area known as the East Waterloo Unified Urban Renewal and Redevelopment Plan Area, formerly known as the Airport Area Development Plan area ("Urban Renewal Area").

B. Company is willing and able to finance and construct buildings and related improvements on property located in the Urban Renewal Area, and legally described on Exhibit "A" attached hereto (the "Phase 1 Property" and the "Phase 2 Property") (collectively the "Project Property").

C. City considers economic development within the City a benefit to the community and is willing for the overall good and welfare of the community to provide financial incentives so as to encourage that goal, and the City further believes that the project is in the vital and best interests of the City and that the project and such incentives are in accordance with the public purposes and provisions of applicable State and local laws and requirements under which the project has been undertaken and is being assisted.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. **Sale of Property; Title.** Subject to the terms hereof, City shall convey the Project Property to Company for the sum of $1.00 (the "Purchase Price"). Conveyance shall be by quit claim deed, free and clear of all encumbrances arising by or through City except: (a) easements, servitudes, conditions and restrictions of record; (b) general utility and right-of-way easements serving the Project Property; and (c) restrictions imposed by the City zoning ordinances and other applicable law. City shall have no duty to convey title to Company until Company delivers to City reasonable and satisfactory proof of financial ability to undertake and carry on the Phase 1 Improvements (defined below), which may take the form of a lending commitment letter. Company shall, at its own expense, prepare an updated abstract of title, or in lieu thereof Company may, at its own expense, obtain whatever form of title evidence it desires. City shall provide any title documents it has in its possession, including any abstracts, to assist in title review. If title is unmarketable or subject to matters not acceptable to Company, and if City does not remedy or remove such objectionable matters in timely fashion following written notice of such objections from Company, Company may terminate this Agreement without further obligation and return the abstract of title to City.

2. **Phased Development.** The parties contemplate that Company will develop the Phase 1 Property and the Phase 2 Property in phases, each of which is generally described as follows, although more detailed plans for each phase will be developed at one or more future dates:

A. Phase 1. One commercial building of approximately 16,800 square feet (the "Phase 1 Improvements").

B. Phase 2. One commercial building or addition of 10,000 square feet (the "Phase 2 Improvements").

Improvements completed within the schedule established by Section 5 below will be eligible for the benefits provided for in this Agreement, and any phase of the Improvements not completed within the prescribed period will not be eligible for said benefits.

3. **Improvements by Company.** Company shall construct on the Project Property the improvements described in Section 2 above, and related landscaping, paving, signage and parking improvements (collectively, the "Improvements"). Company agrees that the Improvements shall be constructed in accordance with the terms of this Agreement, the Urban Renewal Plan, and all applicable City, state, and federal building codes and shall comply with all applicable City ordinances and other applicable law. For each phase, City may require that Company submit specific building designs and site plans for City review and approval. Company will use its best efforts to obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Improvements may be lawfully constructed. The Project Property, the Improvements,

and all site preparation and development-related work to make any of the Project Property usable for Company's purposes as contemplated by this Agreement are collectively referred to as the "Project".

4. **Construction Plans.** Company agrees that it will cause each phase of the Improvements to be constructed on the Project Property in conformance with construction plans (the "Plans") that have been submitted to the City. Company agrees that the scope and scale of the Improvements to be constructed shall not be significantly less than the scope and scale of the Improvements as detailed and outlined in the Plans.

If any material modification in the scope, scale or nature of the Plans is proposed, Company shall submit modified Plans (the "Modified Plans") to the City for review. Modified Plans shall be subject to approval by the City as provided in this Section. City shall approve the modified Plans in writing if: (a) the Modified Plans conform to the terms and conditions of this Agreement; (b) the Modified Plans conform to the terms and conditions of the urban renewal plan; (c) the Modified Plans conform to all applicable federal, state and local laws, ordinances, rules and regulations and City permit and design review requirements; (d) the Modified Plans are adequate for purposes of this Agreement to provide for the construction of the Improvements, and (e) no Event of Default under the terms of this Agreement has occurred; provided, however, that any such approval of the Plans or Modified Plans pursuant to this Section shall constitute approval for the purposes of this Agreement only and shall not be deemed to constitute approval or waiver by the City with respect to any building, fire, zoning or other ordinances or regulations of the City, and shall not be deemed to be sufficient plans to serve as the basis for the issuance of a building permit if the Plans or Modified Plans are not as detailed or complete as the plans otherwise required for the issuance of a building permit.

The Modified Plans must be rejected in writing by City within thirty (30) days of submission or shall be deemed to have been approved by the City. If City rejects the Modified Plans in whole or in part, Company shall submit new or corrected Modified Plans within thirty (30) days after receipt by Company of written notification of the rejection, accomplished by a written statement of the City specifying the respects in which Company's Modified Plans fail to conform to the requirements of this Section. The provisions of this Section relating to approval, rejection and resubmission of corrected Modified Plans shall continue to apply until the Modified Plans have been approved by the City; provided, however, that in any event Company shall submit Modified Plans which are approved by City prior to commencement of construction of the additional or modified Improvements.

Approval of the Plans or Modified Plans by the City shall not relieve Company of any obligation to comply with the terms and provisions of this Agreement, or the provision of applicable federal, state and local laws, ordinances and regulations, nor shall approval of the Plans or Modified Plans by City be deemed to constitute a waiver of any Event of Default. Approval of Plans or Modified Plans hereunder is solely for

purposes of this Agreement and shall not constitute approval for any other City purpose nor subject the City to any liability for the Improvements as constructed.

5. **Timeliness of Conveyance and Construction; Possibility of Reverter.** The parties agree that Company's commitment to undertake the Project and to construct the Improvements in a timely manner constitutes a material inducement for the City to convey the Project Property to Company and that without said commitment City would not do so.

A. Deadlines to commence and complete. Company must obtain a building permit and begin construction on Phase 1 Improvements within four (4) months after the date of this Agreement (the "Phase 1 Start Date") and Substantially Complete construction within twelve (12) months after the date of this Agreement (the "Phase 1 Completion Deadline"). Company must obtain a building permit and begin construction of Phase 2 Improvements within thirty-six (36) months after the date of this Agreement (the "Phase 2 Start Date") and must Substantially Complete construction of same within twelve (12) months after commencement of construction (the "Phase 2 Completion Deadline"). For purposes of this Agreement, "Substantially Completed" means the date on which the Improvements have been completed to the extent necessary for the City to issue a certificate of occupancy relating thereto. All deadlines are subject to Unavoidable Delays as defined in paragraph B below. Also see Section 10.

B. Events triggering termination and/or reverter of title. If, by the Phase 1 Start Date or the Phase 2 Start Date, as applicable, Company has not in good faith begun construction of the Improvements upon the Project Property, then the City may terminate this Agreement following Company's failure to begin construction within thirty (30) days following written notice of default from City. If development has commenced by the respective Start Date or within any agreed period of extension and is stopped and/or delayed as a result of an act of God, war, civil disturbance, court order, labor dispute, fire, or other cause beyond the reasonable control of Company (each such condition or event being an "Unavoidable Delay"), the requirement that construction is to be Substantially Completed by the respective Completion Deadline shall be tolled for a period of time equal to the period of such stoppage or delay. If construction is not Substantially Completed by the respective Completion Deadline or within the allowed period of extension, then City may terminate this Agreement following Company's failure to diligently undertake construction within thirty (30) days following written notice of default from City. If at any time Company fails to diligently undertake construction and other activities necessary to Substantially Complete said Improvements, then City may terminate this Agreement following Company's failure to resume and diligently carry on construction within thirty (30) days following written notice of default from City. City shall have no further obligations to Company under this Agreement if City terminates this Agreement as provided herein, and City shall have no duty to reimburse Company for any costs expended by Company with respect to the Project or to compensate Company for any value added to the Project Property by any improvements. For

clarification, Company's failure to meet applicable deadlines with respect to construction of Phase 1 Improvements will result in a reverter of title as to the entire Project Property, but Company's failure to meet applicable deadlines with respect to construction of Phase 2 Improvements will result in a reverter of title only as to the Phase 2 Property.

6. **Reverter of Title; Indemnity.** In the event of any reverter of title, Company agrees that it shall, at its own expense, promptly execute all documents, including but not limited to a special warranty deed, or take such other actions as the City may reasonably request to effectuate said reverter and to deliver to City title to the Project Property, free and clear of any lien, claim, charge, security interest, mortgage or encumbrance (collectively, "Liens") arising by or through Company. Concurrently with delivery of the deed, Company shall also deliver to City the abstract of title. Company shall pay in full, so as to discharge or satisfy, all Liens on or against the Project Property. ***Appointment of Attorney in Fact:*** If Company fails to deliver such documents, including but not limited to a special warranty deed, to City within thirty (30) days of written demand by City, then City shall be authorized to execute, on Company's behalf and as its attorney-in-fact, the special warranty deed required by this Section, and for such limited purpose Company does hereby constitute and appoint City as its attorney-in-fact.

Company further agrees that it shall indemnify City and hold it harmless with respect to any demand, claim, cause of action, damage, or injury made, suffered, or incurred as a result of or in connection with the Project, Company's failure to carry on or complete same, or any Lien or Liens on or against the Project Property of any type or nature whatsoever that attaches to the Project Property by virtue of Company's ownership of same. If City files suit to enforce the terms of this Agreement and prevails in such suit, then Company shall be liable for all legal expenses, including but not limited to reasonable attorneys' fees, incurred by City. Company's duties of indemnity pursuant to this Section shall survive the expiration, termination or cancellation of this Agreement for any reason.

If title reverts only as to the Phase 2 Property, then City shall execute one or more instruments granting to Company such easements for ingress and egress over and across such property as may be reasonably necessary for Company's use of the Phase 1 Property.

7. **No Encumbrances; Limited Exception.** Until the Improvements are Substantially Completed, Company agrees that it shall not create, incur, or suffer to exist any Liens on the Project Property, other than such mortgage or mortgages as may be reasonably necessary to finance Company's completion of the Improvements and of which Company notifies City *before* Company executes any such mortgage. Company may not mortgage the Project Property or any part thereof for any purpose except in connection with financing of the Improvements.

8. **Utilities.** Company will be responsible for extending water, sewer, telephone, telecommunications, electricity, gas and other utility services to any location on the Project Property and for payment of any associated connection fees.

9. **Minimum Assessment Agreement.** Company acknowledges and agrees that it will pay when due all taxes and assessments, general or special, and all other charges whatsoever levied upon or assessed or placed against the Phase 1 Property. Company further agrees that prior to the date set forth in Section 2 of the Minimum Assessment Agreement (the "MAA") attached hereto as Exhibit "B" it will not seek or cause a reduction in the taxable valuation for the Phase 1 Property as improved pursuant to this Agreement, which shall be fixed for assessment purposes, below the amount of $822,000.00 (the "Phase 1 Minimum Actual Value"), through:

(i) willful destruction of the Phase 1 Property, the Phase 1 Improvements, or any part of either;

(ii) a request to the assessor of Black Hawk County; or

(iii) any proceedings, whether administrative, legal, or equitable, with any administrative body or court within the City, Black Hawk County, the State of Iowa, or the federal government.

Company agrees to execute and deliver the MAA concurrently with execution and delivery of this Agreement. In connection with construction of Phase 2 Improvements, the parties will execute and record a separate amendment to the MAA for the purpose of increasing the Minimum Actual Value to an amount that reflects the value added by Phase 2 Improvements. The parties anticipate that Phase 2 Improvements shall increase the minimum actual value of the Project Property by no less than $475,000.00.

10. **Tax Rebates.** Provided that Company has Substantially Completed Phase 1 and 2 Improvements before the Phase 2 Completion Deadline or allowed extension, City agrees to rebate property tax (with the exceptions noted below) with respect to Phase 1 and Phase 2 Improvements, as follows:

Year One through Year Five 50% rebate each year

for any taxable value added by the completed Phase 1 and Phase 2 Improvements (each such payment is a "Rebate").

Each Rebate is payable in respect of a given property tax fiscal year (a "Fiscal Year") only to the extent that (a) Company has actually paid general property taxes due and owing for such Fiscal Year and (b) the city council has made an appropriation for the payment of the Rebate. To receive a Rebate for a given Fiscal Year, Company must, within twelve (12) months after the due date of the last installment of the property taxes for the respective Fiscal Year (i.e., the "March Installment"), submit a completed Rebate request to City on the form provided by or otherwise satisfactory to City. A failure to timely submit a request for a Rebate for a Fiscal Year will result in a forfeiture

of the right to request a Rebate for such Fiscal Year. City agrees to consider a completed application for a Rebate within sixty (60) days after submission of the application to City.

The taxable value of the Property as a result of the Improvements must be increased by a minimum of 10% and must increase the annual tax by a minimum of $500.00. Rebates shall not be paid based on any special assessment levy, debt service levy, or any other levy that is exempted from treatment as tax increment financing under the provisions of applicable law. The first Fiscal Year in respect of which a Rebate may be given ("Year One") shall be the first full Fiscal Year for which the assessment is based upon the completed value of the Phase 1 and Phase 2 Improvements and not based on a prior Fiscal Year for which the assessment is based solely upon (x) the value of the Property, or upon (y) the value of the Property and a partial value of the Improvements due to partial completion of such Improvements or a partial Fiscal Year.

As an example of the above provision, in the event Phase 1 and Phase 2 Improvements on the Property are completed prior to January 1, 2026 and the Property and Improvements are assessed as fully completed based on the Plans, as may be revised, the property taxes that would be assessed based on the January 1, 2026 assessed value would be for the Fiscal Year ending June 30, 2028, with the taxes payable one-half by September 30, 2027 and one-half by March 31, 2028, then the first Rebate could be applied for after March 31, 2028 and prior to April 1, 2029.

11. **Limitations on Payment of Rebates.**

A. Each payment of a Rebate is subject to annual appropriation by the city council each fiscal year. City has no obligation to make any payments to Company as contemplated under this Agreement until the city council annually appropriates the funds necessary to make such payments. The right of non-appropriation reserved to City in this paragraph is intended by the parties, and shall be construed at all times, so as to ensure that City's obligation to make future payments of Rebates shall not constitute a legal indebtedness of City within the meaning of any applicable constitutional or statutory debt limitation prior to the adoption of a budget which appropriates funds for the payment of that installment or amount. In the event that any of the provisions of this Agreement are determined by a court of competent jurisdiction or by City's bond counsel to create, or result in the creation of, such a legal indebtedness of City, the enforcement of the said provision shall be suspended, and the Agreement shall at all times be construed and applied in such a manner as will preserve the foregoing intent of the parties, and no Event of Default by City shall be deemed to have occurred as a result thereof. If any provision of this Agreement or the application thereof to any circumstance is so suspended, the suspension shall not affect other provisions of this Agreement which can be given effect without the suspended provision. To this end the provisions of this Agreement are severable.

B. Notwithstanding the provisions of Section 10 hereof, City shall have no obligation to make a payment of a Rebate to Company if at any time during the term hereof City fails to appropriate funds for payment; City receives an opinion from its legal counsel to the effect that the use of Tax Increments resulting from the Property and Improvements to fund a Rebate payment to Company, as contemplated under Section 10 above, is not, based on a change in applicable law or its interpretation since the date of this Agreement, authorized or otherwise an appropriate urban renewal activity permitted to be undertaken by City under the Urban Renewal Act or other applicable provisions of the Code, as then constituted or under controlling decision of any Iowa court having jurisdiction over the subject matter hereof; or City's ability to collect Tax Increment from the Improvements and Property is precluded or terminated by legislative changes to Iowa Code Chapter 403. Upon occurrence of any of the foregoing circumstances, City shall promptly forward notice of the same to Company. If the circumstances continue for a period during which two (2) annual Rebate payments would otherwise have been paid to Company under the terms of Section 10, then City may terminate this Agreement, without penalty or other liability to City, by written notice to Company.

C. For purposes of this Agreement, "Tax Increments" shall mean the property tax revenues on the Improvements and Property received by and made available to City for deposit in an account maintained under this Agreement, the provisions of Iowa Code § 403.19 and the ordinance governing the Urban Renewal Plan.

12. **Additional Covenants of Company.** In addition to the other promises, covenants and agreements of Company as provided elsewhere in this Agreement, Company agrees as follows with respect to each phase of Improvements:

A. Company agrees during construction of the Improvements and thereafter until the MAA termination date(s) to maintain, as applicable, builder's risk, property damage, and liability insurance coverages with respect to the Improvements in such amounts as are customarily carried by like organizations engaged in activities of comparable size and liability exposure, and shall provide evidence of such coverages to the City upon request.

B. Until the Improvements are Substantially Completed, Company shall make such reports to City, in such detail and at such times as may be reasonably requested by City, as to the actual progress of Company with respect to construction of the Improvements.

C. Company will cooperate fully with the City in resolution of any traffic, parking, trash removal or public safety problems which may arise in connection with the construction and operation of the Improvements.

D. Company will comply with all applicable land development laws and City and county ordinances, and all laws, rules and regulations relating to its

businesses, other than laws, rules and regulations where the failure to comply with the same or the sanctions and penalties resulting therefrom, would not have a material adverse effect on the business, property, operations, or condition, financial or otherwise, of Company.

E. The Project Property, or phase portion thereof, will have a taxable value as set forth in the MAA and any amendments thereto, and Company agrees that the minimum actual value of the Project Property, or applicable portion thereof, and completed Improvements as stated in the MAA and any amendments thereto will be a reasonable estimate of the actual value of the Project Property, or applicable portion thereof, and phase Improvements for ad valorem property tax purposes. Company agrees that it will spend enough in construction of the Improvements that, when combined with the value of the Project Property, or applicable portion thereof, and related site improvements, will equal or exceed the assessor's minimum actual value for the Project Property, or applicable portion thereof, and Improvements as set forth in the MAA and any amendments thereto.

F. Until termination of the MAA(s), Company will maintain, preserve and keep the Project Property, including but not limited to the Improvements, in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals and additions.

G. During the period that any Rebate is payable to Company under this Agreement, Company agrees that (1) it will not undertake, in any other municipality in Black Hawk County, the construction or rehabilitation of any commercial property as a primary location for Company's business operations of the type to be conducted on the Project Property, and (2) it will make no conveyance, lease or other transfer of the Project Property or any interest therein that would cause the Project Property or any part thereof to be classified as exempt from taxation or subject to centralized assessment or taxation by the State of Iowa.

H. Company shall pay, or cause to be paid, when due, all real property taxes and assessments payable with respect to any and all parts of the Project Property conveyed to it. Company agrees that (1) it will not seek administrative review or judicial review of the applicability or constitutionality of any Iowa tax statute or regulation relating to the taxation of real property included within the Project Property that is determined by any tax official to be applicable to the Project Property or to Company, or raise the inapplicability or constitutionality of any such tax statute or regulation as a defense in any proceedings of any type or nature, including but not limited to delinquent tax proceedings, and (2) it will not seek any tax deferral, credit or abatement, either presently or prospectively authorized under Iowa Code Chapter 403 or 404, or any other state law, of the taxation of real property included within the Project Property.

13. **Conditions to City Funding.**

A. The complete or initial funding by City of the Rebates and other Project commitments shall be deemed an agreement of the parties that the applicable conditions to disbursement of funds shall, as of the date of such funding, have been satisfied or waived. If the conditions set forth in this Section are not satisfied at a Rebate disbursement date, this Agreement shall terminate unless a new disbursement date is established by amendment to this Agreement. The termination of this Agreement shall be the sole remedy available to City or Company if, for whatever reason, a condition set forth in this Section is not satisfied at a Rebate payment date, it being understood that each party shall nonetheless incur costs and liabilities prior thereto for which they alone are responsible. City and Company each expressly assumes all responsibility for the costs and liabilities they may each so incur prior to a Rebate payment date and agree to indemnify and hold each other harmless therefrom.

B. It is recognized and agreed that the ability of the City to perform the obligations described in this Agreement, including but not limited to the Rebate payments, is subject to completion and satisfaction of certain separate city council actions and required legal proceedings relating to the creation of a tax increment financing (TIF) district, including the holding of public hearings on the same. Further, all the obligations of City under this Agreement are subject to fulfillment, on or before each Rebate payment date, of each of the following conditions precedent:

(i) The representations and warranties made by Company in Section 15 shall be true and correct as of the Rebate disbursement date with the same force and effect as if made at such date.

(ii) Company shall be in material compliance with all the terms and provisions of this Agreement.

(iii) There has not been, as of the Rebate disbursement date, a substantial change for the worse in the financial resources and ability of Company, or a substantial decrease in the financing commitments secured by Company for construction of the Improvements, which change(s) makes it likely, in the reasonable judgment of the City, that Company will be unable to fulfill its covenants and obligations under this Agreement.

14. **Representations and Warranties of City.** City hereby represents and warrants as follows:

A. City is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, agreement, instrument, restriction, order or judgment.

B. Each person who executes and delivers this Agreement and all documents to be delivered hereunder is and shall be authorized to do so on behalf of City.

15. **Representations and Warranties of Company.** Company hereby represents and warrants as follows:

A. Company is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, agreement, instrument, restriction, order or judgment.

B. Company is duly organized, validly existing, and in good standing under the laws of the state of its organization and is duly qualified and in good standing under the laws of the State of Iowa.

C. Company has full right, title, and authority to execute and perform this Agreement and to consummate all of the transactions contemplated herein, and each person who executes and delivers this Agreement and all documents to be delivered to City hereunder is and shall be authorized to do so on behalf of Company.

D. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of, the terms, conditions or provisions of the articles of organization or bylaws of Company or of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which Company is now a party or by which it or its property is bound, nor do they constitute a default under any of the foregoing.

E. Assuming due authorization, execution and delivery by the other parties hereto, this Agreement is in full force and effect and is a valid and legally binding instrument of Company that is enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting creditors' rights generally.

F. There are no actions, suits or proceedings pending or threatened against or affecting Company in any court or before any arbitrator or before or by any governmental body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position, or results of operations of Company or which in any manner raises any questions affecting the validity of the Agreement or Company's ability to perform its obligations under this Agreement.

16. **Indemnification and Releases.**

A. Company hereby releases City, its elected officials, officers, employees, and agents (collectively, the "indemnified parties") from, covenants

and agrees that the indemnified parties shall not be liable for, and agrees to indemnify, defend and hold harmless the indemnified parties against, any loss or damage to property or any injury to or death of any person occurring at or about the Project Property arising after Company's acquisition of the same or resulting from any defect in the Improvements. The indemnified parties shall not be liable for any damage or injury to the persons or property of Company or its directors, officers, employees, contractors or agents, or any other person who may be about the Project Property or the Improvements, due to any act of negligence or willful misconduct of any person, other than any act of negligence or willful misconduct on the part of any such indemnified party or its officers, employees or agents.

B. Except for any willful misrepresentation, any willful misconduct, or any unlawful act of the indemnified parties, Company agrees to protect and defend the indemnified parties, now or forever, and further agrees to hold the indemnified parties harmless, from any claim, demand, suit, action or other proceedings or any type or nature whatsoever by any person or entity whatsoever that arises or purportedly arises from (1) any violation of any agreement or condition of this Agreement (except with respect to any suit, action, demand or other proceeding brought by Company against the City to enforce its rights under this Agreement), or (2) the acquisition and condition of the Project Property and the construction, installation, ownership, and operation of the Improvements, or (3) any hazardous substance or environmental contamination located in or on the Project Property, but only to the extent such liability has not been previously transferred to and accepted by the City in writing.

C. The provisions of this Section shall survive the expiration or termination of this Agreement.

17. **Obligations Contingent.** Each and every obligation of City under this Agreement is expressly made subject to and contingent upon City's completion of all procedures, hearings and approvals deemed necessary by City or its legal counsel for amendment of the urban renewal plan applicable to the Project Property and/or project area, all of which must be completed within 180 days from the date this Agreement is approved by the City council. If such completion does not occur, then any conveyance, benefit or incentive of any type provided by City hereunder within said 180-day period is subject to reverter of title, revocation, repayment or other appropriate action to restore such property, benefit or incentive to City, and Company agrees to cooperate diligently and in good faith with any reasonable request by City to effectuate the restoration of same, or failing such restoration Company agrees to be liable for same or for the fair value thereof, plus interest on any sums owing at the rate of 5% per annum commencing with the date of demand for payment, if said payment is not remitted to City within 30 days.

18. **No Assignment or Conveyance.** Company agrees that it will not sell, convey, assign or otherwise transfer its interest in the Project Property prior to completion of the Project, whether in whole or in part, to any other person or entity

without the prior written consent of City. Reasonable grounds for the City to withhold its consent shall include but are not limited to the inability of the proposed transferee to demonstrate to the City's satisfaction that it has the financial ability to observe all of the terms to be performed by Company under this Agreement.

19. **Default.** The following shall be "Events of Default" under this Agreement, and the term "Event of Default" shall mean any one or more of the following events that continues beyond any applicable cure periods:

A. Failure by Company to cause the construction of the Improvements to be commenced and completed pursuant to the terms, conditions and limitations of this Agreement;

B. Transfer by Company of any interest (either directly or indirectly) in the Improvements, any part of the Project Property, or this Agreement, without the prior written consent of City;

C. Failure by Company to pay, before delinquency, all ad valorem property taxes levied on or against any of the Project Property;

D. Failure by any party hereto to substantially observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement or an MAA;

E. Company (1) files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the federal bankruptcy law or any similar state law; (2) makes an assignment for the benefit of its creditors; (3) admits in writing its inability to pay its debts generally as they become due; (4) is adjudicated a bankrupt or insolvent; or if a petition or answer proposing the adjudication of Company as a bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of Company, or part thereof, shall be appointed in any proceedings brought against Company and shall not be discharged within ninety (90) days after such appointment, or if Company shall consent to or acquiesce in such appointment; or (5) defaults under any mortgage applicable to any of Project Property.

F. Any representation or warranty made by Company in this Agreement, or made by Company in any written statement or certificate furnished by Company pursuant to this Agreement, shall prove to have been incorrect, incomplete or misleading in any material respect on or as of the date of the issuance or making thereof.

20. **Remedies.**

A. Default by Company. Whenever any Event of Default in respect of Company occurs and is continuing, the City may terminate this Agreement. Before exercising such remedy, City shall give 30 days' written notice to Company of the Event of Default, provided that by the conclusion of such period the Event of Default shall not have been cured, or the Event of Default cannot reasonably be cured within 30 days and Company shall not have provided assurances reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible. Upon termination, City may exercise any and all remedies available at law, equity, contract or otherwise for recovery of any sums paid by City to Company before the date of termination or to recover ownership of the Project Property or portion thereof as set forth in this Agreement.

B. Default by City. Whenever any Event of Default in respect of City occurs and is continuing, Company may take such action against City to require it to specifically perform its obligations hereunder. Before exercising such remedy, Company shall give 30 days' written notice to City of the Event of Default, provided that by the conclusion of such period the Event of Default shall not have been cured, or if the Event of Default cannot reasonably be cured within 30 days and City shall not have provided assurances reasonably satisfactory to the Company that the Event of Default will be cured as soon as reasonably possible.

C. Remedies under this Agreement shall be cumulative and in addition to any other right or remedy given under this Agreement or existing at law or in equity or by statute. Waiver as to any particular default, or delay or omission in exercising any right or power accruing upon any default, shall not be construed as a waiver of any other or any subsequent default and shall not impair any such right or power.

Materiality of Company's Promises, Covenants, Representations, Warranties. Each and every promise, covenant, representation, and warranty set this Agreement on the part of Company to be performed is a material term of ement, and each and every such promise, covenant, representation, and constitutes a material inducement for City to enter this Agreement. Company dges that without such promises, covenants, representations, and warranties, would not have entered this Agreement. Upon breach of any promise or covenant, vent of the incorrectness or falsity of any representation or warranty, City sole option and in addition to any other right or remedy available to it, this Agreement and declare it null and void.

Performance by City. Company acknowledges and agrees that all of the of City under this Agreement shall be subject to, and performed by City in with, all applicable statutory, common law or constitutional provisions and consistent with City's lawful authority. All covenants, stipulations, promises, and obligations of City contained in this Agreement shall be deemed to be stipulations, promises, agreements and obligations of City and not of any

governing body member, officer, employee or agent of City in the individual capacity of such person.

23. **No Third-Party Beneficiaries.** No rights or privileges of any party hereto shall inure to the benefit of any contractor, subcontractor, material supplier, or any other person or entity, and no such contractor, subcontractor, material supplier, or other person or entity shall be deemed to be a third-party beneficiary of any of the provisions of this Agreement.

24. **Notices.** Any notice under this Agreement shall be in writing and shall be delivered in person, by overnight air courier service, by United States registered or certified mail, postage prepaid, or by facsimile (with an additional copy delivered by one of the foregoing means), and addressed:

(a) if to City, at 715 Mulberry Street, Waterloo, Iowa 50703, facsimile number 319-291-4571, Attention: Mayor, with copies to the City Attorney and the Community Planning and Development Director.

(b) if to Company, at 6245 Partners Avenue, Marion, Iowa 52302, Attention: President.

Delivery of notice shall be deemed to occur (i) on the date of delivery when delivered in person, (ii) one (1) business day following deposit for overnight delivery to an overnight air courier service which guarantees next day delivery, (iii) three (3) business days following the date of deposit if mailed by United States registered or certified mail, postage prepaid, or (iv) when transmitted by facsimile so long as the sender obtains written electronic confirmation from the sending facsimile machine that such transmission was successful. A party may change the address for giving notice by any method set forth in this Section.

25. **No Joint Venture.** Nothing in this Agreement shall, or shall be deemed or construed to, create or constitute any joint venture, partnership, agency, employment, or any other relationship between the City and Company nor to create any liability for one party with respect to the liabilities or obligations of the other party or any other person.

26. **Amendment, Modification, and Waiver.** No amendment, modification, or waiver of any condition, provision, or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound or by the duly authorized representative of same, and specifying with particularity the extent and nature of the amendment, modification, or waiver. Any waiver by any party of any default by another party shall not affect or impair any rights arising from any subsequent default.

27. **Severability; Reformation.** Each provision, section, sentence, clause, phrase, and word of this Agreement is intended to be severable. If any portion of this Agreement shall be deemed invalid or unenforceable, whether in whole or in part, the offending provision or part thereof shall be deemed severed from this Agreement and

the remaining provisions of this Agreement shall not be affected thereby and shall continue in full force and effect. If, for any reason, a court finds that any portion of this Agreement is invalid or unenforceable as written, but that by limiting such provision or portion thereof it would become valid and enforceable, then such provision or portion thereof shall be deemed to be written, and shall be construed and enforced, as so limited.

28. **Captions.** All captions, headings, or titles in the paragraphs or sections of this Agreement are inserted only as a matter of convenience and/or reference, and they shall in no way be construed as limiting, extending, or describing either the scope or intent of this Agreement or of any provisions hereof.

29. **Interpretation.** This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being recognized that the parties hereto and their respective attorneys have contributed substantially and materially to the preparation of each and every provision of this Agreement.

30. **Binding Effect.** This Agreement shall be binding and shall inure to the benefit of the parties and their respective successors, assigns, and legal representatives.

31. **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

32. **Entire Agreement.** This Agreement, together with the exhibits attached hereto, constitutes the entire agreement of the parties and supersedes all prior or contemporaneous negotiations, discussions, understandings, or agreements, whether oral or written, with respect to the subject matter hereof.

33. **Time of Essence.** Time is of the essence of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Development Agreement by their duly authorized representatives as of the date first set forth above.

CITY OF WATERLOO, IOWA

By: _____
Quentin M. Hart, Mayor

Attest: _____
Kelley Felchle, City Clerk

RNK INVESTMENTS, LLC

By: _____
Ronald L. Koelker, President

EXHIBIT "A"

Legal Description of Project Property

Phase 1 Property: Parcel being platted as Lots 4 and 5 of West Port, City of Waterloo, Black Hawk County, Iowa.

Phase 2 Property: Parcel being platted as Lot 3 of West Port, City of Waterloo, Black Hawk County, Iowa.

§ 403.6, as amended, to contest that portion of any actual value assignment made by the Assessor in excess of the Minimum Actual Value established herein. In no event, however, shall the Company seek or cause the reduction of the actual value assigned below the Minimum Actual Value established herein during the term of this Agreement. Nothing herein shall limit the discretion of the Assessor to assign at any time an actual value to the land and Improvements in excess of the Minimum Actual Value.

3. Company agrees that it will not seek administrative review or judicial review of the applicability or constitutionality of any Iowa tax statute or regulation relating to the taxation of real property included within the Property that is determined by any tax official to be applicable to the Property or to Company, or raise the inapplicability or constitutionality of any such tax statute or regulation as a defense in any proceedings.

4. This Agreement shall be promptly recorded by the City with the Recorder of Black Hawk County, Iowa. The City shall pay all costs of recording.

5. Neither the preambles nor provisions of this Agreement are intended to, or shall be construed as, modifying the terms of the Development Agreement.

6. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties, including but not limited to future owners of the Phase 1 Property.

IN WITNESS WHEREOF, the parties have executed this Minimum Assessment Agreement by their duly authorized representatives as of the date first set forth above.

CITY OF WATERLOO, IOWA

By: _____
Quentin M. Hart, Mayor

By: _____
Kelley Felchle, City Clerk

RNK INVESTMENTS, LLC

By: _____
Ronald L. Koelker, President

STATE OF IOWA)
) ss.
COUNTY OF BLACK HAWK)

On this 13th day of April, 2022, before me, a Notary Public in and for the State of Iowa, personally appeared Quentin M. Hart and Kelley Felchle, to me personally known, who being duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Waterloo, Iowa, a municipal corporation, created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said municipal corporation, and that said instrument was signed and sealed on behalf of said municipal corporation by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said municipal corporation by it and by them voluntarily executed.

Notary Public

STATE OF IOWA)
) ss.
COUNTY OF BLACK HAWK)

BAILEY JONES
Commission Number 835625
My Commission Expires
November 10, 2024

Subscribed and sworn to before me on April 13th, 2022, by Ronald L. Koelker as President of RNK Investments, LLC.

Bailey Jones
Notary Public

CERTIFICATION OF ASSESSOR

The undersigned, having reviewed the plans and specifications for the improvements to be constructed and the market value assigned to the land upon which the improvements are to be constructed for the development, and being of the opinion that the minimum market value contained in the foregoing Minimum Assessment Agreement appears reasonable, hereby certifies as follows: The undersigned Assessor, being legally responsible for the assessment of the property subject to the development, upon completion of improvements to be made on it and in accordance with the Minimum Assessment Agreement, certifies that the actual value assigned to such land, building and equipment upon completion of the development shall not be less than Eight Hundred Twenty-two Thousand Dollars ($822,000.00) until termination of this Minimum Assessment Agreement pursuant to the terms hereof.

_____
Assessor for Black Hawk County, Iowa

_____
Date

STATE OF IOWA)
) ss.
COUNTY OF BLACK HAWK)

Subscribed and sworn to before me on _____, 2022, by T.J. Koenigsfeld, Assessor for Black Hawk County, Iowa.

_____
Notary Public

CITY OF WATERLOO

Council Communication

Resolution setting date of public hearing as June 20, 2022 and date of bid opening as June 9, 2022, to allow the Police Department to seek bids for Level II soft Ballistic Body Armor needs, and instruct the City Clerk to publish said notice.

City Council Meeting: 5/2/2022
Prepared: 4/25/2022

ATTACHMENTS:

Description	Type
Body Armor Bid Specs	Backup Material

SUBJECT:	Resolution setting date of public hearing as June 20, 2022 and date of bid opening as June 9, 2022, to allow the Police Department to seek bids for Level II soft Ballistic Body Armor needs, and instruct the City Clerk to publish said notice.
Submitted by:	Submitted By: Aaron P. McClelland, Police Captain
Recommended Action:	Authorize the Police Department to seek bids for the purchase of Level II soft Ballistic Body Armor, setting the date of bid opening as June 9th, 2022 and the date of Public Hearing of June 20th, 2022 for the purchase new body armor for the cities Police Officers, and instruct the City Clerk to publish said notice. This bid process will be a 5 year contract to purchase new body armor for every Police Officer.
Summary Statement:	This bid process will be a 5 year contract to replace old expired ballistic vests with new Level II soft Ballistic Body Armor for every Police Officer over the 5 year period and is matched with federal grant funds.
Neighborhood Impact:	This is an ongoing project every year. In the spring of 2015 Officers from the Waterloo Police Department formed a committee which was made up of various members of the department , male/female of varying experience and size developed the specifications needed for the vest. This bidding process will be for a 5 year contract to replace Officers Ballistic Vest as they expire with all Officers vest being replaced in that time frame. There is a federal grant that pays 50 percent of the cost of each vest.
Data/Analysis and Strategies:	None
Implementation, Accountability, and Communication:	General Obligation Bonds and Federal Grant funds
Expenditure Required/Source of Funds:	Yes
Alternative:	None

BID PROPOSAL
SOFT BODY ARMOR
CITY OF WATERLOO, IOWA
POLICE DEPARTMENT FY23

The undersigned being a corporation under the laws of the State of_____; a partnership consisting of the following partners:
_____, or an individual doing business as_____, being familiar with the specifications affecting the cost of this commodity, hereby offers to furnish said commodity to the City of Waterloo, Police Department, 715 Mulberry Street, Waterloo, Iowa, 50703.

SUBMISSION OF BIDS

Sealed bid proposals will be received by the City of Waterloo, City Clerk's Office, 715 Mulberry Street, Waterloo, Iowa, 50703, until 1:00 P.M. on the 9th day of June, 2022. Any bid submitted after the specified time shall be rejected.

SPECIFICATIONS

The bidders proposes to deliver F.O.B. to the City of Waterloo Police Department, 715 Mulberry Street, Waterloo, Iowa, 50703, the below specified items after notification that he/she is the successful bidder by issuance of a purchase order mailed, telegraphed, or delivered to the undersigned vendor, accompanied by a copy of this proposal bearing the City Clerk/Auditor's signature.

See attached specifications for Level II Soft Body Armor.

List any deviations from the specifications included herein:

_____

_____

_____

Any and all warranty information or provisions shall be in writing and submitted with the bid proposal. Failure to submit warranty information may warrant rejection of the bid. The bidder shall have, on a separate sheet, the terms of this warranty. By attachment, the Term of the Warranty becomes part of this bid.

The seller and or manufacturer must have $20,000,000.00 Product Liability Insurance for each occurrence of bodily injury and each

occurrence of property damage. (Submit a certified copy of insurance coverage with bid.)

Bidders shall provide the City of Waterloo, in writing, with any and all deviations from the attached specifications. The bidder shall specify any deviations that he/she proposes from the above specifications in the same sequence as stated in said specifications. By attachment, the listed deviations become part of this bid. Any questions regarding the equipment or specifications should be directed to Training Officer Wilson at 319-291-4340 ext 5598 / wilsont@waterloopolice.com

GENERAL REQUIREMENTS FOR SUBMISSION OF BIDS

All bids must be submitted to the City Clerk/Auditor's Office in a sealed envelope clearly marked as follows:

"BID PROPOSAL FOR BODY ARMOR"

The name of the business submitting the bid must be clearly marked on the envelope.

All bids must be meet or exceed minimum specifications as previously defined. Bids that do not meet or exceed the minimum specifications, as determined by the City, shall be rejected.

The vendor bid prices shall include all shipping costs. The city is tax exempt from federal excise and state taxes. Taxes should be excluded from the bid cost.

All bid prices, upon submission by the bidder, are recognized by the City and vendor to be irrevocable for five years commencing from the deadline date for bids to be received by the City of Waterloo, Iowa.

Standard procedures dictate that the City of Waterloo will accept the lowest responsible bid. However, the bidder understands that the City reserves the right to reject any bid that is either considered not to be responsible or not most advantages to the City. The City will award the contract to the responsible bidder whose bids meets or exceeds minimum specifications.

The City of Waterloo, Iowa, reserves the right to reject any and all bids, or any and all parts of a bid.

Upon acceptance of the bid, a purchase order mailed, telegraphed or delivered to the undersigned vendor which is accompanied by a

copy of this proposal bearing the City Clerk/Auditor's signature shall constitute acceptance of the bid and, therefore, be a legal and binding agreement.

If applicable, the bidder guarantees that title conveyed shall be good and goods shall be delivered free from security interest or other lien or encumbrances of which the City at the time of purchase had no knowledge.

OPENING AND ACCEPTANCE OF BIDS

Sealed bid proposals will be opened and read at 1:00 P.M. on the 9th day of June, at Waterloo City Hall located at 715 Mulberry Street, Waterloo, Iowa, and all bidders understand that they may be in attendance at the bid opening. Bids will be acted upon at that time or at a later time, which shall then be established.

CANCELLATION

The successful bidder understands that the City of Waterloo shall cancel this agreement within thirty days' notice, if the City has knowledge that all conditions as stated in this bid proposal have not been fulfilled.

PAYMENT PROCEDURES

A Lump sum payment shall be made by the City of Waterloo, Police Department, 715 Mulberry Street, Waterloo, Iowa, 50703, within thirty days of receipt of billing from the vendor and acceptance of commodity by the City.

This bidder, having read this document, hereby acknowledges that bid proposal completely reflects the total bid as contained herein.

By_____

Title_____

Date_____

ATTEST: _____, City Clerk/Auditor

Date_____

Proof Of Insurance Coverage

Company Name: _____

Address: _____

Telephone: _____

Policy Number: _____

*Attach Certified Copy if Insurance Coverage

BID SHEET
SOFT BODY ARMOR
CITY OF WATERLOO, IOWA
POLICE DEPARTMENT

The bidder, _____, proposes to meet or exceed the published specifications for the below quoted price.

1. Brand/Model# _____

2. Bid Price per Unit: $_____ (2022 - 2023)*

   Bid Price per Unit: $_____ (2024)*

   Bid Price per Unit: $_____ (2025)*

   Bid Price per Unit: $_____ (2026)*

   * Bids will be good from the date of acceptance by the Waterloo Police Department through the same date of the following year as indicated.

CITY OF WATERLOO

Council Communication

Resolution approving specifications, bid documents, etc., setting date of bid opening as June 9, 2022 and date of public hearing as June 20, 2022, in conjunction with the Police Department FY23 Ammunition Bids, and instruct City Clerk to publish notice.

City Council Meeting: 5/2/2022
Prepared: 4/25/2022

ATTACHMENTS:

Description	Type
Ammo Bid Specs	Backup Material

SUBJECT:	Resolution approving specifications, bid documents, etc., setting date of bid opening as June 9, 2022 and date of public hearing as June 20, 2022, in conjunction with the Police Department FY23 Ammunition Bids, and instruct City Clerk to publish notice.
Submitted by:	Submitted By: Aaron P. McClelland, Police Captain
Recommended Action:	Authorize the Police Department to seek bids, setting the date of bid opening as June 9th and the date of Public Hearing of June 20th, 2022 for the FY 23 Ammunition needs, and instruct the City Clerk to publish said notice.
Summary Statement:	This is an annual purchase of ammunition used in firearms training for the Police Department. This ammunition is needed in order to maintain proficiency and certifications in a variety of weapon systems.
Neighborhood Impact:	Ammunition costs and requirements to continue to increase each year. The delay from order to delivery can be up to a year. This ammunition is utilized to maintain proficiency and certification that reduces liability.
Data/Analysis and Strategies:	None
Implementation, Accountability, and Communication:	General Funds
Expenditure Required/Source of Funds:	Yes
Alternative:	None
Legal Descriptions:	N/A

BID PROPOSAL
AMMUNITION
CITY OF WATERLOO, IOWA
POLICE DEPARTMENT

PREAMBLE

The undersigned being a corporation under the laws of the State of _____; a partnership consisting of the following partners: _____, or an individual doing business as _____, being familiar with the specifications affecting the cost of this commodity, hereby offers to furnish said commodity to the City of Waterloo, Police Department, 715 Mulberry Street, Waterloo, Iowa, 50703.

SUBMISSION OF BIDS

Sealed bid proposals will be received by the City of Waterloo, City Clerk's Office, 715 Mulberry Street, Waterloo, Iowa, 50703, **no later than 1:00 P.M. on the 9th of June 2022**. Any bid submitted after the specified time shall be rejected. Bids should be clearly marked **FYE 2023 Ammunition Bids.**

SPECIFICATIONS

The bidder proposes to deliver to the City of Waterloo Police Department, 715 Mulberry Street, Waterloo, Iowa, 50703, the below specified items during fiscal year FYE 2021 beginning July 1, 2020 through June 30, 2021, after notification that he/she is the successful bidder by issuance of a purchase order mailed, telegraphed or delivered to the undersigned vendor, accompanied by a copy of this proposal bearing the City Clerk's signature.

Factory New Service Ammunition

1. 12,000 rounds of 9mm 147 grain, jacketed hollow point, Federal HST, (P9HST2) or similar.

2. 85,000 rounds of Federal American Eagle 9 mm, 147 grain, full metal jacket (AE9FP) or similar.

3. 2,000 rounds of Federal 12 gauge 2 ¾ inch shot shell, 00 Buckshot, 9 pellet, low recoil (LEF132-00) or similar.

4. 2,000 rounds of Federal 12 gauge 2 ¾ inch shot shell 1 ounce low recoil slug. (LEF127-RS) or similar.

5. 8,000 rounds of Federal .223 caliber, 64 grain, Soft Point Tactical Rifle Urban. (T223L) or similar.

6. 35,000 rounds of Federal American Eagle .223 caliber, 55 grain FMJ (AE223) or similar.

7. 1,000 rounds of Hornady gmx tap heavy barrier .308 caliber, 165 grain.

8. 2,000 rounds of Hornady amx tap .308 caliber, 168 grain.

9. 1,000 rounds of Hornady Interbound Tap Barrier 308 caliber, 165 grain.

List any deviations from the specifications included herein:

_____
_____
_____.

Any and all warranty information or provisions shall be in writing and submitted with the bid proposal. Failure to submit warranty information may warrant rejection of bid. The bidder shall have, on a separate sheet, the terms of this warranty. By attachment, the Term of the Warranty becomes part of this bid.

The seller must have $1,000,000.00 Product Liability Insurance for each occurrence of bodily injury and each occurrence of property damage. (Submit a certified copy of insurance coverage with bid.)

Bidders shall provide the City of Waterloo, in writing, with any and all deviations from the attached specifications. The bidder shall specify any deviations that he/she proposes from the above specifications in the same sequence as stated in said specifications. By attachment, the listed deviations become part of this bid.

Any questions regarding the specifications should be directed to Captain Dave Mohlis at 319-291-4400.

GENERAL REQUIREMENTS FOR SUBMISSION OF BIDS

All bids must be submitted to the City Clerk's Office in a sealed envelope clearly marked as follows:

"**BID PROPOSAL FYE 2023 AMMUNITION**"

The name of the business submitting the bid must be clearly marked on the envelope. **Faxed or electronic bids** will not be accepted.

All bids must meet or exceed minimum specifications as previously defined. Bids that do not meet or exceed the minimum specifications, as determined by the City, shall be rejected.

The vendor bid prices shall include all shipping costs. The City is tax exempt from federal excise and state taxes. Taxes should be excluded from the bid cost.

All bid prices, upon submission by the bidder, are recognized by the City and vendor to be irrevocable for one year commencing from the deadline date for bids to be received by the City of Waterloo, Iowa.

Standard procedure dictates that the City of Waterloo will accept the lowest responsible bid. However, the bidder understands that the City reserves the right to reject any bid that is either considered not to be responsible or not most advantageous to the City. The City will award the contract to the responsible bidder whose bid meets or exceeds the minimum specifications.

The City of Waterloo, Iowa, reserves the right to reject any and all bids, or any or all parts of a bid.

Upon acceptance of the bid, a purchase order mailed, telegraphed or delivered to the undersigned vendor which is accompanied by a copy of this proposal bearing the City Clerk's signature shall constitute acceptance of the bid and, therefore, be legal and binding agreement.

If applicable, the bidder guarantees that title conveyed shall be good and goods shall be delivered free from security interest or other lien or encumbrances of which the City at the time of purchase had no knowledge.

OPENING AND ACCEPTANCE OF BIDS

Sealed bid proposals will be **opened and read at 1:00 P.M. on the 9th of June 2022**, at the Waterloo City Hall, 715 Mulberry Street, Waterloo, Iowa. Bids will be acted upon at a later time.

CANCELLATION

The successful bidder understands that the City of Waterloo shall cancel this agreement within thirty days' notice, if the City has knowledge that all conditions as stated in this bid proposal have not been fulfilled.

PAYMENT PROCEDURES

The City of Waterloo Police Department, 715 Mulberry Street, Waterloo, Iowa, 50703, shall make a lump sum payment within thirty days of receipt of billing from the vendor and acceptance of commodity by the City.

The bidder, having read this document, hereby acknowledges that bid proposal completely reflects the total bid as contained herein.

By _____

Title _____

Date _____

ATTEST: _____, City Clerk

Date _____

Proof of Insurance Coverage

_____Company Name

_____Address

_____Telephone

_____Policy Number

*Attach Certified Copy of Insurance Coverage

BID PRICES

Factory New Service Ammunition

1. 12,000 rounds of 9mm 147 grain, jacketed hollow point, Federal HST, (P9HST2) or similar.

   $_____ per 1000 rounds

2. 85,000 rounds of Federal American Eagle 9 mm, 147 grain, full metal jacket (AE9FP) or similar.

   $_____ per 1000 rounds

3. 2,000 rounds of Federal 12 gauge 2 ¾ inch shot shell, 00 Buckshot, 9 pellet, low recoil (LEF132-00) or similar.

   $_____ per 250 rounds

4. 2,000 rounds of Federal 12 gauge 2 ¾ inch shot shell 1 ounce low recoil slug. (LEF127-RS) or similar.

   $_____ per 250 rounds

5. 8,000 rounds of Federal .223 caliber, 64 grain, Soft point Tactical Rifle Urban. (T223L) or similar.

   $_____ per 500 rounds

6. 35,000 rounds of Federal American Eagle .223 caliber, 55 grain FMJ (AE223) or similar.

   $_____ per 500 rounds

7. 1,000 rounds of Hornady gmx tap heavy barrier .308 caliber, 165 grain

   $_____ per 500 rounds

8. 2,000 rounds of Hornady, amx tap .308 caliber, 168 grain

   $_____ per 500 rounds

9. 1,000 rounds of Hornady Interbound Tap Barrier .308 Calber, 165 grain

   $_____ per 500 rounds

CITY OF WATERLOO

Council Communication

Resolution approving a Variance to the Noise Ordinance for Agustin Perez-Vorgas for the Perez Family Reunion, from 3:00 p.m. to 9:00 p.m. on May 7, 2022, located at 505 Sherman Avenue.

City Council Meeting: 5/2/2022
Prepared: 4/28/2022

SUBJECT:	Resolution approving a Variance to the Noise Ordinance for Agustin Perez-Vorgas for the Perez Family Reunion, from 3:00 p.m. to 9:00 p.m. on May 7, 2022, located at 505 Sherman Avenue.
Submitted by:	Submitted By: Captain Feaker

CITY OF WATERLOO

Council Communication

Motion to approve Application for Fireworks Display at the Bambooridge Camp Ground, in conjunction with the July 4th Celebration, to be held on July 3, 2022 with an alternate date of July 4, 2022, beginning at approximately 9:45 p.m. and lasting 10-13 minutes.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

SUBJECT:	Motion to approve Application for Fireworks Display at the Bamboo Ridge Camp Ground, in conjunction with the July 4th Celebration, to be held on July 3, 2022 with an alternate date of July 4, 2022, beginning at approximately 9:45 p.m. and lasting 10-13 minutes.
Submitted by:	Submitted By: Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Motion to approve Application for Fireworks Display for the Waterloo Bucks Ball Club, located at 850 Park Road, on June 11, 18, July 2, 4, 9, 16, 30, and August 13, 2022, starting at 10:00 p.m. and lasting ten minutes.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

SUBJECT:	Motion to approve Application for Fireworks Display for the Waterloo Bucks Ball Club, located at 850 Park Road, on June 11, 18, July 2, 4, 9, 16, 30, and August 13, 2022, starting at 10:00 p.m. and lasting ten minutes.
Submitted by:	Submitted By: Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Motion to approve Application for Fireworks Display at the Lost Island Theme Park Lake, in conjunction with the Park Grand Opening, to be held on one of the following dates: 5/21 or 5/28, 6/4 or 6/11/2022, beginning at approximately 9:30-10:00 p.m. and lasting 20 minutes.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

SUBJECT:	Motion to approve Application for Fireworks Display at the Lost Island Theme Park Lake, in conjunction with the Park Grand Opening, to be held on one of the following dates: 5/21 or 5/28, 6/4 or 6/11/2022, beginning at approximately 9:30-10:00 p.m. and lasting 20 minutes.
Submitted by:	Submitted By: Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Motion to approve Application for Fireworks Display for The VGM Group for the VGM Heartland Conference 2022 at 5th Street Bridge, on June 13, 2022, at approximately 9:45 p.m. (Approx. 15-18 minutes).

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

SUBJECT:	Motion to approve Application for Fireworks Display for The VGM Group for the VGM Heartland Conference 2022 at 5th Street Bridge, on June 13, 2022, at approximately 9:45 p.m. (Approx. 15-18 minutes).
Submitted by:	Submitted By: Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Motion to approve Exception to Burning Yard Waste application by Mike Kearney, to have a bon fire in an approximately 5'x5' area, located at 1524 Shultz Street, on May 14, 2022.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

SUBJECT:	Motion to approve Exception to Burning Yard Waste application by Mike Kearney, to have a bon fire in an approximately 5'x5' area, located at 1524 Shultz Street, on May 14, 2022.
Submitted by:	Submitted By: Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Motion to approve recommendation of appointment of Jeremy Even from the current Civil Service list, to the position of Operator in the Waste Management Services Department, effective Monday May 23, 2022, pending successful completion of pre-employment physical and drug screening.

City Council Meeting: 5/2/2022
Prepared: 4/18/2022

ATTACHMENTS:

	Description	Type
	Operator Job Description	Backup Material
	Certified Operator List	Backup Material

SUBJECT:	Motion to approve recommendation of appointment of Jeremy Even, from the current Civil Service list to the position of Operator in the Waste Management Services Department, effective Monday May 23, 2022, pending successful completion of pre-employment physical and drug screening.
Submitted by:	Submitted By: Brian Bowman, Treatment Operations Supervisor
Recommended Action:	Approve Motion for appointment

Expenditure Required/Source of Funds: $60,195.20 +benefits

Submit resume by going to www.cityofwaterlooiowa.com, clicking on Career Opportunities, reviewing the Waste Water Operator description and following directions to submit cover letter and resume. We will not accept mailed, faxed, hand-delivered or directly emailed resumes. Deadline to submit resume is November 5, 2021 at Noon.

CIVIL SERVICE NOTICE
CITY OF WATERLOO, IOWA
OPEN EXAMINATION

WASTE WATER OPERATOR

DEPARTMENT : WASTE MANAGEMENT SERVICES
SALARY : $27.94 per hour with $1.00 increase after 6 month probation
FLSA : NON-EXEMPT
CIVIL SERVICE : INCLUDED
BARGAINING UNIT: MUNICIPAL EMPLOYEES LOCAL #177

GENERAL STATEMENT OF DUTIES

Technical position responsible for the overall operation and maintenance of the Waste Water Treatment Plant and related facilities as assigned. Will be responsible for performing operational tasks and duties to keep the wastewater plant in compliance with National Pollutant Discharge Elimination System (NPDES) permit compliance requirements. The work is performed under the general direction of the Treatment Operations Foreman and Treatment Operations Supervisor. No supervisory responsibilities.

EXAMPLES OF ESSENTIAL FUNCTIONS (Illustrative Only)

These functions are considered essential for successful performance in this job classification.

The essential functions are performed according to Standard Operating Procedures. The procedures have been developed for the local jurisdiction based on generally accepted standards for wastewater treatment facilities.

1. Makes operational decisions and adjustments to insure compliance with NPDES permitted requirements.
2. Collects samples for routine lab testing.
3. Records and logs various operational data.
4. Monitors and trouble shoots plant equipment making operational adjustment via plant supervisory control and data acquisition (SCADA) system.
5. Reports need for major equipment repairs.
6. Lifts and carries weights up to one hundred pounds with assistance as needed.
7. Drives light and heavy-duty equipment as assigned.
8. Performs safety standby duties when others are working in confined spaces.
9. Works outside in all weather conditions; works near and around mechanical, hydraulic and electrical hazards; noise level is loud; atmosphere may contain dust, infectious waste, toxic and explosive gases or unfavorable natural ventilation; visibility might be poor and mobility limited.
10. Performs all work duties and activities in accordance with City policies, procedures and OSHA, City and Waste Management Services safety rules and regulations.
11. Performs all other related duties as assigned.

REQUIRED KNOWLEDGE & ABILITIES

1. Understands concepts of waste water treatment and has the ability to utilize that experience to make operational decisions to maintain system compliance.
2. Ability to make simple mathematical calculations to make operational adjustments as necessary.

3. Ability to assess complex operations problems and make decisions based on standard operating procedures.

4. Ability to understand and follow oral and written directions.

5. Ability to prepare written reports, complete forms and perform required record keeping.

6. Mechanical aptitude.

7. Ability to operate utility vehicles, dump trucks and other automotive and ground maintenance equipment under all types of weather conditions.

8. Ability to work in confined spaces and at considerable heights.

9. Ability to complete daily work sheets and keep thorough operations logs and maintenance records.

10. Ability to communicate effectively and maintain working relationships with other City employees and supervisors.

11. Ability to work with people from a broad variety of social, economic, racial, ethnic and educational backgrounds.

ACCEPTABLE EXPERIENCE & TRAINING

1. High school graduate/equivalent with work experience in one or more of the following.
   (a) operations or maintenance in a water or wastewater organization;
   (b) formal education in environmental science;
   (c) operational or established skill in pumping or mechanical systems.

   Work experience must be verifiable.

   OR

   Any equivalent combination of education and experience that provides the knowledge, skills and abilities necessary to perform the essential functions of the position effectively

2. Preference given to candidates with advanced education, especially those with Iowa waste water treatment certification.

2. Able to obtain State of Iowa Waste Water Operator Grade 1 Certification within 1 year of employment and Grade 2 within 3 years of employment; able to maintain certification - failure to obtain and maintain these certifications as indicated will result in termination of employment.

3. Iowa Driver's License and good driving record based on City of Waterloo driver performance criteria. Must be able to obtain a Class A Commercial Driver's License within 6-month probation. A candidate with any of the following will not be considered for employment: loss of license for any reason during the period of candidacy for employment, if the candidate remains without a valid, current license for the position when the City issues an offer of employment; loss of license, plea of guilty, plea of no contest or its equivalent or conviction for OWI, reckless driving or other major moving violation within the previous five years; four or more citations for moving violations within the previous three-year period, excluding speeding violations of 10 mph or less over the posted speed limit; three or more citations for moving violations within the previous one-year period. After appointment to the position, disciplinary action or continuing employment status may be reviewed for the following: four or more moving violations within the previous three years, three or more moving violations within the previous one year or loss of license or conviction for OWI, reckless driving or other major moving violation within the previous five years; two or more at-fault accidents within a three-year period while driving on City business. An applicant's driving record will be reviewed prior to an offer of employment and at least annually after hire.

5. Must be trained regarding Permit Required Confined Space Program as required by department head

ESSENTIAL PHYSICAL ABILITIES

The following physical abilities are required with or without accommodation.

1. Sufficient strength to perform assigned tasks including but not limited to lifting and carrying up to one hundred pounds with assistance as needed or to move barrels weighing up to five

hundred pounds with proper equipment.

2. Sufficient physical and mental stamina to work double shifts during flooding or other weather emergencies.

3. Sufficient speech and hearing that permits the employee to communicate effectively with coworkers and supervisors over the telephone or a radio.

4. Sufficient personal mobility that permits the employee to operate large and small vehicles in all types of weather, move from one waste treatment facility to another and work in cramped spaces or difficult to reach areas.

5. Sufficient manual dexterity and coordination for safe operation of manual and powered equipment; ability to grasp/grip tools, switches and valves.

6. Sufficient depth perception, peripheral vision and color vision to work around machinery, operate equipment and identify indicator lights on control panels.

7. Sufficient hearing to diagnose machinery problems and to communicate with coworkers.

MISCELLANEOUS

1. Must wear personal protective equipment whenever and wherever necessary such as safety shoes, safety glasses, hardhat, hearing protection, respirator and gloves.

2. Must wear standard uniform as supplied by City

3. Must comply with City of Waterloo Residency Policy for Critical Employees (physically reside within thirty-mile radius of Waterloo City Hall-will be given reasonable compliance period as determined by department head). Must maintain a local telephone number in order to be contacted during emergencies.

4. Must submit to Department of Transportation requirements including pre-employment, post-accident, reasonable suspicion, random and return-to-duty/follow-up alcohol and drug testing.

5. The City of Waterloo requires a physical examination by a physician of the City's choice, including a drug test, to determine if an applicant is capable of performing the essential functions of this job classification. Failure to pass these tests will result in withdrawal of employment offer.

6. The City of Waterloo reserves the right to conduct a background investigation including education, employment and criminal history checks on any applicant being considered for this position

7. Must submit to and pass Civil Service oral examination.

WORK SCHEDULE

Scheduled shift is generally 7:00 a.m.-3:00 p.m. with a twenty-minute paid lunch and rotating weekends. Subject to emergency call or longer shifts during flooding or other emergency conditions.

EXAMINATION INFORMATION

Qualified applicants who apply by the deadline date will be required to appear before an oral examination panel consisting of a minimum of three people who have expertise in the areas being tested. An individual must receive a minimum average score of sixty points out of one hundred to achieve a passing score on the oral examination. The top applicants, as ranked by their scores on the oral examination will be the individuals placed on the certified list. Applicants who qualify as outlined and are full time regular employees of the City of Waterloo shall have one additional point per full year of employment up to a maximum of five points added to their final score. Honorably discharged men and women from the military or naval forces of the United States who qualify per provisions of Chapter 35 of the Code of Iowa and who are citizens and residents of the United States shall have five additional points added to their final score upon submission of their DD214 or ten points added if they were awarded a Purple Heart or have a service connected disability.

ORAL EXAMINATION DATE

Qualified applicants who apply by the deadline date will be notified of the time, place and date of the examination.

A.A./E.E.O.
Minority, female & disabled individuals are encouraged to apply.

CITY OF WATERLOO, IOWA

HUMAN RESOURCES DEPARTMENT

715 Mulberry St. • Waterloo, IA 50703 • Phone (319) 291-4303 Fax (319) 291-4569

Mayor
QUENTIN HART

COUNCIL MEMBERS

MARGARET KLEIN
Ward 1

JONATHAN GRIEDER
Ward 2

PATRICK MORRISSEY
Ward 3

JEROME AMOS, JR.
Ward 4

RAY FEUSS
Ward 5

SHARON JUON
At-Large

DAVE BOESEN
At-Large

December 17, 2021

TO: Honorable Mayor & City Council

We, the members of the Civil Service Commission, certify the following list of applicants, who are eligible based upon the examination process as set forth by the Civil Service Commission for the appointment to the position of Waste Water Operator for the City of Waterloo, Waste Management Services Department. Appointment(s) shall be made from this list for the next year (December 17, 2021 – December 16, 2022).

CERTIFIED LIST

Jeremy Even
Isaac Bean
Daniel Loftus
Elvis Cejvanovic
Shianne Rasmussen

Respectfully submitted,

Barry Haskins 12/17/2021 Ethel Washington 12/21/21

Barry Haskins Date Ethel Washington Date

Lovie Caldwell 12/17/2021

Lovie Caldwell Date

CS LIST WASTE WATER OPERATOR *21*

CITY OF WATERLOO

Council Communication

Motion to approve Change Order No. 33 with Cardinal Construction, Inc., of Waterloo, Iowa, for a net increase of $1,769.00, in conjunction with the Five Sullivan Brothers Convention Center Addition and Renovation Project, and authorizing the Mayor to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/11/2022

ATTACHMENTS:

	Description	Type
	Change Order #33 - 5 Bros Addition-Reno	Backup Material

SUBJECT:	Motion to approve Change Order No. 33 with Cardinal Construction, Inc., of Waterloo, Iowa, for a net increase of $1,769.00, in conjunction with the Five Sullivan Brothers Convention Center Addition and Renovation Project, and authorizing the Mayor to execute said document.
Submitted by:	Submitted By: Noel Anderson, Community Planning and Development Director
Recommended Action:	Approval
Summary Statement:	PR 24: Cost to relocate access panel for air shaft out of the elevator equipment room and into the corridor. (Upon full execution of this change order, ISG to reimburse the Owner $1,769.00 for said work).

AIA® Document G701™ – 2017

Change Order

PROJECT: *(Name and address)*
Five Sullivan Brothers Convention Center Addition and Renovation, Waterloo, IA.

CONTRACT INFORMATION:
Contract For: General Construction
Project No: 20-23943
Date: September 08, 2020

CHANGE ORDER INFORMATION:
Change Order Number: 033

Date: April 8, 2022

OWNER: *(Name and address)*
City of Waterloo
715 Mulberry Street
Waterloo, IA 50703

ARCHITECT: *(Name and address)*
I & S Group, Inc. (ISG)
314 East 4th Street
Waterloo, IA 50703

CONTRACTOR: *(Name and address)*
Cardinal Construction, Inc.
1246 Martin Road
Waterloo, IA 50701

THE CONTRACT IS CHANGED AS FOLLOWS:
(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

A. PR 24: Cost to relocate access panel for air shaft out of the elevator equipment room and into the corridor. ***(Upon full execution of this change order, ISG to reimburse the Owner $1,769.00 for said work)***.....**Add $1,769.00**

TOTAL AMOUNT OF THIS CHANGE ORDER, ADD TO CONTRACT SUM $1,769.00.

The original Contract Sum was	$	5,516,300.00
The net change by previously authorized Change Orders	$	456,001.30
The Contract Sum prior to this Change Order was	$	5,972,301.30
The Contract Sum will be increased by this Change Order in the amount of	$	1,769.00
The new Contract Sum including this Change Order will be	$	5,974,070.30

The Contract Time will be unchanged by Zero (0) days.
The new date of Substantial Completion will be August 22, 2021.

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

I & S Group, Inc. (ISG)	Cardinal Construction, Inc.	City of Waterloo
ARCHITECT *(Firm name)*	**CONTRACTOR** *(Firm name)*	**OWNER** *(Firm name)*
SIGNATURE	**SIGNATURE**	**SIGNATURE**
Nathan Compton, Architect	Katy Susong, President	Quentin Hart, Mayor
PRINTED NAME AND TITLE	**PRINTED NAME AND TITLE**	**PRINTED NAME AND TITLE**
April 8, 2022	April 11, 2022	
DATE	**DATE**	**DATE**

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User Notes:

CITY OF WATERLOO

Council Communication

Motion to approve Change Order No. 4 with Boomerang Corporation of Anamosa, Iowa for a decrease of $5,819.05, in conjunction with the Dry Run Creek Interceptor Project Contact No. 877, and authorizing the Mayor to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/12/2022

ATTACHMENTS:

	Description	Type
	Cover Memo	Backup Material
	Change Order No. 4 Dry Run Creek	Backup Material

SUBJECT:	Motion to approve Change Order No. 4 with Boomerang Corporation of Anamosa, Iowa for a decrease of $5,819.05, in conjunction with the Dry Run Creek Interceptor Project Contact No. 877, and authorizing the Mayor to execute said document.
Submitted by:	Submitted By: Brian Bowman, Treatment Operations Supervisor
Recommended Action:	Approve Change Order No. 4 for Contract 877

CITY OF WATERLOO, IOWA

WASTE MANAGEMENT SERVICES DEPARTMENT

3505 Easton Ave. • Waterloo, IA 50703 • Phone (319) 291-4553

Date: April 12, 2022

To: Waterloo Mayor and City Council

From: Matthew Hosford, P.E., Waste Management Services

Re: Resolution Approving Change Order No. 4 for the Dry Run Creek Interceptor Project (Contract No. 877)

Background Discussion
The Dry Run Creek Interceptor Project was awarded to Boomerang Corporation of Anamosa, Iowa in December of 2019. The original contract amount was $4,267,662.00. Change Order No. 4, the final change order, will reduce the contract amount by $5,819.05 for a total contract price of $4,176,861.94. The total reduction in cost on the project is $90,800.06.

Recommended Action
It is recommended that City Council support the resolution to approve Change Order No. 4 for a contract reduction in total price in the amount of $5,819.05.

AECOM
501 Sycamore Street
Suite 222
Waterloo, Iowa 50703
www.aecom.com

319-232-6531 tel
319-232-0271 fax

April 06, 2022

Mr. Randy Bennett
Waste Management Services Department
3505 Easton Avenue
Waterloo, Iowa 50702

Subject: **Dry Run Creek Interceptor**
City of Waterloo, Iowa
City Contract No. 877
AECOM #60507076

Dear Mr. Bennett:

Attached is Pay Estimate No. 19 submitted by Boomerang, Corp., for the Dry Run Creek Interceptor project. This Pay Estimate covers the work completed from October 19, 2021 through March 30, 2022. Also attached is Change Order #04 (Final Quantity Adjustment).

AECOM has reviewed this pay estimate. We recommend the City of Waterloo pay Boomerang Corp., for Pay Estimate No. 19 in the amount of $3,135.00, including work completed to date.

The construction work for this project is now complete. The Contractor still needs to provide a Maintenance Bond. The final pay estimate to release retainage in the amount of $208,843.09 (attached) can be paid to Boomerang, Corp., per the requirements of the contract after the Maintenance Bond has been received.

The original contract was for $4,267,662.00. With adjustments in quantities in the field and change orders the final contract total was $4,176,861.94. The project has a net deduction of ($90,900.06).

Please let us know if you have any questions.

Yours sincerely,

Ross A. Hillsman, PE

Attachment: As Noted

Z:\Waterloo-USWAT1\Legacy\Projects\60507076\600_Construction_Support\660_Pay Applications\2022.04_DRC_PA19Final_Memo_Boomerang.docx

CHANGE ORDER #04 - FINAL QUANTITY ADJUSTMENT

Owner: City of Waterloo
Project: Dry Run Creek Interceptor
Owner's Contract No.: 877
Date of Contact Start: 11/30/2020

Date: 4/6/2022
Contractor: Boomerang, Corp.
Contract Amount: $ 4,267,662.00

You are directed to make the following changes in the Contract Documents. Description:

Line No.	Description	Reason for Change Order	Unit Price	Unit		Change in Qty	Change in Amount
5	Import Fill for Lift Station Site	Reduction in Completed Quantity	$ 25.00	/CY	x	-56.8 CY	$ (1,420.00)
6	Import Fill for Trench Removals	Reduction in Completed Quantity	$ 5.00	/CY	x	-5395 CY	$ (26,975.00)
14	Unclassified Material (Removal of Rippable Rock)	Reduction in Completed Quantity	$ 10.00	/CY	x	-820 CY	$ (8,200.00)
20	24-Inch Sanitary Sewer Gravity Main - Open Cut	Increase in Completed Quantity	$ 70.00	/LF	x	31.3 LF	$ 2,191.00
21	24-Inch Sanitary Sewer Gravity Main - Directional Drilling	REMOVED from Project (CO #01)	$ 1,400.00	/LF	x	-754.9 LF	
22	20-Inch Sanitary Sewer Gravity Main Ductile Iron - Open Cut	Reduction in Completed Quantity	$ 200.00	/LF	x	-42.5 LF	$ (8,500.00)
23	18-Inch Sanitary Sewer Gravity Main - Open Cut	Increase in Completed Quantity	$ 55.00	/LF	x	7.4 LF	$ 407.00
25	12-Inch Sanitary Sewer Force Main - Open Cut	Reduction in Completed Quantity	$ 35.00	/LF	x	-48 LF	$ (1,680.00)
26	8-Inch Sanitary Sewer Gravity Main - Open Cut	Reduction in Completed Quantity	$ 75.00	/LF	x	-21 LF	$ (1,575.00)
29	24-Inch Steel Casing, With 12-Inch Sanitary Sewer Force Main	REMOVED from Project (CO #01)	$ 350.00	/LF	x	-196 LF	
30	Force Main Fittings	Reduction in Completed Quantity	$ 10.00	/LBS	x	-32.7 LBS	$ (327.00)
33	48-Inch Manhole	Reduction in Completed Quantity	$ 5,000.00	/EA	x	-1 EA	$ (5,000.00)
37	24-Inch RCP Storm Sewer	Increase in Completed Quantity	$ 100.00	/LF	x	24 LF	$ 2,400.00
39	18-Inch RCP Storm Sewer	Increase in Completed Quantity	$ 95.00	/LF	x	3 LF	$ 285.00
40	18-Inch RCP Apron	Reduction in Completed Quantity	$ 1,100.00	/EA	x	-1 EA	$ (1,100.00)
41	12-Inch RCP Storm Sewer	Reduction in Completed Quantity	$ 90.00	/LF	x	-16 LF	$ (1,440.00)
42	12-Inch RCP Apron	Increase in Completed Quantity	$ 1,000.00	/EA	x	1 EA	$ 1,000.00
43	Drain Tile Replacement	Increase in Completed Quantity	$ 16.00	/LF	x	155 LF	$ 2,480.00
44	6-Inch PCC Pavement	Reduction in Completed Quantity	$ 70.00	/SY	x	-72 SY	$ (5,040.00)
45	8-Inch PCC Pavement	Reduction in Completed Quantity	$ 80.00	/SY	x	-31 SY	$ (2,480.00)
46	8-Inch HMA Pavement	Increase in Completed Quantity	$ 120.00	/SY	x	185.96 SY	$ 22,315.20
47	Gravel Surfacing	Increase in Completed Quantity	$ 12.00	/SY	x	355 SY	$ 4,260.00
48	Crushed Stone - Class "A"	Increase in Completed Quantity	$ 11.00	/SY	x	314 SY	$ 3,454.00
49	Pavement Removal	Increase in Completed Quantity	$ 19.00	/SY	x	107.5 SY	$ 2,042.50
50	Seeding, Fertilizing and Mulching for Hydraulic Seeding - Type 1 Seed Mix	Increase in Completed Quantity	$ 3,700.00	/AC	x	5.58 AC	$ 20,646.00
51	Seeding, Fertilizing and Mulching for Hydraulic Seeding - Type 2 Seed Mix	Increase in Completed Quantity	$ 3,400.00	/AC	x	0.8 AC	$ 2,720.00
52	Seeding, Fertilizing and Mulching for Hydraulic Seeding - Type 4 Seed Mix	Increase in Completed Quantity	$ 3,000.00	/AC	x	1.06 AC	$ 3,180.00
53	Seeding, Fertilizing and Mulching for Hydraulic Seeding - Type 5 Seed Mix	Reduction in Completed Quantity	$ 2,900.00	/AC	x	-5.7 AC	$ (16,530.00)
54	Erosion Stone	Increase in Completed Quantity	$ 50.00	/SY	x	192.5 SY	$ 9,625.00
55	Silt Fence	Increase in Completed Quantity	$ 2.00	/LF	x	3447 LF	$ 6,894.00
56	Temporary Rolled Erosion Control Products (RECP)	Reduction in Completed Quantity	$ 0.50	/SY	x	3623.5 SY	$ (1,811.75)
57	SWPPP Requirements	Reduction in Completed Quantity	$ 4,500.00	/LS	x	-0.1 LS	$ (450.00)
58	6-Foot Chain-Link Fence	Increase in Completed Quantity	$ 30.00	/LF	x	17 LF	$ 510.00
61	Rock Excavation	Reduction in Completed Quantity	$ 50.00	/CY		-154 CY	$ (7,700.00)
	TOTAL DEDUCTIONS						$ (5,819.05)

CONTRACT PRICE

Original:		$ 4,267,662.00
Previous C.O.s (ADD/DEDUCT)	CO #01 (263,111.68), CO #02 186,231.77, CO #03 (8,101.10)	$ (84,981.01)
This C.O. (ADD/DEDUCT)	$ (5,819.05)	$ (5,819.05)
Contract Price with all approved Change Orders:		$ 4,176,861.94

CONTRACT TIME

	To Final Completion
Original Completion Date:	11/30/2020
Revised Completion Date:	3/30/2022

It is agreed by the Contractor that this Change Order includes any and all costs associated with or resulting from the change(s) ordered herein, including all impact, delays, and acceleration costs. Other than the dollar amount and time allowance listed above, there shall be no further time or dollar compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMENDMENT TO THE CONTRACT AND ALL STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

APPROVED:

BY: _____ Date _____
Owner (Authorized Signature)

ACCEPTED:

BY: _____ Date 4-6-2022
Contractor (Authorized Signature)

ACCEPTED:

BY: _____ Date 4/6/2022
AECOM

AECOM
60507076
Project No. Final Qty Adj

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CITY OF WATERLOO

Council Communication

Motion approving Change Order No. 11 from WRH of South Amana, Iowa, for a decrease of $84,170.00, in conjunction with the Satellite Wet Well Rehabilitation Project, Contract No. 907, and authorizing the Mayor to execute said documents.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

	Description	Type
	Change Order No 11	Backup Material

SUBJECT:	Motion approving Change Order No. 11 from WRH of South Amana, Iowa, for a decrease of $84,170.00, in conjunction with the Satellite Wet Well Rehabilitation Project, Contract No. 907, and authorizing the Mayor to execute said documents.
Submitted by:	Submitted By: Brian Bowman, Treatment Operations Supervisor
Recommended Action:	Approve Change Order No. 11 for WRH Satellite Wetwell Project

FINAL QUANTITY ADJUSTMENT

(CO #11)

Owner	**City of Waterloo**	Date:	**4/18/2022**
Project	**Satellite Wet Well Rehabilitation**		
Owner's Contract No.	**907**	Contractor:	**WRH, Inc.**
Date of Contact Start	**9/17/2018**	Contract Amount:	**$ 1,839,380.00**

You are directed to make the following changes in the Contract Documents. Description:

11	Satellite Grout	$	1,100.00	/GAL	x	-75 GAL	$	(82,500.00)
12	Satellite Repair	$	230.00	/CF	x	-7.26 CF	$	(1,670.00)
	TOTAL DEDUCTIONS						$	(84,170.00)

Reason for Change Order

11 Removed from contract.
12 Reduction in completed quantity.

CONTRACT PRICE

Original:	$ 1,839,380.00
Previous C.O.s (ADD/DEDUCT)	$ 417,034.00
This C.O. (ADD/DEDUCT)	$ (84,170.00)
Contract Price with all approved Change Orders:	**$ 2,172,244.00**

CONTRACT TIME

	To Substantial Completion	To Final Completion
Original Completion Date:	11/20/2020	12/18/2020
Revised Completion Date:		3/31/2022

It is agreed by the Contractor that this Change Order includes any and all costs associated with or resulting from the change(s) ordered herein, including all impact, delays, and acceleration costs. Other than the dollar amount and time allowance listed above, there shall be no further time or dollar compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMENDMENT TO THE CONTRACT AND ALL STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

APPROVED:

BY: _____ _____
Owner (Authorized Signature) Date

ACCEPTED:

BY: Mitchell Vargson Digitally signed by Mitchell Vargson DN: C=US, E=mvargson@wendlerinc.com, O=WRH, CN=Mitchell Vargson Date: 2022.04.18 14:53:15-05'00' 4/18/22
Contractor (Authorized Signature) Date

ACCEPTED:

BY: _____ 4/18/2022
AECOM Date

AECOM
60488465/60609377
Project No. Final Qty Adj

CITY OF WATERLOO

Council Communication

Bonds.

City Council Meeting: 5/2/2022
Prepared:

ATTACHMENTS:

	Description	Type
	Bonds for apprval 05.02.2022	Backup Material

SUBJECT: Bonds.

BONDS FOR COUNCIL APPROVAL
May 2, 2022

RIGHT OF WAY CONSTRUCTION BOND — AMOUNT $15,000.00

6562552	AL MONAGHAN, LLC	JANESVILLE, IA
IA 596207	BRAD TAYLOR	WATERLOO, IA
7900452204	CHRISTONE, INC.	WATERLOO, IA
65150873	CONCRETE SOLUTIONS	WAVERLY, IA
SY98440	CUSTOM CONCRETE, LLC	INDEPENDENCE, IA
66231104	DANIEL CORRIGAN	WATERLOO, IA
IA 590535	DON SCHMITZ & SONS, INC.	WASHBURN, IA
T248734	GARY MAUER	GRUNDY CENTER, IA
RLI0618722	LARRY A. RUST DBA LARRY AND COMPANY, INC.	WATERLOO, IA
7901006032	MARTINEZ CONCRETE, LLC	WATERLOO, IA
2180297	MIKE DOLAN CONCRETE & MASONRY, INC.	WATERLOO, IA
55-207712	QUALITY CONCRETE CONSTRUCTION, INC.	WATERLOO, IA
55-209283	R L SNITKER CONSTRUCTION, INC.	CEDAR RAPIDS, IA
66217118	SLATER CREATIONS, LLC	WATERLOO, IA
95 CC 8149 2	STEVE MILLER CONSTRUCTION, LLC	CEDAR FALLS, IA
106744910	TRUEG CUSTOM CONCRETE, LLC	JESUP, IA
SY97328	WEST UNION TRENCHING, LLC	WEST UNION, IA

CITY OF WATERLOO

Council Communication

FY 2022 Asphalt Overlay Program, Contract No. 1056.

City Council Meeting: 5/2/2022
Prepared: 4/1/2022

ATTACHMENTS:

	Description	Type
	Bid Tabulation	Backup Material

SUBJECT:	Motion to receive and file proof of publication of notice of public hearing. HOLD HEARING - No comments on file. Motion to close hearing and receive and file oral and written comments. Resolution confirming approval of plans, specifications, form of contract, etc., and authorizing to proceed. Motion to receive, file and instruct City Clerk to read bids. Resolution approving award of bid to Aspro, Inc., of Waterloo, Iowa, in the amount of $3,234,420.62, approving the contract, bond and certificate of insurance, in conjunction with the FY 2022 Asphalt Overlay Program, Contract No. 1056, and authorizing the Mayor and City Clerk to execute said document.
Submitted by:	Submitted By: Wayne Castle, PLS, PE, Associate Engineer

FY 2022 ASPHALT OVERLAY PROGRAM, CONTRACT NO. 1056
BID TAB
BID OPENING: APRIL 21, 2022

ITEM NO.	SUDAS SPECIFICATION * - SEE SUPPLEMENTAL	ITEM DESCRIPTION	UNIT	TOTAL	ENGR'S EST. UNIT PRICE	ENGR'S EST. ITEM PRICE	ASPRO'S UNIT PRICE	ASPRO'S ITEM PRICE
1	4020-1.08-A-1*	STORM SEWER TRENCHED, RCP, 2000D, 12 INCH	LF	50.0	$ 65.00	$ 3,250.00	$ 115.00	$ 5,750.00
2	6010-1.08-H-0	REMOVE INTAKE	EACH	4.0	$ 600.00	$ 2,400.00	$ 1,800.00	$ 7,200.00
3	6010-1.08-B-0	INTAKE, SW-501	EACH	4.0	$ 6,000.00	$ 24,000.00	$ 6,000.00	$ 24,000.00
4	SPECIAL PROVISION #1	REMOVE AND REPLACE INLET BOXOUT, SW-501	EACH	7.0	$ 3,100.00	$ 21,700.00	$ 3,250.00	$ 22,750.00
5	SPECIAL PROVISION #1	REMOVE AND REPLACE INLET BOXOUT, SW-505	EACH	2.0	$ 3,700.00	$ 7,400.00	$ 4,250.00	$ 8,500.00
6	SPECIAL PROVISION #1	REMOVE AND REPLACE INLET BOXOUT, SW-511	EACH	1.0	$ 4,000.00	$ 4,000.00	$ 3,250.00	$ 3,250.00
7	SPECIAL PROVISION #1	REMOVE AND REPLACE INLET BOXOUT, E-3-C	EACH	1.0	$ 5,000.00	$ 5,000.00	$ 4,500.00	$ 4,500.00
8	6010-1.08-D-0 *	CASTING EXTENSION RING (INLET)	EACH	50.0	$ 575.00	$ 28,750.00	$ 300.00	$ 15,000.00
9	6010-1.08-D-0 *	CASTING EXTENSION RING (MANHOLE)	EACH	83.0	$ 1,000.00	$ 83,000.00	$ 900.00	$ 74,700.00
10	SPECIAL PROVISION #2	REMOVE & REPLACE MANHOLE BOXOUT	EACH	5.0	$ 2,200.00	$ 11,000.00	$ 1,950.00	$ 9,750.00
11	6010-1.08-E-0	MANHOLE ADJUSTMENT, MINOR	EACH	1.0	$ 1,500.00	$ 1,500.00	$ 1,600.00	$ 1,600.00
12	7020-1.08-A-0 *	PAVEMENT, HMA, STANDARD TRAFFIC (ST) SURFACE, 1/2", PG 58-28S, NO FRICTION	TONS	2,589.90	$ 142.40	$ 368,801.76	$ 145.45	$ 376,700.96
13	7020-1.08-A-0 *	PAVEMENT, HMA, HIGH TRAFFIC (HT) SURFACE, 1/2", PG 58-28S, NO FRICTION	TONS	7,512.20	$ 146.15	$ 1,097,908.03	$ 149.35	$ 1,121,947.07
14	7020-1.08-A-0 *	PAVEMENT, HMA, STANDARD TRAFFIC (ST) INTERMEDIATE, 1/2", PG 58-28S	TONS	692.90	$ 142.00	$ 98,391.80	$ 144.35	$ 100,020.12
15	7020-1.08-A-0 *	PAVEMENT, HMA, HIGH TRAFFIC (HT) INTERMEDIATE, 1/2", PG 58-28S	TONS	1,315.90	$ 147.10	$ 193,568.89	$ 148.85	$ 195,871.72
16	7020-1.08-I-0	HMA PAVEMENT SAMPLES AND TESTING	LS	1.0	$ 15,000.00	$ 15,000.00	$ 7,875.00	$ 7,875.00
17	7030-1.08-A-0 *	REMOVAL OF SIDEWALK	SY	1,029.80	$ 7.50	$ 7,723.50	$ 21.50	$ 22,140.70
18	7030-1.08-E-0	SIDEWALK, PCC, C-4, 4-INCH	SY	361.6	$ 50.00	$ 18,080.00	$ 51.00	$ 18,441.60
19	7030-1.08-E-0	SIDEWALK, PCC, C-4, 6-INCH	SY	387.5	$ 52.00	$ 20,150.00	$ 53.00	$ 20,537.50
20	7030-1.08-E-0	SIDEWALK, PCC, C-4, 6-INCH PEDESTRIAN RAMP	SY	351.7	$ 53.00	$ 18,640.10	$ 53.00	$ 18,640.10
21	7030-1.08-G-0	DETECTABLE WARNING	SF	766.0	$ 48.00	$ 36,768.00	$ 50.00	$ 38,300.00
22	SPECIAL PROVISION #3	SIDEWALK CURB, BEAM	LF	22.9	$ 220.00	$ 5,038.00	$ 250.00	$ 5,725.00
23	SPECIAL PROVISION #4	SIDEWALK CURB	LF	7.8	$ 85.00	$ 663.00	$ 250.00	$ 1,950.00
24	7040-1.08-E, I-0 *	REMOVE CURB & GUTTER	LF	1,270.7	$ 27.50	$ 34,944.25	$ 26.50	$ 33,673.55
25	7040-1.08-E, I-0 *	CURB & GUTTER, 24-INCH WIDE, 8-INCH THICK, PCC C-4	LF	200.6	$ 62.50	$ 12,537.50	$ 56.00	$ 11,233.60
26	7040-1.08-E, I-0 *	CURB & GUTTER, 24-INCH WIDE, 9-INCH THICK, PCC C-4	LF	81.9	$ 65.00	$ 5,323.50	$ 65.00	$ 5,323.50
27	7040-1.08-E, I-0 *	CURB & GUTTER, 24-INCH WIDE, 13.5-INCH THICK, PCC C-4	LF	988.2	$ 125.00	$ 123,525.00	$ 75.00	$ 74,115.00
28	7040-1.08-H-0	REMOVAL OF PAVEMENT	SY	19.3	$ 9.00	$ 173.70	$ 25.00	$ 482.50
29	7020-1.08-B-0 *	PAVEMENT, HMA, 6-INCH	SY	19.3	$ 60.00	$ 1,158.00	$ 82.00	$ 1,582.60
30	SPECIAL PROVISION #5	SURFACE PATCH	TONS	15.0	$ 165.00	$ 2,475.00	$ 265.00	$ 3,975.00
31	SPECIAL PROVISION #6	FULL DEPTH PATCHING, 13.5-INCH, PCC	SY	1,111.0	$ 130.00	$ 144,430.00	$ 185.00	$ 205,535.00
32	IDOT SPEC 2212 *	PARTIAL DEPTH PATCHING	SF	12.0	$ 25.00	$ 300.00	$ 16.80	$ 201.60
33	SPECIAL PROVISION #7	PARTIAL DEPTH CRACK REPAIR	LF	439.0	$ 30.00	$ 13,170.00	$ 21.50	$ 9,438.50
34	2010-1.08-J *	SUBBASE, MODIFIED, 6-INCH	SY	1,110.0	$ 25.00	$ 27,750.00	$ 15.60	$ 17,316.00
35	IDOT SPEC 2312	GRANULAR SHOULDER	TONS	120.0	$ 40.00	$ 4,800.00	$ 35.40	$ 4,248.00
36	IDOT SPEC 2216	CRACK AND SEAT	SY	9,731.7	$ 5.00	$ 48,658.50	$ 3.95	$ 38,440.22
37	SPECIAL PROVISION #8	MILL WEDGE	EACH	21.0	$ 2,800.00	$ 58,800.00	$ 2,925.00	$ 61,425.00
38	IDOT SPEC 2214	PAVEMENT SCARIFICATION	SY	58,475.4	$ 8.00	$ 467,803.20	$ 7.55	$ 441,489.27
39	8020-1.08-B-0	PAINTED PAVEMENT MARKINGS, SOLVENT/WATERBORNE	STA	284.81	$ 120.00	$ 34,177.20	$ 57.75	$ 16,447.78
40	8020-1.08-H	PRECUT SYMBOLS & LEGENDS, THERMOPLASTIC	EACH	7.0	$ 1,000.00	$ 7,000.00	$ 661.25	$ 4,628.75
41	8030-1.08-A-0	TEMPORARY TRAFFIC CONTROL	LS	1.0	$ 20,000.00	$ 20,000.00	$ 39,500.00	$ 39,500.00
42	8030-1.08-A-0	TEMPORARY TRAFFIC CONTROL - BROADWAY STREET	LS	1.0	$ 2,500.00	$ 2,500.00	$ 7,000.00	$ 7,000.00
43	8030-1.08-A-0	TEMPORARY TRAFFIC CONTROL - FRANKLIN STREET	LS	1.0	$ 7,500.00	$ 7,500.00	$ 18,000.00	$ 18,000.00
44	8030-1.08-A-0	TEMPORARY TRAFFIC CONTROL - WEST RIDGEWAY AVENUE	LS	1.0	$ 7,500.00	$ 7,500.00	$ 14,000.00	$ 14,000.00
45	1070-3.02-4	RAILROAD PROTECTIVE INSURANCE - IOWA NORTHERN RAILROAD	LS	1.0	$ 7,500.00	$ 7,500.00	$ 5,000.00	$ 5,000.00
46	11020-1.08-A-0	MOBILIZATION	LS	1.0	$ 300,000.00	$ 300,000.00	$ 95,200.00	$ 95,200.00
47	9040-1.08-F	EROSION CONTROL, WATTLES, 9-INCH, INSTALL	LF	800.0	$ 35.00	$ 28,000.00	$ 7.35	$ 5,880.00
48	9040-1.08-F	EROSION CONTROL, WATTLES, REMOVE	LF	800.0	$ 5.00	$ 4,000.00	$ 4.00	$ 3,200.00
49	SPECIAL PROVISION #9	EARTHWORK, GRADE AND REMOVE TOPSOIL	SY	310.0	$ 35.00	$ 10,850.00	$ 26.25	$ 8,137.50
50	9010-1.08-B-0 *	HYDRAULIC SEEDING, FERTILIZING, & MULCHING	SY	310.0	$ 25.00	$ 7,750.00	$ 12.25	$ 3,797.50
						$ 3,455,358.93		**$ 3,234,420.62**

NOTE: DURING BID TAB REVIEW, ENGINEER DISCOVERED ERROR IN ESTIMATED QUANTITY FOR BID ITEM #31. ESTIMATED QUANTITY SHOULD HAVE BEEN 1,1110.0 SY, NOT 1,111.0 SY AS SHOWN ON FORM OF BID. THIS ERROR RESULTS IN A DIFFERENCE OF $130.00 BETWEEN ENGINEER'S ESTIMATE PROVIDED FOR BID OPENING AND ENGINEER'S ESTIMATE IN BID TAB. THIS ERROR DOES NOT SIGNIFICANTLY AFFECT BIDS. ENGINEER WILL USE ESTIMATED QUANTITY SHOWN ON FORM OF BID FOR FUTURE DOCUMENTS.

CITY OF WATERLOO

Council Communication

FY 2022 Sidewalk Inspection and Repair Program – Zone 2.

City Council Meeting: 5/2/2022
Prepared: 4/18/2022

SUBJECT:	Motion to receive and file proof of publication of notice of public hearing. HOLD HEARING - No comments on file. Motion to close hearing and receive and file oral and written comments. Resolution authorizing proposed repairs to sidewalk. Resolution adopting Proposed Resolution of Necessity, as proposed or amended.
Submitted by:	Submitted By: Wayne Castle, PLS, PE, Associate Engineer

CITY OF WATERLOO

Council Communication

Purchase of one (1) John Deere 6120M tractor with 22 Foot Cradle Mount mower.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

	Description	Type
🗋	Bid Documents	Backup Material
🗋	Bid Tabulation	Backup Material

SUBJECT:	Motion to receive and file proof of publication and notice of public hearing. HOLD HEARING- No Comments on File. Motion to close hearing and receive and file oral and written comments. Resolution confirming approval of specifications, bid documents, form of contract etc., and authorizing to proceed. Motion to receive, file, and instruct City Clerk to read bids. Resolution awarding bid to P & K Midwest of Waterloo, Iowa, in the amount of $179,362.00.
Submitted by:	Submitted By: JB Bolger, Assistant Park Superintendent
Recommended Action:	Approve Purchase
Summary Statement:	This transaction will replace a 1992 John Deere 2955 Tractor with the same style mower attached to it. This unit is used to mow roadsides, ditches, creek banks, raised retaining walls, and other challenging environments often with steep slopes involved. Operator safety will be improved because this unit will have an enclosed cab with impact resistant windows where the old unit is an open operators station and staff can be hit with flying debris.
Expenditure Required/Source of Funds:	Estimated cost $188,000 after trade value is applied. Funding is CIP Bond Funds.

CITY OF WATERLOO
LEISURE SERVICES
1101 CAMPBELL AVE
WATERLOO IA 50701

GENERAL INSTRUCTIONS, REQUIREMENTS AND SPECIFICATIONS

ONE (1) NEW JOHN DEERE 6120M TRACTOR WITH 22 FOOT CRADLE MOUNT MOWER

BID REQUEST

Bid documents for One (1) New John Deere 6120M Tractor with 22 Foot Cradle Mount Mower

INSTRUCTIONS TO BIDDERS

BID DEADLINE DATE: 1:00pm Thursday April 28, 2022.

The City of Waterloo, Iowa, is seeking competitive bids on the purchase of one (1) John Deere 6120M Tractor with 22 Foot Cradle Mower as described in the enclosed specifications.

All bids are to be submitted to the City Hall Clerk's Office located at 715 Mulberry Street, Waterloo, Iowa, 50703, in a sealed envelope. When submitting bid, please note on the lower, left-hand corner of envelope:

- **JOHN DEERE 6120M with 22' CRADLE MOWER**

All bids must meet or exceed the Specifications provided. Bids that do not meet or exceed the Specifications will be rejected.

All bid prices are recognized by the City and the Bidder to be valid irrevocably for a minimum of sixty (60) days from the calendar date of the Bid Opening.

Standard procedure dictates that the City of Waterloo will accept the lowest responsive, responsible bid. However, the Bidder understands that the City reserves the right to reject any bid that is either considered not to be responsive or not most advantageous to the City. The City will normally award the purchase contract to the responsible Bidder who meets or exceeds the minimum specifications provided.

The City of Waterloo, Iowa, reserves the right to accept or reject any and all bids.

If applicable, the Bidder guarantees that Title conveyed for the goods shall be delivered free from security interest or other lien or encumbrance.

The Bid Price given shall be the complete price for unit or units meeting specifications provided. This price shall include all discounts, freight and/or transportation costs necessary to supply the vehicles in accordance with the Specifications and to the final destination at 1101 Campbell Avenue, Waterloo, Iowa.

INSTRUCTIONS TO BIDDERS
PAGE TWO

Certain units may have special warranty provisions, maintenance provisions, or buy-back guarantees. These will be listed in the individual specifications. The Bidder is cautioned to review these carefully and complete the bid proposal accordingly.

Specific questions may be addressed to: JB Bolger Assistant Park Superintendent, Waterloo Leisure Services, 1101 Campbell Avenue, Waterloo, Iowa 50701,
(319) 291-4370.

The Bidder must have and maintain inventory of repair parts as well as have experienced service personnel for this equipment. The Bidder shall certify by the act of signing and submitting his/her bid that all items and service delivered hereunder shall comply with the Federal Occupation Safety and Health Act of 1960 as amended and applicable.

BID DEADLINE: Bids will be received until 1:00pm, local time on Thursday April 28th, 2022 in the City Clerk's Office at City Hall. Bids will be opened 1:30pm on Thursday April 28th, 2022 in the first floor conference room at City Hall.

THE CITY RESERVES THE RIGHT TO REJECT ANY AND/OR ALL BIDS.

SPECIFICATIONS

ONE (1) NEW JOHN DEERE 6120M TRACTOR WITH 22 FOOT CRADLE MOWER

The undersigned hereby proposes to furnish the following equipment f.o.b. Waterloo, IA, ready for immediate use with all necessary parts and accessories needed for its operation as specified below. Dealer must list any deviation from specifications given.

NEW JOHN DEERE 6120M CAB TRACTOR WITH 22 FOOT CRADLE MOWER

Required Items:

JOHN DEERE SPECS:

CODE:	DESCRIPTION:
4297L	6120M Cab Tractor
183A	Less JD Link
185A	Less Subscription
0202	United States
0409	English
0501	No Package
874B	Alternator 14V/210 A
1436	PowrQuad PLUS 24F/24R- 40km/h
1757	ISOBUS Ready/ GreenStar Ready
1950	Less Application
2084	6M Cab- Economy Cab with RH Console
2142	Standard Seat
2511	Mirrors – Manual Telescopic
2664	Premium Radio
3223	Hydraulic Pump- 114 l/min
3319	Standard SCV Package
3820	Rear PTO- 540/1000 rpm
4121	Draft Links with Telescopic Ball End- Category 3N/ Category 3
4212	Center Link with Hook End- Category 3/2
4410	Sway Control Blocks
5040	R&P Rear Axle 79 mm (3.11 in.) x 2550 mm (100.4 in.)
5091	Cast Wheels (Cast Disk)
5222	Rear Wheels Size 480/70R38
5901	Rear and Front Tire Brand- Firestone
6045	4WD Front Axle- Unsuspended
6092	Adjustable Steel Wheels
6221	Front Wheel Size 420/70R24
7702	Shipment Preparation- by Ship Overseas
8263	Additional Storage Compartment- Left- Hand Side
8301	Cold Start Package II
8307	Fuel Tank Bottom Guard
8385	Heavy Duty Rear PTO
8437	Drawbar Flat Version

8607	AutoDifflock
8747	Battery 12 V/174 AH
8763	Heavy Duty Rear Wheel Brakes
1801	No AutoTrac Package
1880	Less Receiver
1900	Less Display

RIGHT HAND DUAL WHEEL, TIRE, ATTACHING HUB and HARDWARE

TWO YEAR, 2,000 HOUR COMPREHENSIVE WARRANTY

PAPER COPY PARTS, TECH, and OPERATORS MANUALS

OPERATIONAL/ SAFETY DVD

MOWER ATTACHMENT SPECS:

DIAMOND MOWER
DBM-C-N 63
22 FOOT REACH
REAR CRADLE BOOM
FOUR FUNCTION IBC
63” GRASS FLAIL
STEEL WHEEL WEIGHT INSTALLED IN LEFT SIDE RIM
LEFT SIDE TIRE FILLED WITH RIM GUARD OR SIMILAR NON-CORROSIVE WEIGHT
ONE YEAR COMPREHENSIVE WARRANTY
PAPER PARTS, TECH, and OPERATORS MANUAL

Delivering dealer shall provide on-site operational tutorial to Leisure Services Staff at the time of delivery.

OPTIONAL TRADE UNIT

- 1992 Model Year John Deere 2955 with 60” Side Mount Flail Mower
- TRACTOR SERIAL # APL35012944170
- 5,427 Hours (4/6/22)
- Diamond Mower Serial # 4351
- Available for viewing at Waterloo Leisure Services Office 1101 Campbell Ave. Waterloo, Iowa, 50701.

CITY OF WATERLOO
BID FORM

ONE (1) NEW JOHN DEERE 6120M TRACTOR w/ 22 FOOT CRADLE MOUNT MOWER

Our bid for one (1) new John Deere 6120M Tractor with 22 Foot Cradle Mount Mower meeting the specifications as previously stated in these bid documents, delivered F.O.B. to Leisure Services, 1101 Campbell Avenue, Waterloo, Iowa, ready for use by the City of Waterloo:

_____ $_____

Optional Trade Value on John Deere 2955

_____ $_____

If awarded the contract, we agree to deliver the above listed equipment to the City of Waterloo by September 30, 2022. Failure to deliver to the City of Waterloo on or before the designated date shall result in a penalty at a daily rate of $50.00 per working day until delivery is made.

We understand that this quotation will be reviewed by the Leisure Services Assistant Park Superintendent and the Waterloo City Council for the purpose of securing the equipment at the most favorable cost. Life Cycle Analysis will be used when appropriate. Factors such as service location and availability, warranty, maintenance records and vendor's past performance records will be considered where applicable.

Bidder_____
Company Name

_____
Address

_____
City State Zip Code

Contact Person_____

Signature _____ Date_____

Phone _____ Fax _____

Purchase John Deere 6120M with Cradle Mower

Bid Tab: April 28, 2022

Bidder	Bid Amount
P & K Midwest Waterloo, Iowa	$194,697.00
Trade Value on JD 2955	$15,335.00

CITY OF WATERLOO

Council Communication

Sale and conveyance of City property located northwest of 326 W. 14th Street, to 3 Stooges, LLC, in the amount of $1.00, and approval of a Development Agreement and Minimum Assessment Agreement, in the amount of $250,000.00, for the development of a 6,000 square foot building.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

	Description	Type
	Development Agreement	Backup Material
	Map of site	Backup Material

SUBJECT:	Motion to receive and file proof of publication of notice of public hearing. HOLD HEARING - No comments on file. Motion to close hearing and receive and file oral and written comments. Resolution approving the sale and conveyance of city owned property located northwest of 326 W. 14th Street, in the amount of $1.00, to Three Stooges, LLC, and authorizing the Mayor and City Clerk to execute necessary documents. Resolution approving a Development Agreement and Minimum Assessment Agreement, with 3 Stooges, LLC, in the amount of $250,000.00, in conjunction with the development of a 6,000 square foot building, and authorizing the Mayor and City Clerk to execute said document.
Submitted by:	Submitted By: Noel Anderson, Community Planning and Development Director
Recommended Action:	Approval
Summary Statement:	The City acquired the lots in question from the Rooff Family in 2020 and demolished the home in 2021. 3 Stooges LLC plans to construct a 6,000 square foot building to lease to small contractor businesses in the area.
Neighborhood Impact:	The area has seen many similar developments in the past 10 years and the City is always working towards acquiring lots in this area for redevelopment purposes. This continues to be one of the most sought after areas for small contractor businesses in Waterloo.
Data/Analysis and Strategies:	Sale of Property
Expenditure Required/Source of Funds:	up to $2,500 in Closing costs/ Rath TIF
	Lots 6, 7 and 8 in Block 56 in Anthony Baker's Addition to the Town (now City) of Waterloo, Black Hawk County, Iowa. Also, that part of vacated Bluff Street described as the Northeasterly Twenty-five feet (25') of Bluff

Legal Descriptions:	Street adjacent to Block 56 of Anthony Baker's Addition, lying Northwesterly of a Southwesterly extension of the Southeasterly line of Lot 8 of said Block 56, and lying Southeasterly of the Southeasterly line of West 13th Street, City of Waterloo, Black Hawk County, Iowa, subject to the retention of a utility easement over, under and upon the Northwesterly twenty feet (20') of the above described vacated Bluff Street.

Preparer: Christopher S. Wendland, P.O. Box 596, Waterloo, Iowa 50704 (319) 234-5701
After recording, return to Community Planning & Development, 715 Mulberry Street, Waterloo, IA 50703.

DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is entered into as of _____, 2022, by and between 3 Stooges, LLC ("Company"), and the City of Waterloo, Iowa ("City").

RECITALS

A. In furtherance of the objectives of Chapter 403 of the Code of Iowa, 2015, as amended (the "Urban Renewal Act"), City is engaged in carrying out urban renewal project activities in an area known as the Rath Urban Renewal and Redevelopment Plan Area ("Urban Renewal Area").

B. Company is willing and able to finance and construct a building and related improvements on property located in the Urban Renewal Area.

C. City considers economic development within the City a benefit to the community and is willing for the overall good and welfare of the community to provide financial incentives so as to encourage that goal. City believes that the development of the Property (defined below) is in the vital and best interests of the City and in accordance with the public purposes and provisions of the applicable State and local laws and requirements under which the project has been undertaken and is being assisted.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. **Sale of Property; Title.** Subject to the terms hereof, City shall convey to Company for the sum of $1.00 (the "Purchase Price") the real property described on Exhibit "A" attached hereto (the "Property"). Conveyance shall be by quit claim deed, free and clear of all encumbrances arising by or through City except: (a) easements, servitudes, conditions and restrictions of record; (b) current and future real estate real

property taxes and assessments subject to the agreements made herein; (c) general utility and right-of-way easements serving the Property; and (d) restrictions imposed by the City zoning ordinances and other applicable law. City shall have no duty to convey title to Company until Company delivers to City reasonable and satisfactory proof of financial ability to undertake and carry on the Project (defined below), which may take the form of a lending commitment letter. Company shall have no duty to accept title to the Property until City has completed demolition activities in accordance with Section 6.A. City shall, at its own expense, prepare an updated abstract of title, or in lieu thereof Company may, at its own expense, obtain whatever form of title evidence it desires. If title is unmarketable or subject to matters not acceptable to Company, and if City does not remedy or remove such objectionable matters in timely fashion following written notice of such objections from Company, Company may terminate this Agreement. City shall provide any title documents it has in its possession, including any abstracts, to assist in title review.

2. **Improvements by Company.** Company shall construct on the Property a commercial building of no less than 6,000 square feet, and related parking, landscaping, and other improvements to the buildings and grounds (collectively, the "Improvements"). The Improvements shall be constructed in accordance with the terms of this Agreement, the Urban Renewal Plan, all applicable City, state, and federal building codes and shall comply with all applicable City ordinances and other applicable law. Parking shall meet City's minimum requirements based on building use, occupancy, and future intended development on the Property. Company shall submit specific building designs and site plans for City review and approval before the commencement of construction. Company will use its best efforts to obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals, and will meet, in a timely manner, all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Improvements may be lawfully constructed. The Property, the Improvements, and all site preparation and development-related work to make the Property usable for Company's purposes as contemplated by this Agreement are collectively referred to as the "Project".

3. **Timeliness of Construction; Possibility of Reverter.** The parties agree that Company's commitment to cause the Project to be undertaken and to construct the Improvements in a timely manner constitutes a material inducement for the City to extend the development incentives provided for in this Agreement, including but not limited to its commitment to convey the Property to Company, and that without said commitment City would not have done so. Subject to Unavoidable Delays (defined below), Company must obtain a building permit and begin construction of the Improvements by November 30, 2023 (the "Project Start Date"), and construction of Improvements must be Substantially Completed within six (6) months after commencement (the "Project Completion Date"). For purposes of this Agreement, "Substantially Completed" means the date on which the Improvements have been completed to the extent necessary for the City to issue a certificate of occupancy relating thereto.

If Company has not begun construction of the Improvements before the Project Start Date, City may terminate this Agreement as set forth in Section 15, title to the Property shall revert to City, and City shall have no further obligation hereunder. If construction has not begun by the Project Start Date but the development of the Project is still imminent, the City Council may, but shall not be required to, grant an extension of the Project Completion Date. If construction has commenced within the required period or any extended period and is stopped and/or delayed as a result of an act of God, war, civil disturbance, court order, labor dispute, fire, or other cause beyond the reasonable control of Company (each of the foregoing is an "Unavoidable Delay"), then time lost as a result of Unavoidable Delays shall be added to extend the Project Completion Date by a number of days equal to the number of days lost as a result of Unavoidable Delays, and thereafter if construction is not completed within the allowed period of extension, City may terminate this Agreement as set forth in Section 15, title to the Property shall revert to City, and City shall have no further obligation hereunder.

4. **Reverter of Title; Indemnity.** In the event of any reverter of title, Company agrees that it shall, at its own expense, promptly execute all documents, including but not limited to a special warranty deed, or take such other actions as the City may reasonably request to effectuate said reverter and to deliver to City title to the Property that is free and clear of any lien, claim, charge, security interest, mortgage or encumbrance (collectively, "Liens") arising by or through Company. Company shall pay in full, so as to discharge or satisfy, all Liens on or against the Property. ***Appointment of Attorney in Fact:*** If Company fails to deliver such documents, including but not limited to a special warranty deed, to City within thirty (30) days after written demand by City, then City shall be authorized to execute, on Company's behalf and as its attorney-in-fact, the special warranty deed required by this Section, and for such limited purpose Company does hereby constitute and appoint City as its attorney-in-fact.

Company further agrees that it shall indemnify City and hold it harmless with respect to any demand, claim, cause of action, damage, cost, expense, liability or injury made, suffered, or incurred as a result of or in connection with the Project, or Company's failure to carry on or complete same, or any Lien or Liens on or against the Property of any type or nature whatsoever that attaches to the Property by virtue of Company's ownership of same. If City files suit to enforce the terms of this Agreement and prevails in such suit, then Company shall be liable for all legal expenses, including but not limited to reasonable attorneys' fees, incurred by City. Company's duties of indemnity pursuant to this Section shall survive the expiration, termination or cancellation of this Agreement for any reason.

5. **Utilities.** Company will be responsible for extending water, sewer, telephone, telecommunications, electricity, gas and other utility services to any location on the Property and for payment of any associated connection fees.

6. **Additional City Assistance.** The incentives described in the following subsections of this Section 6 are in addition to the other Project incentives extended by City to Company hereunder.

A. Demolition. City has demolished all structures on the Property, removed trees and stumps, and removed all debris, leaving a relatively level and construction-ready site.

B. Partial Tax Exemption. Because the Property is located in a designated Consolidated Urban Revitalization Area (CURA), the Property is eligible for tax exemption consistent with and to the extent provided for in Iowa law, provided that Company meets all requirements to qualify for such exemption.

7. **Minimum Assessment Agreement.** Company acknowledges and agrees that it will pay when due all taxes and assessments, general or special, and all other lawful charges whatsoever levied upon or assessed or placed against the Property. Company further agrees that, prior to the date set forth in Section 2 of the Minimum Assessment Agreement (the "MAA") attached hereto as Exhibit "B", it will not seek or cause a reduction in the assessed valuation for the Property as improved pursuant to this Agreement, which shall be fixed for assessment purposes, below the aggregate amount of $250,000.00 ("Minimum Actual Value"), through:

(i) willful destruction of the Property (other than any demolition that may be authorized herein), Improvements, or any part of either;

(ii) a request to the assessor of Black Hawk County; or

(iii) any proceedings, whether administrative, legal, or equitable, with any administrative body or court within the City, Black Hawk County, the State of Iowa, or the federal government.

Company agrees to sign and deliver the MAA to City concurrently with execution and delivery of this Agreement.

8. **No Encumbrances; Limited Exception.** Until completion of the Improvements, Company agrees that it shall not create, incur, or suffer to exist any Liens on the Property, other than such mortgage or mortgages as may be reasonably necessary to finance Company's completion of the Improvements and of which Company notifies City before Company executes any such mortgage. Company may not mortgage the Property or any part thereof for any purpose except in connection with financing of the Improvements.

9. **No Assignment or Conveyance.** Company agrees that it will not sell, convey, assign or otherwise transfer its interest in the Property prior to completion of the Project, whether in whole or in part, to any other person or entity without the prior written consent of City. Reasonable grounds for the City to withhold its consent shall include but are not limited to the inability of the proposed transferee to demonstrate to

the City's satisfaction that it has the financial ability to observe all of the terms to be performed by Company under this Agreement.

10. **Additional Covenants of Company.** In addition to the other promises, covenants and agreements of Company as provided elsewhere in this Agreement, Company agrees as follows:

A. Company agrees during construction of the Improvements and thereafter until the MAA termination date to maintain, as applicable, builder's risk, property damage, and liability insurance coverages with respect to the Improvements in such amounts as are customarily carried by like organizations engaged in activities of comparable size and liability exposure, and shall provide evidence of such coverages to the City upon request.

B. Until Substantial Completion of the Improvements, Company shall make such reports to City, in such detail and at such times as may be reasonably requested by City, as to the actual progress of Company with respect to construction of the Improvements.

C. The Property will have a taxable value as set forth in the MAA, and Company agrees that the minimum actual value of the Property and completed Improvements as stated in the MAA will be a reasonable estimate of the actual value of the Property and Improvements for ad valorem property tax purposes. Company agrees that it will spend enough in construction of the Improvements that, when combined with the value of the Property and related site improvements, will equal or exceed the assessor's minimum actual value for the Property and Improvements as set forth in the MAA.

D. Until termination of the MAA, Company will maintain, preserve and keep the Property, including but not limited to the Improvements, in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals and additions.

E. Company shall pay, or cause to be paid, when due, all real property taxes and assessments payable with respect to any and all parts of the Property. Company agrees that (1) it will not seek administrative review or judicial review of the applicability or constitutionality of any Iowa tax statute or regulation relating to the taxation of real property included within the Property that is determined by any tax official to be applicable to the Property or to Company, or raise the inapplicability or constitutionality of any such tax statute or regulation as a defense in any proceedings of any type or nature, including but not limited to delinquent tax proceedings, and (2) it will not seek any tax deferral, credit or abatement, either presently or prospectively authorized under Iowa Code Chapter 403 or 404, or any other state law, of the taxation of real property included within the Property.

11. **Representations and Warranties of City.** City hereby represents and warrants as follows:

A. City is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, agreement, instrument, restriction, order or judgment.

B. Each person who executes and delivers this Agreement and all documents to be delivered hereunder is and shall be authorized to do so on behalf of City.

12. **Representations and Warranties of Company.** Company hereby represents and warrants as follows:

A. It is duly organized, validly existing, and in good standing under the laws of the state of its organization and is duly qualified and in good standing under the laws of the State of Iowa.

B. It has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as presently proposed to be conducted, and to enter into and perform its obligations under this Agreement.

C. This Agreement has been duly and validly authorized, executed and delivered by Company and, assuming due authorization, execution and delivery by the other parties hereto, is in full force and effect and is a valid and legally binding instrument of Company that is enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting creditors' rights generally.

D. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement are not prevented by, limited by, in conflict with, or result in a violation or breach of, the terms, conditions or provisions of the articles of organization or operating agreement of Company or of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which Company is now a party or by which it or its property is bound, nor do they constitute a default under any of the foregoing.

E. There are no actions, suits or proceedings pending or threatened against or affecting Company in any court or before any arbitrator or before or by any governmental body in which there is a reasonable possibility of an adverse decision which could materially adversely affect the business (present or prospective), financial position, or results of operations of Company or which in any manner raises any questions affecting the validity of the Agreement or Company's ability to perform its obligations under this Agreement.

13. **Indemnification and Releases.**

A. Company hereby releases City, its elected officials, officers, employees, and agents (collectively, the "indemnified parties") from, covenants and agrees that the indemnified parties shall not be liable for, and agrees to indemnify, defend and hold harmless the indemnified parties against, any loss or damage to property or any injury to or death of any person occurring at or about the Property or resulting from any defect in the Improvements. The indemnified parties shall not be liable for any damage or injury to the persons or property of Company or its directors, officers, employees, contractors or agents, or any other person who may be about the Property or the Improvements, due to any act of negligence or willful misconduct of any person, other than any act of negligence or willful misconduct on the part of any such indemnified party or its officers, employees or agents.

B. Except for any willful misrepresentation, any willful misconduct, or any unlawful act of the indemnified parties, Company agrees to protect and defend the indemnified parties, now or forever, and further agrees to hold the indemnified parties harmless, from any claim, demand, suit, action or other proceedings or any type or nature whatsoever by any person or entity whatsoever that arises or purportedly arises from (1) any violation of any agreement or condition of this Agreement (except with respect to any suit, action, demand or other proceeding brought by Company against the City to enforce its rights under this Agreement), or (2) the acquisition and condition of the Property and the construction, installation, ownership, and operation of the Improvements, or (3) any hazardous substance or environmental contamination located in or on the Property, but only to the extent such liability has not been previously transferred to and accepted by the City in writing.

C. The provisions of this Section shall survive the expiration or termination of this Agreement.

14. **Default.** The following shall be “Events of Default” under this Agreement, and the term “Event of Default” shall mean any one or more of the following events that continues beyond any applicable cure periods:

A. Failure by Company to cause the construction of the Improvements to be commenced and completed pursuant to the terms, conditions and limitations of this Agreement;

B. Transfer by Company of any interest (either directly or indirectly) in the Improvements, the Property, or this Agreement, without the prior written consent of City;

C. Failure by Company to pay, before delinquency, all ad valorem property taxes levied on or against the Property;

D. Failure by any party hereto to substantially observe or perform any covenant, condition, obligation or agreement on its part to be observed or performed under this Agreement or the MAA;

E. Company (1) files any petition in bankruptcy or for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the federal bankruptcy law or any similar state law; (2) makes an assignment for the benefit of its creditors; (3) admits in writing its inability to pay its debts generally as they become due; (4) is adjudicated a bankrupt or insolvent; or if a petition or answer proposing the adjudication of Company as a bankrupt or its reorganization under any present or future federal bankruptcy act or any similar federal or state law shall be filed in any court and such petition or answer shall not be discharged or denied within ninety (90) days after the filing thereof; or a receiver, trustee or liquidator of Company, or part thereof, shall be appointed in any proceedings brought against Company and shall not be discharged within ninety (90) days after such appointment, or if Company shall consent to or acquiesce in such appointment; or (5) defaults under any mortgage applicable to the Property.

F. Any representation or warranty made by Company in this Agreement, or made by Company in any written statement or certificate furnished by Company pursuant to this Agreement, shall prove to have been incorrect, incomplete or misleading in any material respect on or as of the date of the issuance or making thereof.

15. **Remedies.**

A. Default by Company. Whenever any Event of Default in respect of Company occurs and is continuing, the City may terminate this Agreement. Before exercising such remedy, City shall give 30 days' written notice to Company of the Event of Default, provided that by the conclusion of such period the Event of Default shall not have been cured, or the Event of Default cannot reasonably be cured within 30 days and Company shall not have provided assurances reasonably satisfactory to the City that the Event of Default will be cured as soon as reasonably possible. Upon termination, City may exercise any and all remedies available at law, equity, contract or otherwise for recovery of any sums paid by City to Company before the date of termination or to recover ownership of the Property as set forth in this Agreement.

B. Default by City. Whenever any Event of Default in respect of Company occurs and is continuing, Company may take such action against City to require it to specifically perform its obligations hereunder. Before exercising such remedy, Company shall give 30 days' written notice to City of the Event of Default, provided that by the conclusion of such period the Event of Default shall not have been cured, or if the Event of Default cannot reasonably be cured within

30 days and City shall not have provided assurances reasonably satisfactory to the Company that the Event of Default will be cured as soon as reasonably possible.

C. Remedies under this Agreement shall be cumulative and in addition to any other right or remedy given under this Agreement or existing at law or in equity or by statute. Waiver as to any particular default, or delay or omission in exercising any right or power accruing upon any default, shall not be construed as a waiver of any other or any subsequent default and shall not impair any such right or power.

16. **Obligations Contingent.** Each and every obligation of City under this Agreement is expressly made subject to and contingent upon City's completion of all procedures, hearings and approvals deemed necessary by City or its legal counsel for amendment of the urban renewal plan applicable to the Property and/or project area, all of which must be completed within 180 days from the date this Agreement is approved by the City council. If such completion does not occur, then any conveyance, benefit or incentive of any type provided by City hereunder within said 180-day period is subject to reverter of title, revocation, repayment or other appropriate action to restore such property, benefit or incentive to City, and Company agrees to cooperate diligently and in good faith with any reasonable request by City to effectuate the restoration of same, or failing such restoration Company agrees to be liable for same or for the fair value thereof, plus interest on any sums owing at the rate of 10% per annum commencing with the date of demand for payment, if said payment is not remitted to City within 30 days.

17. **Materiality of Company's Promises, Covenants, Representations, and Warranties.** Each and every promise, covenant, representation, and warranty set forth in this Agreement on the part of Company to be performed is a material term of this Agreement, and each and every such promise, covenant, representation, and warranty constitutes a material inducement for City to enter this Agreement. Company acknowledges that without such promises, covenants, representations, and warranties, City would not have entered this Agreement. Upon breach of any promise or covenant, or in the event of the incorrectness or falsity of any representation or warranty, City may, at its sole option and in addition to any other right or remedy available to it, terminate this Agreement and declare it null and void.

18. **Performance by City.** Company acknowledges and agrees that all of the obligations of City under this Agreement shall be subject to, and performed by City in accordance with, all applicable statutory, common law or constitutional provisions and procedures consistent with City's lawful authority. All covenants, stipulations, promises, agreements and obligations of City contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of City and not of any governing body member, officer, employee or agent of City in the individual capacity of such person.

19. **No Third-Party Beneficiaries.** No rights or privileges of any party hereto shall inure to the benefit of any contractor, subcontractor, material supplier, or any other person or entity, and no such contractor, subcontractor, material supplier, or other person or entity shall be deemed to be a third-party beneficiary of any of the provisions of this Agreement.

20. **Notices.** Any notice under this Agreement shall be in writing and shall be delivered in person, by overnight air courier service, by United States registered or certified mail, postage prepaid, or by facsimile (with an additional copy delivered by one of the foregoing means), and addressed:

(a) if to City, at 715 Mulberry Street, Waterloo, Iowa 50703, fax number 319-291-4571, Attention: Mayor, with copies to the City Attorney and the Community Planning and Development Director.

(b) if to Company, at 3510 Kimball Avenue, Suite H, Waterloo, Iowa 50702, Attention: Anthony Fischels.

Delivery of notice shall be deemed to occur (i) on the date of delivery when delivered in person, (ii) one (1) business day following deposit for overnight delivery to an overnight air courier service which guarantees next day delivery, (iii) three (3) business days following the date of deposit if mailed by United States registered or certified mail, postage prepaid, or (iv) when transmitted by facsimile so long as the sender obtains written electronic confirmation from the sending facsimile machine that such transmission was successful. A party may change the address for giving notice by any method set forth in this Section.

21. **No Joint Venture.** Nothing in this Agreement shall, or shall be deemed or construed to, create or constitute any joint venture, partnership, agency, employment, or any other relationship between the City and Company nor to create any liability for one party with respect to the liabilities or obligations of the other party or any other person.

22. **Amendment, Modification, and Waiver.** No amendment, modification, or waiver of any condition, provision, or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound or by the duly authorized representative of same, and specifying with particularity the extent and nature of the amendment, modification, or waiver. Any waiver by any party of any default by another party shall not affect or impair any rights arising from any subsequent default.

23. **Severability; Reformation.** Each provision, section, sentence, clause, phrase, and word of this Agreement is intended to be severable. If any portion of this Agreement shall be deemed invalid or unenforceable, whether in whole or in part, the offending provision or part thereof shall be deemed severed from this Agreement and the remaining provisions of this Agreement shall not be affected thereby and shall continue in full force and effect. If, for any reason, a court finds that any portion of this

Agreement is invalid or unenforceable as written, but that by limiting such provision or portion thereof it would become valid and enforceable, then such provision or portion thereof shall be deemed to be written, and shall be construed and enforced, as so limited.

24. **Captions.** All captions, headings, or titles in the paragraphs or sections of this Agreement are inserted only as a matter of convenience and/or reference, and they shall in no way be construed as limiting, extending, or describing either the scope or intent of this Agreement or of any provisions hereof.

25. **Binding Effect.** This Agreement shall be binding and shall inure to the benefit of the parties and their respective successors, assigns, and legal representatives.

26. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

27. **Entire Agreement.** This Agreement, together with the exhibits attached hereto, constitutes the entire agreement of the parties and supersedes all prior or contemporaneous negotiations, discussions, understandings, or agreements, whether oral or written, with respect to the subject matter hereof.

28. **Time of Essence.** Time is of the essence of this Agreement.

IN WITNESS WHEREOF**,** the parties have executed this Development Agreement by their duly authorized representatives as of the date first set forth above.

[signatures on next page]

CITY OF WATERLOO, IOWA

By: _____
Quentin M. Hart, Mayor

Attest: _____
Kelley Felchle, City Clerk

3 STOOGES, LLC

By: _____
Anthony Fischels
Managing Member

PERSONAL GUARANTY. The undersigned person(s), being either an owner, officer, shareholder, member and/or manager of Company, hereby agree for themselves and their heirs, personal representatives, and assigns, to unconditionally guarantee to City, its successors and assigns, the full and prompt performance by Company, its successors and assigns, of all promises and covenants on the part of Company to be performed pursuant to the foregoing Agreement, including but not limited to the duties of indemnity set forth therein, if any. Liability of guarantors hereunder is joint and several.

_____
Anthony Fischels

EXHIBIT “A”

Legal Description of Property:

Lots 6, 7 and 8 in Block 56 in Anthony Baker’s Addition to the Town (now City) of Waterloo, Black Hawk County, Iowa. Also, that part of vacated Bluff Street described as the Northeasterly Twenty-five feet (25’) of Bluff Street adjacent to Block 56 of Anthony Baker’s Addition, lying Northwesterly of a Southwesterly extension of the Southeasterly line of Lot 8 of said Block 56, and lying Southeasterly of the Southeasterly line of West 13th Street, City of Waterloo, Black Hawk County, Iowa, subject to the retention of a utility easement over, under and upon the Northwesterly twenty feet (20’) of the above described vacated Bluff Street.

EXHIBIT “B”

MINIMUM ASSESSMENT AGREEMENT

This Minimum Assessment Agreement (the “Agreement”) is entered into as of _____, 2022, by and among the CITY OF WATERLOO, IOWA (“City”), 3 Stooges, LLC (“Company”), and the COUNTY ASSESSOR of the City of Waterloo, Iowa (“Assessor”).

WITNESSETH:

WHEREAS, on or before the date hereof the City and Company have entered into a development agreement (the “Development Agreement”) regarding certain real property, described in Exhibit “A” thereto, located in the City; and

WHEREAS, it is contemplated that pursuant to the Development Agreement, the Company will undertake the development of an area (“Project”) within the City and within the Rath Urban Renewal and Redevelopment Plan Area; and

WHEREAS, pursuant to Iowa Code § 403.6, as amended, the City and the Company desire to establish a minimum actual value for the land and the building(s) pursuant to this Agreement and applicable only to the Project, which shall be effective upon substantial completion of the Project and from then until this Agreement is terminated pursuant to the terms herein and which is intended to reflect the minimum actual value of the land and buildings as to the Project only; and

WHEREAS, the City and the Assessor have reviewed the preliminary plans and specifications for the improvements (the “Improvements”) which the parties contemplate will be erected as a part of the Project.

NOW, THEREFORE, the parties hereto, in consideration of the promises, covenants, and agreements made by each other, do hereby agree as follows:

1. Upon substantial completion of construction of the Improvements by the Company, the minimum actual value which shall be fixed for assessment purposes for the land and Improvements to be constructed thereon by the Company as a part of the Project shall not be less than $250,000.00 ("Minimum Actual Value") until termination of this Agreement. The parties hereto agree that construction of the Improvements will be substantially completed before May 31, 2024. If they are not, then the parties agree to execute an amendment to this Agreement that will extend the dates specified in Section 2 below.

2. The Minimum Actual Value herein established shall be of no further force and effect, and this Minimum Assessment Agreement shall terminate, on December 31, 2030. Nothing herein shall be deemed to waive the Company’s s under Iowa Code §

403.6, as amended, to contest that portion of any actual value assignment made by the Assessor in excess of the Minimum Actual Value established herein. In no event, however, shall the Company seek or cause the reduction of the actual value assigned below the Minimum Actual Value established herein during the term of this Agreement. Nothing herein shall limit the discretion of the Assessor to assign at any time an actual value to the land and Improvements in excess of the Minimum Actual Value.

3. Company agrees that it will not seek administrative review or judicial review of the applicability or constitutionality of any Iowa tax statute or regulation relating to the taxation of real property included within the Property that is determined by any tax official to be applicable to the Property or to Company, or raise the inapplicability or constitutionality of any such tax statute or regulation as a defense in any proceedings.

4. This Agreement shall be promptly recorded by the City with the Recorder of Black Hawk County, Iowa. The City shall pay all costs of recording.

5. Neither the preambles nor provisions of this Agreement are intended to, or shall be construed as, modifying the terms of the Development Agreement.

6. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties, including but not limited to future owners of the Project property.

CITY OF WATERLOO, IOWA

By: _____
Quentin M. Hart, Mayor

Attest: _____
Kelley Felchle, City Clerk

3 Stooges, LLC

By: _____
Anthony Fischels
Managing Member

STATE OF IOWA)
) ss.
COUNTY OF BLACK HAWK)

On this _____ day of _____, 2022, before me, a Notary Public in and for the State of Iowa, personally appeared Quentin M. Hart and Kelley Felchle, to me personally known, who being duly sworn, did say that they are the Mayor and City

Clerk, respectively, of the City of Waterloo, Iowa, a municipal corporation, created and existing under the laws of the State of Iowa, and that the seal affixed to the foregoing instrument is the seal of said municipal corporation, and that said instrument was signed and sealed on behalf of said municipal corporation by authority and resolution of its City Council, and said Mayor and City Clerk acknowledged said instrument to be the free act and deed of said municipal corporation by it and by them voluntarily executed.

_____
Notary Public

STATE OF IOWA)
) ss.
COUNTY OF BLACK HAWK)

Subscribed and sworn to before me on _____, 2022, by Anthony Fischels as Managing Member of 3 Stooges, LLC.

_____
Notary Public

CERTIFICATION OF ASSESSOR

The undersigned, having reviewed the plans and specifications for the improvements to be constructed and the market value assigned to the land upon which the improvements are to be constructed for the development, and being of the opinion that the minimum market value contained in the foregoing Minimum Assessment Agreement appears reasonable, hereby certifies as follows: The undersigned Assessor, being legally responsible for the assessment of the property subject to the development, upon completion of improvements to be made on it and in accordance with the Minimum Assessment Agreement, certifies that the actual value assigned to such land and building upon completion of the development shall not be less than Two Hundred Thousand Dollars ($250,000.00) in the aggregate, until termination of this Minimum Assessment Agreement pursuant to the terms hereof.

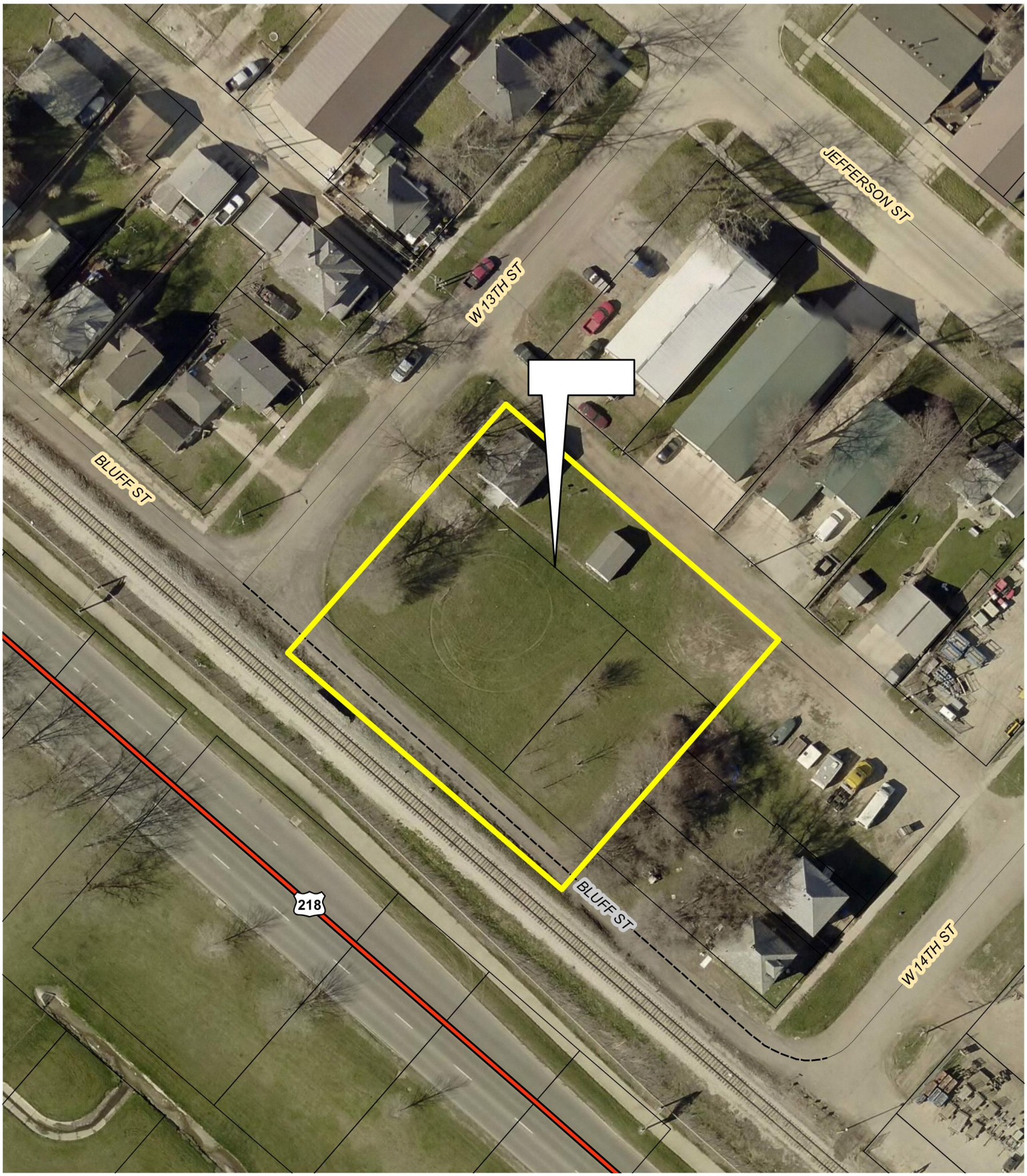
_____
Assessor for Black Hawk County, Iowa

_____
Date

STATE OF IOWA)
) ss.
COUNTY OF BLACK HAWK)

Subscribed and sworn to before me on _____, 2022, by T.J. Koenigsfeld, Assessor for Black Hawk County, Iowa.

_____
Notary Public



City of Waterloo, Iowa

N
W E
S

CITY OF WATERLOO

Council Communication

Reallocation of Unspent Proceeds 2019A General Obligation Bonds

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

	Description	Type
	Dreyer e-mail	Backup Material

SUBJECT:

Motion to receive and file proof of publication of notice of public hearing.
HOLD HEARING - Comments on file.
Motion to close hearing and receive and file oral and written comments.
Resolution instituting proceedings to take additional action.

Submitted by: Submitted By: Michelle, Weidner, Chief Financial Officer

From: Email Admin <davedreyer@outlook.com>

Sent: Monday, April 18, 2022 3:02 PM

To: Dave Boesen <Dave.Boesen@WATERLOO-IA.ORG>; Ray Feuss <Ray.Feuss@WATERLOO-IA.ORG>; nia.wilder@waterloo-ia-org; Jerome Amos Jr <Jerome.Amos@WATERLOO-IA.ORG>; john.chiles@waterloo-ia-org; Jonathan Grieder <Jonathan.Grieder@WATERLOO-IA.ORG>; rob.nichols@waterloo-ia-org; Mayor <Mayor@WATERLOO-IA.ORG>

Subject: Bonds and pay

CAUTION: This email originated from outside the City of Waterloo email system. Do not click links or open unexpected attachments unless you recognize the sender and know the content is safe.

I notice on the current agenda there is a request to authorize the issuance of bonds public #s 6,7,8,9 and resolution 11,12,13 however on the consent agenda is a request to "release" "unspent bond funds" from a while back, items 9 and 10, at $875.000 each! Aren't those funds taken into consideration before you continue to borrow more? Aren't you continuing to pay interest on them while you take on more interest expense? It Seems you need more funds! What about releasing those funds to pay down the debt or back down the new borrowing? Do any of you really know how much money you've borrowed, how much your in debt, including the state revolving fund, of which doesn't count against your bonding limit. If you live in Waterloo as they say "were all in this together" so give us some answers, not hide the true facts!

Dave I notice a proposed resolution for non-bargaining employees wages! I'm not opposed to people receiving a fair wage! Has consideration been give to those who pay those wages? Any time the budget is discussed with respect to employee wages, largest part of the budget, no one seems to care about where the money has to come from! Could getting and retaining employees have anything to do with the cost of living in Waterloo aka high property taxes along with over 50% of the staff doesn't reside in Waterloo which adds additional burden to those of us that do!

Dave Dreyer, resident

Sent from Mail for Windows

CITY OF WATERLOO

Council Communication

Reallocation of Unspent Proceeds, 2020A General Obligation Bonds.

City Council Meeting: 5/2/2022
Prepared:

ATTACHMENTS:

	Description	Type
	Dreyer e-mail	Backup Material

SUBJECT:

Motion to receive and file proof of publication of notice of public hearing.
HOLD HEARING - Comments on file.
Motion to close hearing and receive and file oral and written comments.
Resolution instituting proceedings to take additional action.

Submitted by: Submitted By:

From: Email Admin <davedreyer@outlook.com>

Sent: Monday, April 18, 2022 3:02 PM

To: Dave Boesen <Dave.Boesen@WATERLOO-IA.ORG>; Ray Feuss <Ray.Feuss@WATERLOO-IA.ORG>; nia.wilder@waterloo-ia-org; Jerome Amos Jr <Jerome.Amos@WATERLOO-IA.ORG>; john.chiles@waterloo-ia-org; Jonathan Grieder <Jonathan.Grieder@WATERLOO-IA.ORG>; rob.nichols@waterloo-ia-org; Mayor <Mayor@WATERLOO-IA.ORG>

Subject: Bonds and pay

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Dave Dreyer, resident

Sent from Mail for Windows

CITY OF WATERLOO

Council Communication

Resolution approving an Encroachment Easement Agreement for property located at 513 Ivanhoe Road, and authorizing the Mayor and City Clerk to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/8/2022

ATTACHMENTS:

Description	Type
Agreement	Backup Material

SUBJECT:	Resolution approving an Encroachment Easement Agreement for property located at 513 Ivanhoe Road, and authorizing the Mayor and City Clerk to execute said document.
Submitted by:	Submitted By: Chad Coon, General Manager Waterloo Water Works
Recommended Action:	Adopt a resolution approving easement agreement with the owner of 437 Ivanhoe Road for property at 513 Ivanhoe Road.
Summary Statement:	The easement was previously approved by Waterloo Water Works Board of Trustees at their March 16, 2022 regular meeting. This is the site of the Kimball Avenue water tower as well as Well #15 and Well #17 for the Water Works. This land was purchased by the Water Works prior to 1945 but is titled in the City of Waterloo's name per state code. The property owner for 437 Ivanhoe would like to construct a fence across his property that would continue across approximately 6' - 8' of Water Works property.
Expenditure Required/Source of Funds:	Waterloo Water Works operating funds, generated primarily from water sales.

Prepared By: Eric W. Johnson, P.O. Box 178, Waterloo, IA 50704-0178 (319)234-1766
After Recording Return To: Eric W. Johnson, P.O. Box 178, Waterloo, IA 50704-0178

EASEMENT AGREEMENT

THIS EASEMENT AGREEMENT is entered into by and between Dustin S. Lies and Erica Lies, husband and wife ("Lies") and the City of Waterloo, Iowa ("City") this ___ day of _____, 2022.

WHEREAS, Lies is the owner of real estate described as:

See attached Exhibit "A" ("Lies Property").

WHEREAS, City is the owner of the adjoining real estate to the east of Lies Property ("City Property")

WHEREAS, Lies wishes to construct a black chain link fence on Lies Property (the "Lies Fence") that will encroach on City Property and butt up to a black chain link fence located on City Property ("City Fence"), but will not hook onto the City Fence.

WHEREAS, the parties agree that Lies shall be granted an easement for this encroachment to last unless or until either party, in their discretion, terminates the Easement.

THEREFORE IT IS HEREBY AGREED by and between the parties as follows:

1. **Grant of Easement**. City grants and conveys a non-exclusive easement for the Lies Fence encroachment on City Property and to the City Property within the fenced area, as more particularly shown on Exhibit "B" ("Easement Premises"). The City shall have reasonable access to City Property within the Easement Premises for the maintenance, repair, or removal of the City Fence by City, and the Lies Fence is to include a gate allowing access for a City vehicle for such purposes. The City will not disturb Lies' use of the Easement Premises, enter on the Easement Premises or make any repairs without providing Lies 24 hours notice, unless a situation exists where there is an imminent threat of injury to persons or property

without action by the City. In this latter situation the City will act in a manner that causes the least possible disturbance to the Easement Premises and will give notice to Lies of the action taken.

2. **Use of Easement Premises**. Exclusive use of the Easement Premises is not hereby granted. The parties expressly reserve the right for themselves and others to use the Easement Premises for any use which does not unreasonably interfere with the other parties' use of the Easement Premises. Neither party hereto shall so use or leave anything on the Easement Premises so as to prevent the free and uninterrupted use of the Easement Premises by the other party.

3. M**aintenance and Repair.** Lies shall pay the costs to maintain and repair the Lies Fence and keep it in good condition, unless said repair is necessary due to the acts of City, then City shall be wholly responsible for said repair. Lies shall be responsible for the lawn care on that part of City Property between Lies Property and the City Fence.

4. **Term.** The term of this easement shall be unless or until ninety days after either party, in their discretion, notifies the other party it wishes to terminate the Easement, at which time Lies shall, at Lies' cost, remove the Lies Fence and return the Easement Premises to the condition it was prior to the beginning of the term of the Easement Agreement.

5. **Waiver**. The parties recognize said encroachments do not shift the legal boundary between said properties. Lies waives the right now or in the future to make any claim to change the legal boundary due to said fence based upon adverse possession or similar legal theories.

6. **Indemnification.** Lies shall protect, defend, indemnify and hold harmless City and its successors and assigns, from any claim, damages, liability and expenses (including, but not limited to, reasonable attorneys fees and costs of litigation) arising out of the use or maintenance of the Easement Premises by Lies, the Lies invitees, and any other party except the City and its employees during the term of this Agreement. This covenant shall survive the termination of this Agreement.

7. **Running of Benefit and Burdens**. All provisions of this Agreement, including the benefits and burdens, run with the land and are binding on and adhere to the benefit of the successors, assigns, heirs of the parties.

It is also understood and agreed that this easement is appurtenant to Lies Property. Any contract, deed, or mortgage of said real estate shall be deemed to automatically include the benefits of this easement as part of the conveyance even though the easement is neither expressly described in an instrument of conveyance nor referred to at all.

8. **Miscellaneous.**

(a) This Agreement shall be constructed, construed, and enforced in accordance with the laws of the State of Iowa.

(b) This Agreement sets forth the entire understanding of the parties and no terms, conditions, or warranties other than those contained herein and no amendments thereto shall be valid unless made in writing and signed by the parties hereto.

(c) The prevailing party in any legal action brought to enforce this Agreement shall be entitled to reasonable attorney fees and costs.

(d) This Agreement may be executed simultaneously in any number of counterparts, each of which will be deemed an original but all of which will together constitute one and the same instrument.

City of Waterloo, Iowa

_____
By: Quentin Hart
Its: Mayor

_____
Dustin S. Lies

_____
Erica Lies

ATTEST:

_____
By: Leann Even
Its: City Clerk

STATE OF IOWA)
COUNTY OF BLACK HAWK)ss

This record was acknowledged before me on this ___ day of _____, 2022, by Quentin Hart and Leann Even, as Mayor and City Clerk, respectively, of the City of Waterloo, Iowa.

_____
Notary Public

STATE OF IOWA)
COUNTY OF BLACK HAWK)ss

This record was acknowledged before me on this ___ day of _____, 2022, by Dustin S. Lies and Erica Lies, husband and wife.

_____
Notary Public

Exhibit A

Legal Description for 437 Ivanhoe Road is as follows:

Situated in Black Hawk County, State of Iowa, described as follows:
The East Seventy-five (75) feet of Lot No. Fifteen (15) in Kenyon's Addition, the City of Waterloo, and also The West Twenty (20) feet of the West Three Hundred (300) feet of the East Three Hundred Thirty-three (333) feet of the North One Hundred Fifty (15) [SIC] feet of the Southeast Quarter (SE 1/4) of the Southeast Quarter (SE 1/4) of Section Thirty-four (34), Township Eighty-nine (89) North, Range Thirteen (13) West of the 5th P.M. in Black Hawk County, Iowa.

CITY OF WATERLOO

Council Communication

Resolution approving a variance to the requirements of the Subdivision Ordinance in Section 11-1-13 Variances, relating to the approval of the Preliminary Plat of Paradise Estates Addition, subject to the condition that any final plat or final plats for any portion of the approved Preliminary Plat of Paradise Estates Addition submitted for approval on or prior to May 14, 2024 shall be subject to any new zoning restrictions or subdivision regulations adopted by the City of Waterloo prior to submittal of any such Final Plat for any portion of said area.

City Council Meeting: 5/2/2022
Prepared: 4/29/2020

ATTACHMENTS:

Description	Type
2022 Variance Request Petition	Backup Material
Aerial Photo	Backup Material
Public Comment 1	Backup Material
Public Comment 2	Backup Material

SUBJECT:	Resolution approving a variance to the requirements of the Subdivision Ordinance in Section 11-1-13 Variances, relating to the approval of the Preliminary Plat of Paradise Estates Addition, subject to the condition that any final plat or final plats for any portion of the approved Preliminary Plat of Paradise Estates Addition submitted for approval on or prior to May 14, 2024 shall be subject to any new zoning restrictions or subdivision regulations adopted by the City of Waterloo prior to submittal of any such Final Plat for any portion of said area.
Submitted by:	Submitted By: Noel Anderson, Community Planning and Development Director
Recommended Action:	Approval
Summary Statement:	Resolution approving a variance to the requirements of the Subdivision Ordinance in Section 11-1-13 Variances, relating to the approval of the of the Preliminary Plat of Paradise Estates Addition, located near the northeast corner of Kimball Avenue and West Orange Road. The subdivision ordinance requires that a final plat be filed within one year of approval of the preliminary plat. The preliminary plat was approved on May 14, 2018 by the city council and the city council granted a variance in May of 2019 to the Subdivision Ordinance to allow that time period to be extended to May 14, 2020 and another variance to extend the timeframe until May 14, 2022. The owner is requesting another variance to the timeframe for final platting but for a two year timeframe to May 14, 2024. Staff has researched and found that the Subdivision Ordinance would allow for two years. Due to the preliminary plat being approved, staff does not believe that issuance of the variance would be detrimental to public safety, health, welfare or in any way injurious to adjacent property.

	Staff is adding a condition that any final plat or final plats for any portion of the approved Preliminary Plat of Paradise Estates Addition submitted for approval on or prior to May 14, 2024 shall be subject to any new zoning restrictions or subdivision regulations adopted by the City of Waterloo prior to submittal of any such Final Plat for any portion of said area.
Data/Analysis and Strategies:	Subdivision Ordinance
Implementation, Accountability, and Communication:	N/A
Expenditure Required/Source of Funds:	None

PETITION FOR VARIANCE

COMES NOW the undersigned, Paradise Acres, LLC ("Owner"), current owner of Paradise Estates Addition located next to 5805 Kimball Avenue, Waterloo, Iowa between Kimball Avenue and Highway 21 and north of East Orange Road and states as follows:

1. Owner's predecessor, Hope M. Anderson, filed a Preliminary Plat for Paradise Estates Addition which was approved by the city council of the City of Waterloo, Iowa on May 14, 2018, said Resolution No. 2018-321, a copy of which is attached hereto and marked Exhibit "A".

2. That Hope M. Anderson had not yet finalized a portion of said Paradise Estates Addition to be presented for Final Plat approval. Said city code provides that a Final Plat should be filed within one year of the approval of the Preliminary Plat which would mean on or before May 14, 2019.

3. On May 6, 2019, a Petition for Variance was filed by Hope M. Anderson which was taken up and approved at the city council meeting on May 13, 2019 extending the final plat for approval for one year from that date, a copy of said Resolution No. 2019-360 attached hereto and marked Exhibit "B".

4. That in accordance with City of Waterloo Code Ordinance 1.14 Variances, Hope M. Anderson requested a variance to allow him another two year period to and including May 14, 2022 in order to provide to the city for Final Plat approval a portion of Paradise Estates Addition which was taken up and approved at the city council meeting on May 4, 2020 extending the final plat for approval to May 14, 2022, a copy of said Resolution No. 2020-311 attached hereto and marked Exhibit "C".

5. Owner is requesting a variance to allow it another one-year period to and including May 14, 2023, in order to provide to the City for Final Plat approval a portion of Paradise Estates Addition.

6. In accordance with said 1.14 Variances provisions under (1) General, this request is made to avoid the City of Waterloo, Iowa and its planning, programming and zoning staff from revisiting this addition which has already been approved given that no changes have been made to the property originally approved as Paradise Estates Addition on May 14, 2018, other than the passage of time from then until now.

7. Owner, pursuant to Variance provision 1.14(1)(a) does not see that extending the time to produce a Final Plat on a portion of Paradise Estates Addition is in any way detrimental to any public safety, health, welfare or in any way is injurious to adjacent property.

8. Owner states under Variance provision 1.14(1)(b) that this variance is unique as to this property only and will not affect any other property as he continues work to prepare for presentation a portion of the Final Plat of Paradise Estates Addition to the City of Waterloo and

its planning, programming and zoning department and for presentation to the Waterloo City Council.

9. Pursuant to Variance provision 1.14(1)(c) Hope M. Anderson believes that the surroundings of this property to the new Orange Elementary School is critical for proper development in light of the new Orange Elementary School. Owner as the owner of Paradise Estates Addition wants to produce the most appropriate development that will surround the new Orange Elementary School as this addition will be in effect alongside said new school for many years to come.

10. That in accordance with Variance provision 1.14(1)(d), this request for an extension to be able to produce a Final Plat for a portion of Paradise Estates Addition will not in any manner vary the provisions of the zoning ordinance, comprehensive plan or official street plan for this addition.

Again, this Petition is presented to essentially gain an extension for Final Plat approval for at least a portion of the Paradise Estates Addition, said extension through this Variance Petition request to be up to and including May 14, 2023.

Dated April 8, 2022.

Respectfully submitted,

Paradise Acres, LLC

H. M. Anderson

By: Hope M. Anderson
Its: Manager
100 Anderson Drive
Waterloo, IA 50701

Exhibit "A"

Prepared by LeAnn M. Even, Deputy City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, IA 50703, 319-291-4323.

RESOLUTION NO. 2018-321

RESOLUTION APPROVING A REQUEST BY HOPE M. ANDERSON, FOR THE PRELIMINARY PLAT OF 129.16 ACRES FOR THE PARADISE ESTATES ADDITION, LOCATED NEXT TO 5805 KIMBALL AVENUE, BETWEEN KIMBALL AVENUE AND HIGHWAY 21, AND NORTH OF EAST ORANGE ROAD, TO ALLOW FOR THE DEVELOPMENT OF 209 RESIDENTIAL LOTS AND NINE LAND TRACTS FOR THE SUBDIVISION.

WHEREAS, on this 14th day of May 2018, at a regular meeting of the City Council of the City of Waterloo, Iowa, the preliminary plat of the Paradise Estates Addition, a 209-lot subdivision located next to 5805 Kimball Avenue, between Kimball Avenue and Highway 21, and north of East Orange Road, was presented for approval by Hope M. Anderson, and

WHEREAS, said preliminary plat has been previously submitted to and was approved by the City of Waterloo City Planning, Programming and Zoning Commission on April 3, 2018, and

WHEREAS, said Preliminary Plat has been considered and should receive approval of this Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATERLOO, IOWA, the preliminary plat of the Paradise Estates Addition, a 209-lot subdivision located next to 5805 Kimball Avenue, between Kimball Avenue and Highway 21, and north of East Orange Road, Black Hawk County, Iowa, is hereby approved.

PASSED AND ADOPTED this 14th day of May 2018.

Quentin Hart, Mayor

ATTEST:

Kelley Felchle
City Clerk

CERTIFICATE

I, Kelley Felchle, City Clerk of the City of Waterloo, Iowa, do hereby certify that the preceding is a true and complete copy of Resolution No. 2018-321 as passed and adopted by the City Council of the City of Waterloo, Iowa, on the 14th day of May 2018.

Witness my hand and seal of office this 14th day of May 2018.

Kelley Felchle
City Clerk

SEAL

Exhibit "B"

Prepared by LeAnn M. Even, Deputy City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, IA 50703, (319) 291-4323.

RESOLUTION NO. 2019-360

RESOLUTION APPROVING A VARIANCE TO THE REQUIREMENTS OF THE SUBDIVISION ORDINANCE IN SECTION 11-1-13 VARIANCES, RELATING TO THE APPROVAL OF THE PRELIMINARY PLAT OF PARADISE ESTATES ADDITION.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATERLOO, IOWA, that the variance to the requirements of the Subdivision Ordinance in Section 11-1-13 Variances, relating to the approval of the Preliminary Plat of Paradise Estates Addition, is hereby approved.

PASSED AND ADOPTED this 13th day of May 2019.

Quentin Hart, Mayor

ATTEST:

Kelley Felchle
City Clerk

EXHIBIT C

Prepared by LeAnn M. Even, Deputy City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, IA 50703, (319) 291-4323.

RESOLUTION NO. 2020-311

RESOLUTION APPROVING A VARIANCE TO THE REQUIREMENTS OF THE SUBDIVISION ORDINANCE IN SECTION 11-1-13 VARIANCES, RELATING TO THE APPROVAL OF THE PRELIMINARY PLAT OF PARADISE ESTATES ADDITION, SUBJECT TO THE CONDITION THAT ANY FINAL PLAT OR FINAL PLATS FOR ANY PORTION OF THE APPROVED PRELIMINARY PLAT OF PARADISE ESTATES ADDITION SUBMITTED FOR APPROVAL ON OR PRIOR TO MAY 14, 2022 SHALL BE SUBJECT TO ANY NEW ZONING RESTRICTIONS OR SUBDIVISION REGULATIONS ADOPTED BY THE CITY OF WATERLOO PRIOR TO SUBMITTAL OF ANY SUCH FINAL PLAT FOR ANY PORTION OF SAID AREA.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WATERLOO, IOWA, that the variance to the requirements of the Subdivision Ordinance in Section 11-1-13 Variances, relating to the approval of the Preliminary Plat of Paradise Estates Addition, subject to the condition that any final plat or final plats for any portion of the approved Preliminary Plat of Paradise Estates Addition submitted for approval on or prior to May 14, 2022 shall be subject to any new zoning restrictions or subdivision regulations adopted by the City of Waterloo prior to submittal of any such Final Plat for any portion of said area, is hereby approved.

PASSED AND ADOPTED this 4th day of May 2020.

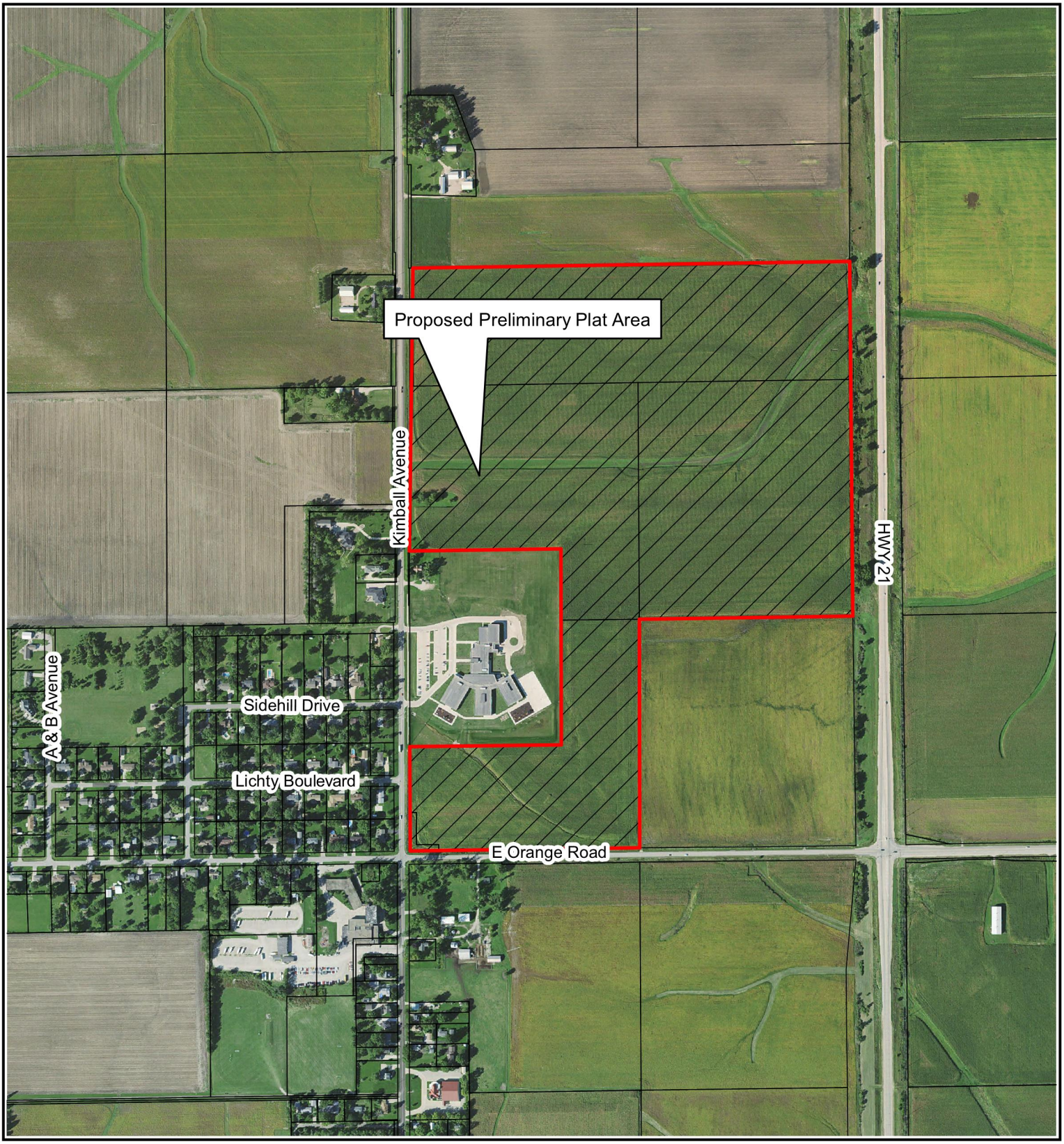
Quentin Hart, Mayor

ATTEST:

Kelley Felchle
City Clerk

CITY OF WATERLOO IOWA SEAL

City of Waterloo Planning, Programming and Zoning Commission
April 3, 2018



N
W E
S

750 375 0 750 Feet

Waterloo Iowa

E of 5805 Kimball Avenue
Preliminary Plat
Paradise Estates
Hope M Anderson

KELLEY FELCHLE

From: Kendra Wyatt
Sent: Monday, May 2, 2022 8:24 AM
To: QUENTIN HART; COUNCIL MEMBERS; KELLEY FELCHLE
Subject: FW: Resolution 9 on council agenda for May 2.2022

From: wildflowers1@mediacombb.net <wildflowers1@mediacombb.net>
Sent: Saturday, April 30, 2022 5:58 AM
To: Mayor <Mayor@WATERLOO-IA.ORG>
Subject: Resolution 9 on council agenda for May 2.2022

CAUTION: This email originated from outside the City of Waterloo email system. Do not click links or open unexpected attachments unless you recognize the sender and know the content is safe.

Dear Councilperson: This letter is one of total agreement in support of the letter/information/recommendations you have already received from our Orange Neighborhood Chairperson , Mike Henning. As members of our Orange neighborhood for over 50 years and active members in 2018 when our neighbors overflowed the council chambers out of concern regarding how Paradise Estates would evolve, we believe more then adequate time has been allowed for development of the original plat. We also requested of the Waterloo Water Works during that original plat planning time that an answer to our areas lack of water pressure occur before adding 200 additional homes to the area. We continue to lack enough water pressure in our Orange community for the existing homes to shower, water gardens, or perform multiple water tasks at the same time. Please VOTE AGAINST Resolution 9 for yet one more extension for Paradise Estates at your May 2.2022 council meeting. Thank you. Concerned citizens, Bob and Trudie Friedly, 145 West Orange Road.

KELLEY FELCHLE

From: Kendra Wyatt
Sent: Friday, April 29, 2022 8:22 AM
To: QUENTIN HART; KELLEY FELCHLE
Subject: FW: Third extension

From: Mary Sandberg <maryhsandberg@gmail.com>
Sent: Thursday, April 28, 2022 6:35 PM
To: Mayor <Mayor@WATERLOO-IA.ORG>; Jonathan Grieder <Jonathan.Grieder@WATERLOO-IA.ORG>; Rob Nichols <Rob.Nichols@WATERLOO-IA.ORG>; Dave Boesen <Dave.Boesen@WATERLOO-IA.ORG>; Ray Feuss <Ray.Feuss@WATERLOO-IA.ORG>; Jerome Amos Jr <Jerome.Amos@WATERLOO-IA.ORG>; Nia Wilder <Nia.Wilder@WATERLOO-IA.ORG>; John Chiles <John.Chiles@WATERLOO-IA.ORG>
Subject: Third extension

CAUTION: This email originated from outside the City of Waterloo email system. Do not click links or open unexpected attachments unless you recognize the sender and know the content is safe.

Dear City Leaders:

Reference: Resolution 9 on May 2, 2022, City Council Agenda

The Orange Neighborhood Association of Waterloo:

A. <u>OPPOSES a Third Extension Variance for Paradise Estates</u> final plat or partial plat(s).

Preliminary Plat was approved in May 2018, Final plat extensions granted in 2019 (1 year) and again in 2020 (2 years).

- Attached Waterloo Courier article entitled *"**Trouble in Paradise: Inactivity on Waterloo housing project upsets city leaders**" from May 6, 2020* is a good refresher of the 2020 council discussion.
- The Current City Council and Current Planning and Zoning Commission SHOULD EXPECT a NEW PRELIMINARY PLAT to review and approve. Only Councilman Amos and Commissioners Wilber and Holdiman remain from May 2018 preliminary plat discussions.
- There are some IMPORTANT expectations the 2018 City Council wanted met BEFORE a Final Plat would be considered… Including a comprehensive SAFETY STUDY still NOT done!

- Anderson Enterprises RECENT advertisements for developers in the Waterloo Courier "*Gallery of Homes*" magazine indicates the plan has SIGNIFICANT changes from 2018.

  Note: Orange Neighborhood Association has received NO communication from Hope Anderson or Anderson Enterprises since May 2018… even After communication was recommended by Mayor Hart in 2020…… so we don't know details.

- There are also significant changes in the area located around the proposed addition, increasing the 2018 concerns of Safety, Water, Traffic, recreation area, etc. that now need included.

B. <u>SUPPORTS the position Dave Boesen stated in the 2020 extension discussion.</u>

a. "*<u>Juon, Dave Boesen and Jonathan Grieder voted against the variance, with Boesen saying Anderson could come back with a new preliminary plat when he had developers on board willing to begin work</u>*." (From attached May 6, 2020 article)

- Interesting notes:

a. Property Owner changed July 1, 2020 Owner: Hope M Anderson - 100 Anderson Drive

To: 4 parcels Owner: Paradise Acres LLC -- PO Box 777 (*Owners?*)

b. The entire property recently fertilized for a 2022 corn crop indicating a farm lease through March 1, 2023….. So, it's not "shovel ready" until at least then, even if current owner has finally found a developer and related group to replace the complete group Anderson Enterprises had in 2018.

<u>Again – Please deny the Third extension request. A new Preliminary Plat IS needed.</u>

Thank you for hearing our Concerns.

Terry and Mary Sandberg

230 West Orange Rd.

CITY OF WATERLOO

Council Communication

Resolution approving an Amendment to the Development Agreement with Bertha Johnson, originally executed January 23, 2017, adding Infill Policy incentives for the renovation of 1420 Byron Avenue, in the amount of $10,000.00, for the completed project, and authorizing the Mayor and City Clerk to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

Description	Type
Detailed Report	Backup Material
Amendment to Development Agreement	Backup Material
1420 Byron Ave Original Agreement	Backup Material

SUBJECT:	Resolution approving an Amendment to the Development Agreement with Bertha Johnson, originally executed January 23, 2017, adding Infill Policy incentives for the renovation of 1420 Byron Avenue, in the amount of $10,000.00, for the completed project, and authorizing the Mayor and City Clerk to execute said document.
Submitted by:	Submitted By: Noel Anderson, Community Planning and Development Director
Recommended Action:	Approval.
Summary Statement:	This home was one of the first rehabilitations of a residence the City acquired via 657A. Approving these funds will assist with rehabilitation of additional properties by Ms. Johnson. The property was acquired by the City of Waterloo through Iowa Code 657A in August of 2016. Staff and the Building Official visited the site and determined that the structure is sound enough for rehabilitation. Ms. Johnson indicated that the home would be rented upon completion.
	Ms. Johnson is requesting the reimbursement of the $5,000 sale price along with the additional $5,000 incentive that has been set forth within the Infill Policy. Staff will note the original agreement was approved one month prior to the adoption of the infill policy.
Neighborhood Impact:	This project has had a positive impact on the neighborhood. A dilapidated vacant home has been renovated and brought back on the tax rolls.
Data/Analysis and Strategies:	Dilapidated housing/Housing Rehab
Implementation, Accountability, and Communication:	

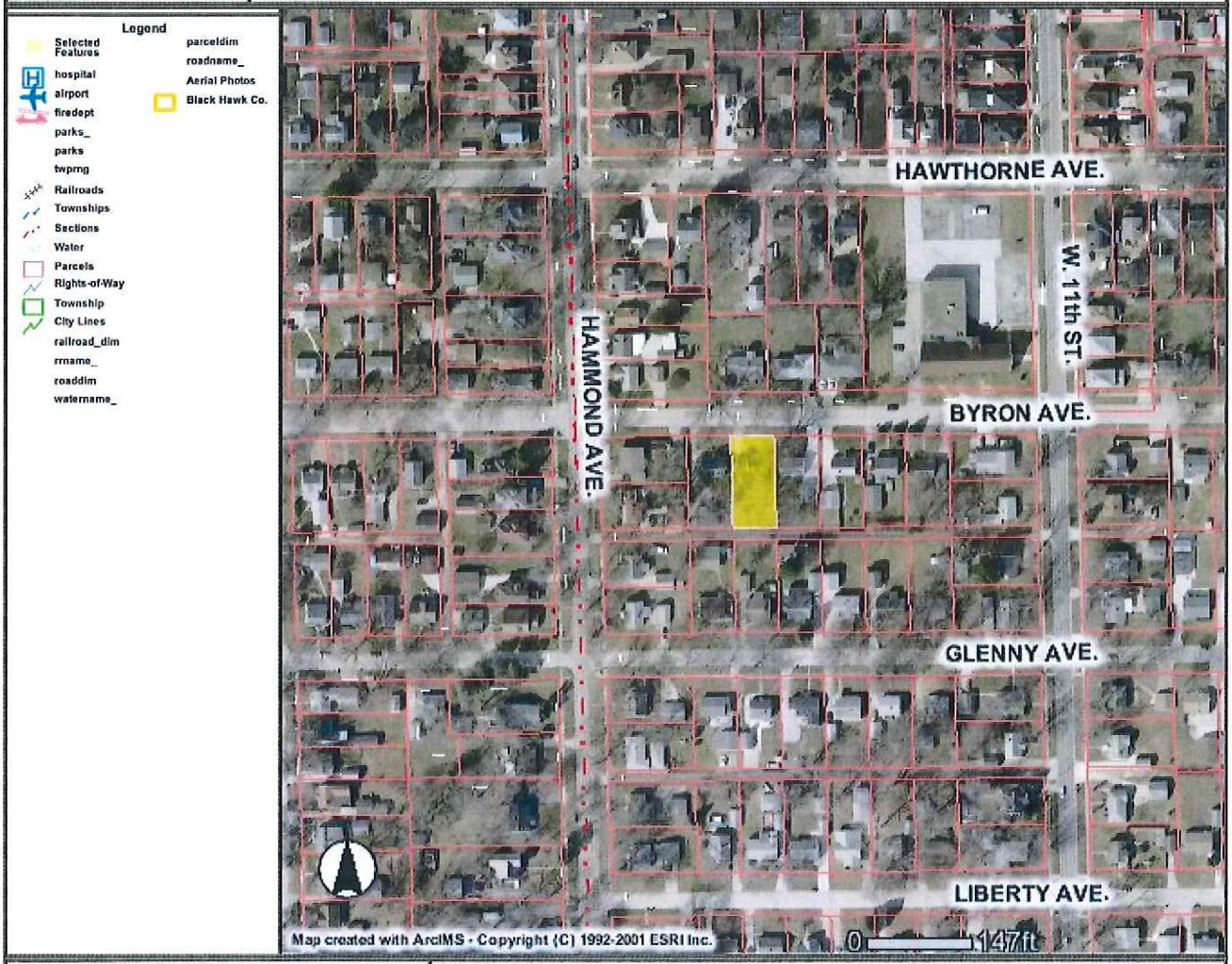
Expenditure Required/Source of Funds: $10,000 / Nuisance Abetment bonds.

Alternative: Deny the request

Legal Descriptions: Russell Heights Lot 7, Block 1

Black Hawk County Parcel Map

Parcel ID:	8913-36-151-003
Deed Holder:	CITY OF WATERLOO
Parcel Address:	1420 BYRON AV, WATERLOO, IA 50702



Black Hawk County, Iowa
316 East 5th Street
Waterloo, Iowa 50703-4774
Phone: (319) 833-3002
Fax: (319) 833-3070
E-mail: auditor@co.black-hawk.ia.us.org

Map Disclaimer: This map does not represent a survey. No liability is assumed for the accuracy of the data delineated herein, either expressed or implied by Black Hawk County, the Black Hawk County Assessor or their employees. This map is compiled from official records, including plats, surveys, recorded deeds, and contracts, and only contains information required for local government purposes. See the recorded documents for more detailed legal information.

BLACK HAWK COUNTY REAL ESTATE ASSESSMENT AND TAX INFORMATION

Parcel ID	Deed Holder	Tax Mail to Address
8913-36-151-003	CITY OF WATERLOO	CITY OF WATERLOO 715 MULBERRY ST ATTN: FINANCE DEPARTMENT WATERLOO, IA 50703-0000

PDF No.	Map Area	Contract Buyer
4	CWTLO-06	

Property Address	Current Recorded Transfer			
	Date Drawn	Date Filed	Recorded Document	Type
1420 BYRON AV WATERLOO, IA 50702-2339	8/31/2016	9/1/2016	2017 004299	D

SALES
None

BUILDING PERMIT			
Date	Number	Amount	Reason
10/4/1999	WA HA 1244	1,651	Misc

ASSESSED VALUES/CREDITS

Year	Class
2016	R

100% Value	Land	Multi-Residential Land	Dwelling	Building	Total	Acres
	16,010	0	68,080	0	84,090	0

Taxable Value	Land	Multi-Residential Land	Dwelling	Building	Total
	9,116	0	38,764	0	47,880

Year	Class
2015	R

100% Value	Land	Multi-Residential Land	Dwelling	Building	Total	Acres
	16,010	0	68,080	0	84,090	0

Taxable Value	Land	Multi-Residential Land	Dwelling	Building	Total
	8,906	0	37,870	0	46,776

Year	Class
2014	R

100% Value	Land	Multi-Residential Land	Dwelling	Building	Total	Acres
	16,010	0	64,300	0	80,310	0

Taxable Value	Land	Multi-Residential Land	Dwelling	Building	Total
	8,923	0	35,837	0	44,760

TAX INFORMATION ASSESSMENT YEAR 2015 PAYABLE 2016/2017

Tax District: 940001 - WATERLOO

	Gross Value	Taxable Value	Military Exemption	Levy Rate	Gross Tax	Net Tax
Corp	84,090	46,776	0	40.78414	$1,907.72	$1,908.00
Nocorp	0	0	0	0	$0.00	

	Homestead Credit	Disabled Veteran Credit	Property Tax Relief Credit	Ag Credit	Business Property Tax Credit
Corp	$0.00	$0.00	$0.00	$0.00	$0.00
Nocorp			$0.00		

LEGAL

RUSSELL HEIGHTS LOT 7 BLK 1

LAND

Basis	Front	Rear	Side 1	Side 2	Lot	Area	Acres

Front Foot	60	60	127	127	0	7620	0.175
Totals:						**7620**	**0.175**

DWELLING CHARACTERISTICS

Type	Style	Total Living Area
Single-Family / Owner Occupied	1 Story Frame	1140

Year Built	Area	Heat	AC	Attic
1950	720	Yes	Yes	1/2 Finished

Total Rooms Above	Total Rooms Below	Bedrooms Above	Bedrooms Below
5	0	2	0

Basement	Basement Finished Area	No Basement Floor
Full	350	0

Foundation	Flooring
C Blk	Carp / Vinyl

Exterior Walls	Interior Finish
Vinyl	Plas

Roof
Asph / Gable

Non-Base Heating	Floor/Wall	Pipeless	Handfired	Space Heaters
	0			

Addtions	Year Built	Style	Area	Basement (SF)	No Basement (SF)	Heat	AC	Attic
	1979	1 Story Frame	168	0	0	Yes	Yes	0

Plumbing	Fireplace	Type	Count
1 Full Bath 1 Toilet Room 1 Mtl Stall Shower		1 Story Prefab	1

Porch	Style	Area
	1S Frame Open	20

Deck	Style	Area
	Wood Deck-Med	168
	Concrete Patio-Low	224

GARAGES

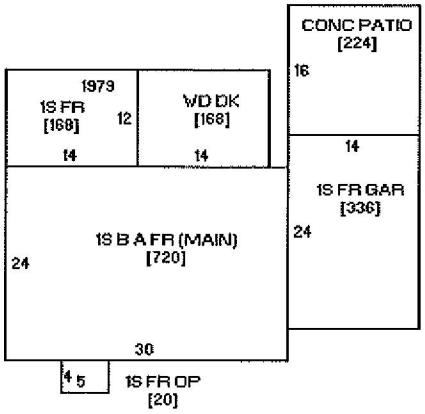
Year Built	Style	Width	Length	Area	Basement	Qtrs Over	Area	AC
1950	Att Frame	0	0	336	0	None	0	0

BASEMENT STALLS

None

Entry Status: Inspected





Date Website Last Updated: 12/16/2016

Prepared by Christopher S. Wendland, P.O. Box 596, Waterloo, IA 50703, 319-234-5701

AMENDMENT TO DEVELOPMENT AGREEMENT

This Amendment to Development Agreement (the "Amendment") is entered into as of _____, 2022 by and between Bertha Johnson (the "Company") and the City of Waterloo, Iowa (the "City").

RECITALS

A. Company and City are parties to that certain Development Agreement dated January 23, 2021 (the "DA") concerning the development of property as described in the Agreement, with an address of 1420 Byron Avenue. The DA has not been filed in the land records of Black Hawk County.

B. The parties desire to amend the DA to modify the terms as set forth in this Amendment.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. Section 8 of the DA is stricken in its entirety, and a new Section 8 is substituted in its place, as follows:

> 8. **Additional City Incentives.** In addition to the other incentives provided by City to Company under this Agreement, City agrees to provide the following assistance to facilitate the Project:
>
> A. Purchase Price Refund. Within thirty (30) days after Company has Substantially Completed the Improvements and has obtain final inspection on all permits obtained for the Project, or within thirty (30) days after approval of this instrument by City, whichever is later, City will refund the Purchase Price to Company.
>
> B. Rehabilitation Grant. Concurrently with refund of the Purchase Price pursuant to paragraph A above, City will make a $5,000.00 rehabilitation grant to Company.

2. 1Except as modified herein, the DA shall continue unmodified in full force and effect. Terms in this Amendment that are capitalized but not defined herein will have the same meanings herein that are ascribed to them in the DA. The DA and this Amendment shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Amendment to Development Agreement by their duly authorized representatives as of the date first set forth above.

CITY OF WATERLOO, IOWA

By: _____
Quentin Hart, Mayor

Attest: _____
Kelley Felchle, City Clerk

COMPANY

Bertha Johnson
Bertha Johnson

Preparer Information: Christopher W. Western 715 Mulberry Street Waterloo Iowa 50703 (319) 291.4366
Name Address City Phone

SPACE ABOVE THIS LINE
FOR RECORDER

DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is entered into as of _____by and between Bertha Johnson, (the "Company") and the City of Waterloo, Iowa (the "City"). Bertha Johnson is a principal of Company and executes the personal guaranty at the end of this Agreement for the purposes stated therein.

RECITALS

A. City considers economic development within the City a benefit to the community and is willing for the overall good and welfare of the community to provide financial incentives so as to encourage that goal.

B. Company is willing and able to finance and deconstruct existing building and related improvements on property located at 1420 Byron Avenue, and legally described on Exhibit "A" attached hereto (the "Property").

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties agree as follows:

1. **Sale of Property; Title.** Subject to the terms hereof, City shall convey the Property to Company for the sum of $5,000 (the "Purchase Price"). Conveyance shall be by quit claim deed, free and clear of all encumbrances arising by or through City except: (a) easements, conditions and restrictions of record which do not, in Company's opinion, interfere with Company's proposed use; (b) current and future real estate real property taxes and assessments subject to the agreements made herein; (c) general utility and right-of-way easements serving the Property; and (d) restrictions imposed by the City zoning ordinances and other applicable law. City shall have no duty to convey title to Company until Company delivers to City reasonable and satisfactory proof of financial ability to undertake and carry on the Project (defined below), which may take

the form of a lending commitment letter. Company shall, at its own expense, prepare an updated abstract of title, or in lieu thereof Company may, at its own expense, obtain whatever form of title evidence it desires. If title is unmarketable or subject to matters not acceptable to Company, and if City does not remedy or remove such objectionable matters in timely fashion following written notice of such objections from Company, Company may terminate this Agreement. City shall provide any title documents it has in its possession, including any abstracts, to assist in title preparation.

2. **Timeliness of Construction; Possibility of Reverter.** The parties agree that Company's commitment to undertake the Project and to rehabilitate in a timely manner constitutes a material inducement for the City to convey the Property or to cause the Property to be conveyed, to Company and that without said commitment City would not do so. Measured from the date the Property is deeded to Company, Company must obtain permits and begin construction within one (1) month and substantially complete rehabilitation no later than January 23, 2018.

If Company has not, in good faith, begun the rehabilitation of the Improvements on the schedule stated above, then title to the Property shall revert to the City, except as provided in this Agreement; provided, however, that if construction has not begun within the state period but the development of the Project is still imminent, the City Council may, but shall not be required to, consent to an extension of time for the construction of the Improvements, and if an extension is granted but construction of the Improvements has not begun within such extended period, then the title to the Property shall revert to the City after the end of said extended period. If Company determines at any time that the Project is not economically feasible, then after giving thirty (30) days' advance written notice to City, Company may convey the Property to City by special warranty deed, and thereupon neither party shall have any further obligation under this Agreement except as expressly provided. If development has commenced within the required period or any extended period and is stopped and/or delayed as a result of an act of God, war, civil disturbance, court order, labor dispute, fire, or other cause *beyond* the reasonable control of Company, the requirement that construction of the Project shall be tolled for a period of time equal to the period of such stoppage or delay, and thereafter if construction is not completed within the allowed period of extension then title to the Property shall revert to the City.

3. **Reverter of Title; Indemnity.** In the event of any reverter of title, Company agrees that it shall, at its own expense, promptly execute all documents, including but not limited to a special warranty deed, or take such other actions as the City may reasonably request to effectuate said reverter and to deliver to City title to the Property that is free and clear of any lien, claim, or encumbrance arising by or through Company. Company shall pay in full, so as to discharge or satisfy, all liens, claims, charges, and encumbrances on or against the Property. If Company fails to deliver such documents, including but not limited to a special warranty deed, to City within thirty (30) days of written demand by City, then City shall be authorized to execute, on Company's behalf and as its attorney-in-fact, the special warranty deed required by this

Section, and for such limited purpose Company does hereby constitute and appoint City as its attorney-in-fact.

Company further agrees that it shall indemnify City and hold it harmless with respect to any demand, claim, cause of action, damage, or injury made, suffered, or incurred as a result of or in connection with the Project, Company's failure to carry on or complete same, or any lien, claim, charge, or encumbrance on or against the Property of any type or nature whatsoever that attaches to the Property by virtue of Company's ownership of same. If City files suit to enforce the terms of this Agreement and prevails in such suit, then Company shall be liable for all legal expenses, including but not limited to reasonable attorneys' fees. Company's duties of indemnity pursuant to this Section shall survive the expiration, termination or cancellation of this Agreement for any reason.

5. **No Encumbrances; Limited Exception.** Until completion of the Improvements, Company agrees that it shall not create, incur, or suffer to exist any lien, encumbrance, mortgage, security interest, or charge on the Property, other than such mortgage or mortgages as may be reasonably necessary to finance Company's completion of the Improvements and of which Company notifies City in advance of Company's execution of any such mortgage. Company may not mortgage the Property or any part thereof for any purpose except in connection with financing of the Improvements.

6. **Water and Sewer.** Company will be responsible for extending water and sewer service to any location on the Property and for payment of any associated connection fees.

7. **Reimbursement for Cleanup;** The buyer will be reimbursed up to $2,500 for expenses related to the removal of excessive amounts of debris from inside the home only that was left by the previous owner. The buyer must provide receipt's showing all expenditures related to the removal of debris from the inside of the home to be reimbursed (i.e. dumpster rental and landfill expenses), excluding personnel expenses. If receipts cannot be provided, the City of Waterloo will not be obligated to reimburse for expenses incurred during cleanup of the property.

8. **Reserved**

9. **Reserved**

10. **Representations and Warranties of City.** City hereby represents and warrants as follows:

A. City is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, agreement, instrument, restriction, order or judgment.

B. Each person who executes and delivers this Agreement and all documents to be delivered hereunder is and shall be authorized to do so on behalf of City.

11. **Representations and Warranties of Company.** Company hereby represents and warrants as follows:

A. Company is not prohibited from consummating the transaction contemplated in this Agreement by any law, regulation, agreement, instrument, restriction, order or judgment.

B. Company is duly organized, validly existing, and in good standing under the laws of the state of its organization and is duly qualified and in good standing under the laws of the State of Iowa.

C. Company has full right, title, and authority to execute and perform this Agreement and to consummate all of the transactions contemplated herein, and each person who executes and delivers this Agreement and all documents to be delivered to City hereunder is and shall be authorized to do so on behalf of Company.

12. **No Assignment or Conveyance.** Company agrees that it will not sell, convey, assign or otherwise transfer its interest in the Property prior to completion of the Project, whether in whole or in part, to any other person or entity without the prior written consent of City. Reasonable grounds for the City to withhold its consent shall include but are not limited to the inability of the proposed transferee to demonstrate to the City's satisfaction that it has the financial ability to observe all of the terms to be performed by Company under this Agreement.

13. **Materiality of Company's Promises, Covenants, Representations, and Warranties.** Each and every promise, covenant, representation, and warranty set forth in this Agreement on the part of Company to be performed is a material term of this Agreement, and each and every such promise, covenant, representation, and warranty constitutes a material inducement for City to enter this Agreement. Company acknowledges that without such promises, covenants, representations, and warranties, City would not have entered this Agreement. Upon breach of any promise or covenant, or in the event of the incorrectness or falsity of any representation or warranty, City may, at its sole option and in addition to any other right or remedy available to it, terminate this Agreement and declare it null and void.

14. **Notices.** Any notice under this Agreement shall be in writing and shall be delivered in person, by overnight air courier service, by United States registered or certified mail, postage prepaid, or by facsimile (with an additional copy delivered by one of the foregoing means), and addressed:

(a) if to City, at 715 Mulberry Street, Waterloo, Iowa 50703, facsimile number 319-291-4571, Attention: Mayor, with copies to the City Attorney and the Community Planning and Development Director.

(b) if to Company, to Bertha Johnson, 521 Fowler Street Waterloo, Iowa 50703, Attention: Bertha M. Johnson.

Delivery of notice shall be deemed to occur (i) on the date of delivery when delivered in person, (ii) one (1) business day following deposit for overnight delivery to an overnight air courier service which guarantees next day delivery, (iii) three (3) business days following the date of deposit if mailed by United States registered or certified mail, postage prepaid, or (iv) when transmitted by facsimile so long as the sender obtains written electronic confirmation from the sending facsimile machine that such transmission was successful. A party may change the address for giving notice by any method set forth in this section.

15. **No Joint Venture.** Nothing in this Agreement shall, or shall be deemed or construed to, create or constitute any joint venture, partnership, agency, employment, or any other relationship between the City and Company nor to create any liability for one party with respect to the liabilities or obligations of the other party or any other person.

16. **Amendment, Modification, and Waiver.** No amendment, modification, or waiver of any condition, provision, or term of this Agreement shall be valid or of any effect unless made in writing, signed by the party or parties to be bound or by the duly authorized representative of same, and specifying with particularity the extent and nature of the amendment, modification, or waiver. Any waiver by any party of any default by another party shall not affect or impair any rights arising from any subsequent default.

17. **Severability.** Each provision, section, sentence, clause, phrase, and word of this Agreement is intended to be severable. If any portion of this Agreement shall be deemed invalid or unenforceable, whether in whole or in part, the offending provision or part thereof shall be deemed severed from this Agreement and the remaining provisions of this Agreement shall not be affected thereby and shall continue in full force and effect. If, for any reason, a court finds that any portion of this Agreement is invalid or unenforceable as written, but that by limiting such provision or portion thereof it would become valid and enforceable, then such provision or portion thereof shall be deemed to be written, and shall be construed and enforced, as so limited.

18. **Captions.** All captions, headings, or titles in the paragraphs or sections of this Agreement are inserted only as a matter of convenience and/or reference, and they shall in no way be construed as limiting, extending, or describing either the scope or intent of this Agreement or of any provisions hereof.

19. **Binding Effect.** This Agreement shall be binding and shall inure to the benefit of the parties and their respective successors, assigns, and legal representatives.

20. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

21. **Entire Agreement.** This Agreement, together with the exhibits attached hereto, constitutes the entire agreement of the parties and supersedes all prior or contemporaneous negotiations, discussions, understandings, or agreements, whether oral or written, with respect to the subject matter hereof.

22. **Time of Essence.** Time is of the essence of this Agreement.

IN WITNESS WHEREOF**,** the parties have executed this Development Agreement by their duly authorized representatives as of the date first set forth above.

CITY OF WATERLOO, IOWA

By: _____
Quentin Hart, Mayor

Attest: _____
Kelly Felchle, City Clerk

Bertha Johnson

By: _____
Bertha M. Johnson

EXHIBIT "A"

Legal Description of Property

Lot 7, Block 1, Russel Heights, City of Waterloo, Black Hawk County, Iowa.

CITY OF WATERLOO

Council Communication

Resolution approving Addendum No. 2 to a Professional Services Agreement with Robinson Engineering Company of Independence, Iowa, originally executed March 16, 2020, in an amount not to exceed $6,000.00, in conjunction with the Delane Creek Watershed Assessment, and authorizing the Mayor and City Clerk to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/14/2022

ATTACHMENTS:

	Description	Type
🗋	Delane Watershed- Addendum No. 2-Field Insp	Backup Material

SUBJECT:	Resolution approving Addendum No. 2 to a Professional Services Agreement with Robinson Engineering Company of Independence, Iowa, originally executed March 16, 2020, in an amount not to exceed $6,000.00, in conjunction with the Delane Creek Watershed Assessment, and authorizing the Mayor and City Clerk to execute said document.
Submitted by:	Submitted By: Wayne Castle, PLS, PE, Associate Engineer
Summary Statement:	See the attached agreement for Scope of Services.
Implementation, Accountability, and Communication:	Storm Water Fees

Robinson Engineering Company
Consulting Engineers

Delane Creek Watershed Assessment
Waterloo, Iowa

Addendum No. 2

WHEREAS, City of Waterloo and Robinson Engineering Company entered into a contract dated March 16, 2020 for the design of the Delane Creek within the City of Waterloo, Iowa.

WHEREAS, City of Waterloo and Robinson Engineering Company desire to amend the previous agreement to make the following revisions to the contract.

NOW THEREFORE, it is mutually agreed to amend the original Consultant Agreement as follows:

I. Scope of Services

The RASCAL inspection that was completed on the Sunnyside Watershed will be compiled and a narrative produced. This will include a description of the existing condition found during field observations, their locations, and a list of potential projects that could improve water quality in Sunnyside Creek. This information will be included in the written report for this watershed.

II. Compensation

Field Inspection Report	$6,000.00 Lump sum

The compensation for this supplemental agreement is to be integrated with that covered under the original contract.

III. In all other respects, the obligations of City of Waterloo and Robinson Engineering Company shall remain as specified in the Original Contract dated July 30, 2018, and all addendums.

IN WHITNESS WHEREOF, the parties hereto have executed this Addendum No. 2 as of the dates shown below.

OWNER: _____
City of Waterloo
By: Quentin M. Hart
Title: Mayor

ENGINEER: Monica Smith
Robinson Engineering Company
By: Monica Smith, PE
Title: President

ATTEST: _____
Kelley Felchle, CMC
City Clerk

CITY OF WATERLOO

Council Communication

Resolution approving Professional Services Agreement with Terracon Consultants, Inc., of Cedar Falls, Iowa, in an amount not to exceed $16,500.00, in conjunction with the Hawthorne Avenue Storm Sewer Pumping Station Relief Wells, and authorizing the Mayor to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/18/2022

ATTACHMENTS:

	Description	Type
	Terracon_PSA2_Hawthorne Ave Pumping Station	Cover Memo

SUBJECT:	Resolution approving Professional Services Agreement with Terracon Consultants, Inc., of Cedar Falls, Iowa, in an amount not to exceed $16,500.00, in conjunction with the Hawthorne Avenue Storm Sewer Pumping Station Relief Wells, and authorizing the Mayor to execute said document.
Submitted by:	Submitted By: Wayne Castle, PLS, PE, Associate Engineer
Summary Statement:	See attached agreement for Scope of Work.
Implementation, Accountability, and Communication:	GO Bonds

April 15, 2022

City of Waterloo
715 Mulberry Street
Waterloo, Iowa 50703

Phone: (319) 291-4312
Email: Wayne.Castle@Waterloo-IA.org

Attention: Mr. Wayne Castle, PLS, PE

Re: Supplemental Proposal for Preliminary Engineering for Replacement of the North Well
Hawthorne Avenue Pumping Station
Waterloo, Iowa
Terracon Proposal No. P13217071B

Dear Mr. Castle:

Terracon Consultants, Inc. (Terracon) appreciates the opportunity to submit this proposal for preliminary engineering services for the replacement of the north flood control relief well located at the Hawthorne Avenue Pumping Station in Waterloo, Iowa (hereinafter, the site). Terracon's general scope of services, budget, schedule, health and safety plan, and general comments are provided in the following sections

A PROJECT INFORMATION

Terracon completed a Relief Well Assessment Report (Terracon Project 13217071, dated November 12, 2021) for the North and South wells at the site. A Report Addendum for the North Relief Well dated February 16, 2022 was also completed. The City of Waterloo submitted these reports to the United States Army Corp of Engineers (USACE) for their review. On March 16, the USACE recommended that the north relief well be replaced in-kind due to expected unsatisfactory performance as indicated by a well efficiency of 60% and significant sanding of the well.

B SCOPE OF SERVICES

Terracon has a 100% commitment to the safety of all its employees. As such, and in accordance with our Incident and Injury Free® safety culture, Terracon will develop a safety plan for use by our personnel during field services.

Prior to commencement of on-site activities, Terracon will hold a meeting to review health and safety needs for this specific project.
Our proposed Scope of Services includes field exploration, laboratory testing, and engineering/project delivery. These services are described in the following sections.

Drilling Program Plan (DPP)

Prior to performing field services, Terracon will prepare and submit a DPP to the City of Waterloo and USACE for review and approval to perform the work. The DPP will include and/or address the following:

- Project objective and justification
- Terracon key project team members
- Existing information review
  - Terracon Project No. 13217071, reports dated November 12, 2021 and February 15, 2022.
  - B5WLOOEV-Plan_Set_AS-BLT-1983-11-29-WLOO_STAGE_IIID provide by USACE
- References to applicable field exploration ASTM and USACE Engineer Regulations (ER110-1-1807)
- Drilling scope and methodology
- Risk evaluation for soil borings at the toe of the existing levees.

Field Services

Boring Layout and Elevations: The location of the proposed location of the replacement well will be within 10 feet north of the existing north relief well. Terracon will stake the location in the field. Latitudes and longitudes will be obtained by superimposing the site plan onto Google Earth photography. We will used handheld GPS equipment to locate the boring in the field. Our GPS equipment has a horizontal accuracy of about 20 feet or better. Relative surface elevation at the boring location will be determined by using differential leveling techniques and will be reported to the nearest ½-foot. The location and elevation of the boring should be considered accurate only to the degree implied by these methods. If more accurate boring location and elevation are desired, we suggest a land surveying firm stake the boring location and provide surface elevations at the boring location to us.

Subsurface Exploration: Terracon's field services include performing the following subsurface exploration program.

Number of Borings	Planned Boring Depth (feet) [1]	Planned Location
1	80[2]	North Replacement Well

1. Below the existing ground surface
2. Or practical auger refusal.

Subsurface Exploration Procedures: We will advance the boring with a rotary drill rig using continuous flight augers. Continuous sampling will be performed using a split-barrel sampler

throughout the depth of the boring. Upon encountering bedrock or practical auger/bit refusal in the boring, the boring will be terminated. We observe and record groundwater levels during and after drilling and sampling. In some instances, groundwater observations may not be representative because drilling fluids or water are used.

Terracon's exploration team will prepare a field boring log as part of standard drilling operations. The field log will include sampling interval depths, penetration resistances, and other relevant drilling and sampling information. Our field log will also include visual descriptions of materials encountered during drilling and the drill crew's interpretation of subsurface conditions between samples. The samples will be containerized and transported to our laboratory for further testing and classification.

Our engineering staff and the drill crew will communicate during the exploration. If the subsurface conditions encountered appear to be unfavorable or marginal, we will modify our subsurface exploration while we are on site. If additional fees apply, we will contact the client for authorization, prior to performing any additional services.

Disposal of Excess Drilling Fluids and Cuttings: Terracon plans to backfill the borehole with bentonite grout. Terracon's exploration team will make an effort to minimize the amount of drilling fluids and auger cuttings remaining upon backfilling of the borehole.

In the event that excess auger cuttings and drilling fluids are generated, disposal of the investigation derived waste (IDW) will be required. Terracon requests that the City of Waterloo provide an area where the IDW can be disposed. Based on Terracon's experience with previous explorations, the City of Waterloo has accepted IDW at their facilities. If the City of Waterloo is unable to provide a disposal area, Terracon's exploration team will place the soil and drilling fluids in drums, transport the drums to an area designated by the City of Waterloo, and the drums will need to remain in that area until the results of analytical testing are completed and can be provided to a licensed landfill facility. Soils will be logged during drilling to document soil or rock type, color, and relative moisture. Although not expected, if impacted material is perceived to be encountered, Terracon will contact the City of Waterloo prior to further exploration. Fees associated with analytical testing and disposal at a licensed landfill facility are not included in Terracon's current scope of services and fee.

Safety and Underground Utility Locations: The client or others shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees, but shall not be responsible for the supervision or health and safety precautions for any third parties, including Client's contractors, subcontractors, or other parties present at the site. In addition, Consultant retains the right to stop work without penalty at any time Consultant believes it is in the best interests of Consultant's employees or subcontractors to do so in order to reduce the risk of exposure to the

coronavirus. Client agrees it will respond quickly to all requests for information made by Consultant related to Consultant's pre-task planning and risk assessment processes.

Upon completion of staking, Terracon will notify Iowa One Call to request the location and marking of public utilities, at least 48 hours prior to performing borings/excavations. We will consult with the owner/client regarding potential private utilities, or other underground hazards. Based on the results of this consultation, Terracon will consider the need for alternative subsurface exploration methods; as the safety of our exploration team members and avoiding damage to existing improvements are priorities.

Any private utilities should be marked by the client or owner prior to subsurface exploration. Terracon will not be responsible for damage to utilities that are incorrectly marked or not made aware to us. If the client is not able to accurately locate private utilities, Terracon can assist the client by coordinating or subcontracting with a private utility locating service. Please note that our scope of services and fee does not include the location and marking of private utilities.

Site Access and Property Disturbance: We considered that the site and boring location can be accessed using our ATV-mounted drill rig and 4-wheel drive support truck. Terracon personnel will take reasonable measures to limit the amount of damage to the property. However, some rutting of the ground surface, and/or damage to landscape could occur. Please note that our scope of services and fee do not include services associated with site clearing, wet ground conditions, or repairing damage to existing landscape. If such services are desired by the City of Waterloo, we should be notified so we can adjust our scope of services and fee. It is important that Terracon be granted access to the site (or legal right of entry) by the property owner. At least 3 days advanced notice will be provided to the City of Waterloo of our intent to notify Iowa One Call and perform the subsurface exploration.

We will backfill the boreholes with bentonite grout to within about 2 feet of the ground surface and backfill the remainder of the boreholes with a mixture of bentonite chips and soil cuttings upon completion. Our services do not include repair of the site beyond backfilling our boreholes. Any excess auger cuttings and drilling fluids will be removed from the site, as previously described. Because backfill material often settles below the surface after a period, we recommend the boreholes to be periodically checked and backfilled, if necessary.

Laboratory Testing

The project engineering team will review field data and assign laboratory tests to aid in our evaluation of the engineering properties of the various soil and rock strata. Exact types and number of tests cannot be defined until completion of field work. Anticipated laboratory testing includes the following:

- Water content
- Combined sieve and hydrometer analysis

Our laboratory testing program also includes examination of soil samples by an engineer. Based on the material's texture and plasticity, we will describe and classify soil samples in general accordance with the Unified Soil Classification System (USCS).

Engineering and Project Delivery

Results of our field and laboratory programs will be evaluated by an experienced geotechnical engineer licensed in the State of Iowa. The engineer will develop a hydrogeological site characterization, perform the engineering evaluations necessary to provide recommendations regarding the proposed replacement well. If requested, your project can be delivered using our Client Portal system. Upon receipt of authorization, we will provide you and your design team the necessary link and password to access the website. The typical delivery process includes the following:

- Project Planning – Proposal information and the schedule and anticipated exploration plan will be posted for review and verification
- Site Characterization – Findings of the site exploration
- Engineering – Recommendations regarding the proposed replacement well

When our report has been completed, we can upload it to our Client Portal system website for you if requested or provide a 'pdf' file of it via email. Previous submittals, collaboration, and the report are maintained in our system to allow for future reference and integration into subsequent aspects of our services, as the project goes through final design and construction. The engineering report will include and/or address the following:

- General site and project description
- Site and Boring Location diagrams
- Stratified boring logs with field and laboratory data
- Subsurface exploration procedures
- Summaries of soil and groundwater conditions observed
- Recommended engineering design parameters for replacement well

The fees to conduct the next phase of the relief well replacement will be provided to the City of Waterloo after the recommended engineering design parameters for replacement well are determined. The next phase of the project will include development of a relief well Drilling Program Plan (DPP) with well specifications, installation, testing and reporting. After the relief well design parameters are developed, Terracon will prepare general well installation specifications and obtain bids from qualified well drilling firms for the City to review. Terracon will provide a Drilling Program Plan for review and approval by the City and the Corps of Engineers for the relief well installation. The DPP will also contain the anticipated testing, data analysis and as-constructed reporting requirements as listed in ER 1110-2-1914.

C COMPENSATION

For the scope of services outlined in this proposal, we estimate a fee of $14,500 to $16,500. However, Terracon would only invoice for the services provided. Unless instructed otherwise, invoices would be submitted monthly to the addressee of this proposal.

D PROJECT SCHEDULE

Our schedule may be dependent on when we receive authorization to proceed. We can generally begin the subsurface exploration within about 15 working days after receiving authorization, the clearance of public and private site utilities, and any other access and permit permission. In some instances, weather and/or site conditions can delay our drilling schedule.

E AUTHORIZATION

This proposal may be accepted by the City of Waterloo by executing the attached Supplement to Agreement for Services and returning one copy along with this proposal to our Cedar Falls, Iowa office. In some instances, we can proceed with verbal approval; however, we request that written authorization still follow. This proposal is valid for 30 days. After 30 days we reserve the right to re-visit our material and fuel cost and adjust our pricing structure accordingly.

We appreciate the opportunity to provide this proposal and look forward to the opportunity of working with you.

Sincerely,
Terracon Consultants, Inc.

Dave C. Cleary, REM
Environmental Department Manager

for
Jerry T. Hentges, PG
Senior Hydrogeologist

Attachments: Supplement to Agreement for Services

Copies to: Client (email)

Reference Number: 13217071

SUPPLEMENT TO AGREEMENT FOR SERVICES

CHANGE TO
SCOPE OF SERVICES AND FEES

This **SUPPLEMENT to AGREEMENT FOR SERVICES** to the original Agreement for Services (original Agreement dated 07/19/2021, Agreement reference number P13217071) is between City of Waterloo IA ("Client") and Terracon Consultants, Inc. ("Consultant") for additional or changed Services to be provided by Consultant for Client on the Project, as described in the Agreement for Services. This Supplement is incorporated into and part of the Agreement for Services.

1. **Scope of Services**. The scope of the additional or changed Services are described in the Scope of Services section of the Consultant's Supplemental Proposal, unless Services are otherwise described below or in Exhibit B to this Supplement (which section or exhibit are incorporated into the Supplement).

   See attached Terracon Proposal P13217071B dated April 15, 2021

2. **Compensation.** Client shall pay compensation for the additional or changed Services performed at the fees stated in the Supplemental Proposal unless fees are otherwise stated below or in Exhibit C to this Supplement (which section or exhibit are incorporated into the Supplement).

   See attached Terracon Proposal P13217071B dated April 15, 2021

All terms and conditions of the **Agreement for Services** shall continue in full force and effect. This Supplement is accepted and Consultant is authorized to proceed.

Consultant:	**Terracon Consultants, Inc.**	Client:	**City of Waterloo IA**
By:	Dave Cleary Date: **4/15/2022**	By:	Date:
Name/Title:	**Dave C. Cleary, REM / Environmental Department Manager**	Name/Title:	**Quentin Hart / Mayor**
Address:	**3105 Capital Way, Ste 5** **Cedar Falls, IA 50613-7030**	Address:	**715 Mulberry St** **Waterloo, IA 50703-5714**
Phone:	**(319) 277-4016** Fax: **(319) 277-4320**	Phone:	**(319) 291-4312** Fax:
Email:	**Dave.Cleary@terracon.com**	Email:	**wayne.castle@waterloo-ia.org**

CITY OF WATERLOO

Council Communication

Resolution approving an agreement with the Black Hawk County Metropolitan Planning Organization, for a funding award through Iowa's Transportation Alternatives Program Funding, in the amount of $465,233.00, with the City paying the balance, in conjunction with the Sergeant Road Bridge Replacements Project, and authorizing the Mayor and City Clerk to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

	Description	Type
🗋	MPO_TAP funds award_Sergeant Rd Trail Bridges	Backup Material

SUBJECT:	Resolution approving an agreement with the Black Hawk County Metropolitan Planning Organization, for a funding award through Iowa's Transportation Alternatives Program Funding, in the amount of $465,233.00, with the City paying the balance, in conjunction with the Sergeant Road Bridge Replacements Project, and authorizing the Mayor and City Clerk to execute said document.
Submitted by:	Submitted By: Matt Schindel, Associate Engineer
Summary Statement:	To receive the funds, the City must work with the Iowa Department of Transportation.
Expenditure Required/Source of Funds:	$201,309 local match amount $465,233 grant amount $666,542 estimated total project cost City match will be G.O. Bonds approved through the CIP

April 18, 2022

Matt Schindel
Associate Engineer
City of Waterloo
715 Mulberry St
Waterloo, IA 50701

Dear Mr. Schindel:

RE: Black Hawk County Metropolitan Planning Organization
Iowa's Transportation Alternatives Program Funding Award

This correspondence is to inform the City that the Black Hawk County Metropolitan Planning Organization (MPO) has awarded Iowa's Transportation Alternatives Program (TAP) funds in the amount of $465,233.00 for the Sergent Road Trail Bridge Replacements project.

Your project will be programmed into the MPO Fiscal Year 2023-20256 Transportation Improvement Program (TIP) in federal fiscal year 2024. Attached is an MPO Iowa's TAP Programming Agreement for your project. Please review and return a signed copy to the INRCOG office at your earliest convenience.

To receive Iowa's TAP funds, the City must work with the Iowa Department of Transportation. To initiate that process, project sponsors should contact Susan Hollenkamp at the Iowa DOT Systems Planning Bureau in Ames.

Please note the City does not yet have a funding commitment nor is it authorized to expend Iowa's TAP funds until the project has been authorized by the Federal Highway Administration (FHWA). Expenditures incurred prior to FHWA authorization will be ineligible for reimbursement. If you have questions, please contact me at (319) 235-0311 or kdurant@inrcog.org.

Sincerely,

Kyle Durant
Transportation Planner II

Cc: Susan Hollenkamp, Iowa DOT

Black Hawk County
Metropolitan Planning Organization (MPO)

Iowa's Transportation Alternatives Program (TAP) Programming Agreement

BETWEEN: Black Hawk County Metropolitan Planning Organization
229 E. Park Ave.
Waterloo, IA 50703
(hereinafter "MPO")

AND: City of Waterloo
715 Mulberry St
Waterloo IA 50701
(hereinafter "RECIPIENT"

Recipient Contact Person: Matt Schindel Phone: 319-291-4312
Title: Associate Engineer Email: matt.schindel@waterloo-ia.org

Upon acceptance of this funding, the RECIPIENT agrees to the following conditions:

1. CONTRACT PROJECT: As approved by the MPO Policy Board, the project includes:

   Sergeant Road Trail Bridge Replacements

   Program Year: 2024

   See **Attachment A** for a detailed project description and project location map. The project description and map must accurately describe the project location.

2. CONTRACT AWARD AMOUNT:

   Iowa's TAP Funds: $465,233.00

   Local Match: $201,309.00

   Total Project Cost: $666,542.00

3. GENERAL PROVISIONS:

   The RECIPIENT must submit a concept statement and preliminary plans to the Iowa DOT and MPO within one year of the program year specified in Section 1. Projects must be let within two years of the program year specified in Section 1. Failure of such will be grounds for cancellation of the project.

   The RECIPIENT shall receive Federal Iowa's TAP funds for authorized and approved project costs of eligible items. Iowa's TAP funds are to be used exclusively for the purposes specified in Section 1, which may

represent all or any part of the project(s) specified in the grant application. Any portion of the funds not used for the purpose(s) specified in the Iowa's TAP Grant Application shall be forfeited by the RECIPIENT. The MPO may request the RECIPIENT to provide information to determine that the funding distribution satisfies the written criteria and procedures of the Iowa Department of Transportation and the MPO as well as any statutes or rules governing such distribution.

The RECIPIENT shall contact MPO staff if the project specified in Section 1 requires revision including, but not limited to, project cost, schedule, funding sources, and project scope. Depending on the type of revision, public review and comment and MPO Policy Board approval may be required.

The portion of the eligible project costs covered by Federal Iowa's TAP funds shall be limited to a maximum of either the appropriate percentage of eligible costs or the amount stipulated in the approved current Statewide Transportation Improvement Program (STIP), whichever is less.

The RECIPIENT is not authorized to expend Iowa's TAP funds until the project has been authorized by the Federal Highway Administration (FHWA). Expenditures incurred prior to FHWA authorization will be ineligible for reimbursement.

The RECIPIENT shall abide by MPO and Iowa Department of Transportation rules and regulations. The RECIPIENT shall follow all guidelines outlined in the Federal-aid Project Development Guide (reference www.iowadot.gov/local_systems/publications/im/guide.pdf). The Iowa Department of Transportation contact will be the Transportation Alternatives Program Manager at the Systems Planning Bureau in Ames.

All grant RECIPIENTS awarded Iowa's TAP funds shall upon request provide status updates about the project specified in Section 1.

4. SPECIAL CONDITIONS:

The Letter of Award, which accompanies this agreement, may detail specific conditions pertinent to the individual award or RECIPIENT and shall become part of this agreement upon acceptance of this agreement.

Accepted on Behalf of the City of Waterloo

_____ Date: _____

Quentin Hart
Mayor, City of Waterloo

ATTEST:

_____

TAP-U-8155()--8I-07

Project is Draft TIP Approved

Project

Project Number	TAP-U-8155()--8I-07
Name	Sergeant Rd Trail Bridge Replacements
ID	52416

Site

FFC	Non-roadway

Work Codes

DOT	9510 - Ped/Bike Structures

Contacts

Planning Agency	MPO 30 / INRCOG
Sponsor	Waterloo

Location

In the city of Waterloo, On Sergeant Rd Trail BRs, from 550' SW of W Shaulis Rd NE 4.1 miles to 90' NE of W 3rd St



Funding

Source	2024
Contract	$201,309
STBG-TAP (Regional) (FA)	$465,233
Total	**$666,542**

Appropriation Codes

No Appropriation Codes

Programs

Program	Version	Name	Project Number	Funding
2023 STIP	Original	Sergeant Rd Trail Bridge Replacements	TAP-U-8155()--8I-07	$666,542

Log

Monday, April 18, 2022

3:08 pm

Kyle Durant
kdurant@inrcog.org

- Approval Level changed from Submitted to Draft TIP Approved

3:08 pm

Kyle Durant
kdurant@inrcog.org

- Approval Level changed from In Prep to Submitted

CITY OF WATERLOO

Council Communication

Resolution directing the advertisement for sale of $5,685,000.00 General Obligation Bonds, Series 2022B, setting sale date as May 18, 2022, and approving electronic bidding procedures and distribution of Preliminary Official Statement for the sale.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

	Description	Type
	Council Comm Direct Bond Sale 2022B	Backup Material
	22BC Waterloo 5.685m GO TE__4.315m Tax OS v5 to client r.pdf	Backup Material

SUBJECT:	Resolution directing the advertisement for sale of $5,685,000.00 General Obligation Bonds, Series 2022B, setting sale date as May 18, 2022, and approving electronic bidding procedures and distribution of Preliminary Official Statement for the sale.
Submitted by:	Submitted By: Michelle Weidner, Chief Financial Officer
Summary Statement:	We are planning to sell $5,685,000 in new tax-exempt general obligation bonds for a number of general purposes. Series 2022B will be federally tax-exempt for bondholders. The par amounts for each series are subject to adjustment according to the terms of the offerings. Final sale amounts may be different depending on the bid prices received at the sale.
Neighborhood Impact:	The bonds will be sold to finance a variety of projects previously approved. The preliminary Official Statement is included for your review and approval.
Data/Analysis and Strategies:	The issuance of bonds commits the city to future repayment.
Implementation, Accountability, and Communication:	Repayment will be made from a variety of sources, including general property taxes and Tax Increment Financing revenue.
Expenditure Required/Source of Funds:	Principal and interest will be required to be repaid.
Alternative:	The City could choose not to sell bonds and not proceed with the projects. This would reduce future debt service costs. However, other costs would increase. For example, a number of the planned projects are government mandates that could have financial ramifications if they are not completed. The City could choose not to sell the refunding bonds and continue to pay higher cumulative interest.

CITY OF WATERLOO, IOWA

CITY CLERK AND FINANCE DEPARTMENT

KELLEY FELCHLE • *City Clerk* MICHELLE WEIDNER, CPA • *Chief Financial Officer*

Mayor
QUENTIN HART

COUNCIL MEMBERS

JOHN CHILES
Ward 1

JONATHAN GRIEDER
Ward 2

NIA WILDER
Ward 3

JEROME AMOS, JR.
Ward 4

RAY REUSS
Ward 5

ROB NICHOLS
At-Large

DAVE BOESEN
At-Large

Council Communication
City Council Meeting: May 2, 2022
Prepared: April 19, 2022
Dept. Head Signature: Michelle Weidner, Chief Financial Officer

Number of Attachments: None

SUBJECT: FYE2022 Bond Issues - Direction to Advertise Sale of $5,685,000 General Obligation Bonds, Series 2022B and $4,315,000 Taxable General Obligation Bonds, Series 2022C.

Submitted by: Michelle Weidner, Chief Financial Officer

Recommended City Council Actions: Adopt a Resolution directing the advertisement for sale of $5,685,000 General Obligation Bonds, Series 2022B the sale of $4,315,000 Taxable General Obligation Bonds, Series 2022C; setting the sale date as May 18, 2022; approving electronic bidding procedures and the distribution of the Official Statement for the sales.

Summary Statement: We are planning to sell $5,685,000 in new tax-exempt general obligation bonds and $4,315,000 in new taxable general obligation bonds for a number of general purposes. Series 2022B will be tax-exempt for bondholders and Series 2022C will be taxable for bondholders.

The par amounts for each series are subject to adjustment according to the terms of the offerings. Final sale amounts may be different depending on the bid prices received at the sale.

Expenditure Required: Principal and interest are required to be repaid.

Source of Funds: Repayment will be made from a variety of sources, including general property taxes and Tax Increment Financing revenue.

Policy Issue: The issuance of bonds commits the city to future repayment.

Alternative: The City could choose not to sell bonds and not proceed with the projects. This would reduce future debt service costs. However, other costs would increase. For example, a number of planned projects are government mandates that could have financial ramifications if they are not completed. The City could choose not to sell the refunding bonds and continue to pay higher cumulative interest.

Background Information: the bonds will be sold to finance a variety of projects previously approved. A listing of the approved projects is included with the public hearing items. The preliminary Official Statement for the sales is included for your review and approval.

New Issue

Date of Sale: Wednesday, May 18, 2022 (*Alternative Bid Methods*)
Series 2022B Between 10:00 and 10:30 A.M., C.D.T. *(Closed SpeerAuction)*
Before 10:30 A.M., C.D.T. *(Sealed Bids)*
Series 2022C Between 10:30 and 11:00 A.M., C.D.T. *(Closed SpeerAuction)*
Before 11:00 A.M., C.D.T. *(Sealed Bids)*

Investment Rating:
Moody's Investors Service …
(*Rating Requested)*

Official Statement

Assuming compliance with certain covenants, in the opinion of Ahlers & Cooney, P.C., Bond Counsel, under present law and assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes. Interest on the Tax-Exempt Bonds is not an item of tax preference for federal alternative minimum tax purposes. Interest on the Tax-Exempt Bonds is not exempt from present Iowa income taxes. The Tax-Exempt Bonds will be designated as "qualified tax-exempt obligations". See ***"TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)"*** *herein for a more detailed discussion. Interest on the Taxable Bonds is includable in gross income of the owners thereof for purposes of federal income taxation. Interest on the Taxable Bonds is not exempt from present Iowa Income taxes. See "****TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)"*** *herein.*

CITY OF WATERLOO
Black Hawk County, Iowa
$5,685,000* General Obligation Bonds, Series 2022B
$4,315,000* Taxable General Obligation Bonds, Series 2022C

Dated Date of Delivery **Book-Entry** **Bank Qualified Tax-Exempt Bonds (Series 2022B)** **Due as Described Herein**

The $5,685,000* General Obligation Bonds, Series 2022B (the "Tax-Exempt Bonds" or the "Series 2022B Bonds") and the $4,315,000* Taxable General Obligation Bonds, Series 2022C (the "Taxable Bonds" or the "Series 2022C Bonds", and collectively with the Series 2022B Bonds, the "Bonds") are being issued by the City of Waterloo, Black Hawk County, Iowa (the "City"). Interest is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2022. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers.

OPTIONAL REDEMPTION

Bonds due June 1, 2023 - 2029, inclusive, are not subject to optional redemption. Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part on any date on or after June 1, 2029, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot. See **"OPTIONAL REDEMPTION"** herein.

PURPOSE, LEGALITY AND SECURITY

The Bond proceeds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements, equipment and vehicle acquisitions; (ii) provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects; and (iii) pay the costs of issuance of the Bonds. See **"THE PROJECT"** herein.

In the opinion of Bond Counsel, Ahlers & Cooney, P.C., Des Moines, Iowa, the Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable, real property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.

The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986.

This Official Statement is dated May 4, 2022, and has been prepared under the authority of the City. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Official Statement Sales Calendar". Additional copies may be obtained from Kelley Felchle, City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa, 50703, or from the Registered Municipal Advisors to the City.

Speer Financial, Inc.
INDEPENDENT MUNICIPAL ADVISORS • ESTABLISHED 1954
230 WEST MONROE STREET, SUITE 2630 • CHICAGO, ILLINOIS 60606
Telephone: (312) 346-3700 • Facsimile: (312) 346-8833
531 COMMERCIAL STREET, SUITE 608 • WATERLOO, IOWA 50701
Telephone: (319) 291-2077 • Facsimile: (319) 291-8628

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

(1) CUSIP numbers appearing in this Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a division of McGraw-Hill Financial, Inc. The City is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the City from time to time (collectively, the "Official Statement"), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the City.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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OFFICIAL BID FORMS
OFFICIAL TERMS OF OFFERINGS
Exhibit A – Example Issue Price Certificate

BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Terms of Offering and the Official Bid Forms, which are provided for the convenience of potential investors and should be reviewed in their entirety by potential investors. The following descriptions apply equally to both series of the Bonds. Other terms specific to each series are provided separately herein.

Issuer:	City of Waterloo, Black Hawk County, Iowa.
Dated Date:	Date of delivery (expected to be on or about June 21, 2022).
Interest Due:	Each June 1 and December 1, commencing December 1, 2022.
Security:	The Bonds are valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable real property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.
Investment Rating:	An investment rating for the Bonds has been requested from Moody's Investors Service, New York, New York. See **"INVESTMENT RATING**" herein.
Bond Registrar/Paying Agent:	UMB Bank, n.a., West Des Moines, Iowa (the "Registrar").
Delivery:	The Bonds are expected to be delivered on or about June 21, 2022.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See **APPENDIX B** herein.
Denomination:	$5,000 or integral multiples thereof.
Municipal Advisor:	Speer Financial, Inc., Waterloo, Iowa and Chicago, Illinois.

The remainder of this page was left blank intentionally.

$5,685,000* GENERAL OBLIGATION BONDS, SERIES 2022B

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS

Principal Amount*	Due June 1	Interest Rate	Price or Yield	CUSIP Number(1)	Principal Amount*	Due June 1	Interest Rate	Price or Yield	CUSIP Number(1)
$315,000	2023	____%	____%		$485,000	2031	____%	____%	
115,000	2024	____%	____%		500,000	2032	____%	____%	
100,000	2025	____%	____%		510,000	2033	____%	____%	
100,000	2026	____%	____%		520,000	2034	____%	____%	
345,000	2027	____%	____%		535,000	2035	____%	____%	
355,000	2028	____%	____%		505,000	2036	____%	____%	
365,000	2029	____%	____%		460,000	2037	____%	____%	
475,000	2030	____%	____%						

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Issue: $5,685,000* General Obligation Bonds, Series 2022B.

Principal Due: Serially each June 1, commencing June 1, 2023 through 2037, as detailed above.

Optional Redemption: The Tax-Exempt Bonds maturing on or after June 1, 2030, are callable at the option of the City on any date on or after June 1, 2029, at a price of par plus accrued interest. See **"OPTIONAL REDEMPTION"** herein.

Purpose: The proceeds of the Tax-Exempt Bonds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements, equipment and vehicle acquisitions, and urban renewal projects in the City and (ii) pay the costs of issuance of the Tax-Exempt Bonds. See **"THE PROJECT"** herein.

Tax Matters: Ahlers & Cooney, P.C., Des Moines, Iowa, will provide an opinion as to the tax exemption of the Tax-Exempt Bonds as discussed under **"TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)"** in this Official Statement. Interest on the Tax-Exempt Bonds is not exempt from present State of Iowa income taxes. See **APPENDIX C** for a draft form of legal opinion for the Tax-Exempt Bonds.

Bank Qualified: The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations".

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

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$4,315,000* TAXABLE GENERAL OBLIGATION BONDS, SERIES 2022C

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS

Principal Amount*	Due June 1	Interest Rate	Price or Yield	CUSIP Number(1)	Principal Amount*	Due June 1	Interest Rate	Price or Yield	CUSIP Number(1)
$240,000	2023	____%	____%		$335,000	2031	____%	____%	
100,000	2024	____%	____%		350,000	2032	____%	____%	
100,000	2025	____%	____%		360,000	2033	____%	____%	
100,000	2026	____%	____%		370,000	2034	____%	____%	
260,000	2027	____%	____%		375,000	2035	____%	____%	
265,000	2028	____%	____%		495,000	2036	____%	____%	
275,000	2029	____%	____%		405,000	2037	____%	____%	
285,000	2030	____%	____%						

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Issue: $4,315,000* Taxable General Obligation Bonds, Series 2022C.

Principal Due: Serially each June 1, commencing June 1, 2022 through 2036, as detailed above.

Optional Redemption: The Taxable Bonds maturing on or after June 1, 2030, are callable at the option of the City on any date on or after June 1, 2029, at a price of par plus accrued interest. See **"OPTIONAL REDEMPTION"** herein.

Purpose: The proceeds of the Taxable Bonds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements and urban renewal projects in the City and (ii) pay the costs of issuing the Taxable Bonds. See **"THE PROJECT"** herein.

Tax Matters: The interest to be paid on the Taxable Bonds is subject to federal and Iowa state income taxes as discussed under **"TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)"** in this Official Statement. See **APPENDIX C** for a draft form of legal opinion for the Taxable Bonds.

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

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CITY OF WATERLOO
Black Hawk County, Iowa

Quentin Hart
Mayor

Council Members

Jerome Amos, Jr.		Dave Boesen
John Chiles	Ray Feuss	Jonathan Grieder
Rob Nichols		Nia Wilder

Officials

Kelley Felchle *City Clerk*	Michelle Weidner, CPA *Chief Financial Officer*	Martin M. Petersen, Esq. *City Attorney*

SECURITY AND SOURCE OF PAYMENT

Pursuant to the Resolution and the Act, the Bonds and the interest thereon are general obligations of the City, and all taxable, real property within the corporate boundaries of the City is subject to the levy of taxes to pay the principal of and interest on the Bonds without constitutional or statutory limitation as to rate or amount. For a description of certain constitutional limits on the issuance of general obligation debt by the City, see "Debt Limitation" herein.

Section 76.2 of the Code of Iowa provides that when an Iowa political subdivision issues general obligation bonds, the governing authority of such political subdivision shall, by resolution adopted before issuing the bonds, provide for the assessment of an annual levy upon all the taxable real property in the political subdivision sufficient to pay the interest and principal of the bonds. A certified copy of this resolution shall be filed with the County Auditor in which the City is located, giving rise to a duty of the County Auditor to annually enter this levy for collection from the taxable real property within the boundaries of the City, until funds are realized to pay the Bonds in full.

For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Bonds as the same become due, the Resolution provides for the levy of a tax sufficient for that purpose on all the taxable, real property in the City in each of the years while the Bonds are outstanding. The City shall file a certified copy of the Resolution with the County Auditor, pursuant to which the County Auditor is instructed to enter for collection and assess the tax authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the City and when collected, the proceeds of the taxes shall be deposited into the Debt Service Fund of the City and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the Bonds and for no other purpose whatsoever.

Nothing in the Resolution authorizing the Bonds prohibits or limits the ability of the City to use legally available moneys other than the proceeds of the general ad valorem property taxes levied as described in the preceding paragraph to pay all or any portion of the principal of or interest on the Bonds. If and to the extent such other legally available moneys are used to pay the principal of or interest on the Bonds, the City may, but shall not be required to, (a) reduce the amount of taxes levied for such purpose, as described in the preceding paragraph; or (b) use proceeds of taxes levied, as described in the preceding paragraph, to reimburse the fund or account from which such other legally available moneys are withdrawn for the amount withdrawn from such fund or account to pay the principal of or interest on the Bonds.

BONDHOLDERS' RISKS

An investment in the Bonds is subject to certain risks. No person should purchase the Bonds unless such person understands the risks described below and is willing to bear those risks. There may be other risks not listed below which may adversely affect the value of the Bonds. In order to identify risk factors, make an informed investment decision, and if the Bonds are an appropriate investment, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto).

Potential Impact of The Coronavirus

Beginning in early 2020, a strain of coronavirus commonly known as COVID-19 began to spread globally, negatively affecting global, state, and local economies and possibly sparking a recession. The State of Iowa may suffer material adverse consequences from the continued spread of COVID-19, which could affect the amount of State revenues appropriated to municipalities, including the City. The spread of the virus could reduce sales tax and other revenue collections, property valuations and other revenue sources dependent on local business activity. In fiscal year 2021 (ending June 30, 2021), the City experienced a decrease in hotel/motel tax revenues, but an increase in local option tax collections. Additionally, property tax collections are comparable to collections prior to the pandemic. Certain city-owned recreational facilities experienced reduced revenues but expenses were adjusted, where possible, to accommodate those reduced revenues.

Overall, the City did not experience material reductions in revenue or material increases in expenses in fiscal years 2020 and 2021 due to material COVID-19-related financial impacts and currently expects that any material COVID-19-related financial impacts are expected to be covered by federal funding. In fiscal year 2021, the City received over $1.6 million in CARES Act funds, which supplemented public safety salaries. The City received $15.1 million in Recovery Act funds, in May 2021, with a similar amount expected to be received in May 2022. It is too soon, however, to fully predict what COVID-19-related financial impacts the City may incur and whether any such financial impacts will be material.

This information is based on current information available to the City that may be incomplete and unknown. This information was derived using certain assumptions and methodologies and includes unaudited financial information and projections. Some of this information is forward-looking and subject to change.

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, secondary marketing practices in connection with a particular bond or note issue are suspended or terminated. Additionally, prices of bond or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.

Ratings Loss

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "___" to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Various factors, including additional regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value of the Bonds.

Redemption Prior to Maturity

In considering whether to make an investment in the Bonds, it should be noted the Bonds are subject to optional redemption, as outlined herein, without Bondholder discretion or consent. See "**OPTIONAL REDEMPTION**" herein.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the City to pay debt service when due on the Bonds.

Tax Matters, Bank Qualification and Loss of Tax Exemption (Series 2022B)

As discussed under the heading **"TAX MATTERS - TAX EXEMPT BONDS (SERIES 2022B)"** herein, the interest on the Tax-Exempt Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Tax-Exempt Bonds, as a result of acts or omissions of the City in violation of its covenants in the Resolution authorizing issuance of the Tax-Exempt Bonds. Should such an event of taxability occur, the Tax-Exempt Bonds would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Tax-Exempt Bonds, and there is no provision for an adjustment of the interest rate on the Tax-Exempt Bonds.

The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. Actions, or inactions, by the City in violation of its covenants could affect the designation, which could also affect the pricing and marketability of the Tax-Exempt Bonds.

It is possible that legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation. The likelihood of any pending or future legislation being enacted or whether the currently proposed terms of any pending legislation will be altered or removed during the legislative process cannot be reliably predicted.

It is also possible that actions of the City after the closing of the Tax-Exempt Bonds will alter the tax status of the Tax-Exempt Bonds, and, in the extreme, remove the tax exempt status from the Tax-Exempt Bonds. In that instance, the Tax-Exempt Bonds are not subject to mandatory prepayment, and the interest rate on the Tax-Exempt Bonds does not increase or otherwise reset. A determination of taxability on the Tax-Exempt Bonds, after closing of the Tax-Exempt Bonds, could materially adversely affect the value and marketability of the Tax-Exempt Bonds.

DTC-Beneficial Owners

Beneficial Owners of the Bonds may experience some delay in the receipt of distributions of principal of and interest on the Bonds since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through Indirect Participants. Neither the City nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Bonds can be effected only through DTC Participants, Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge the Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See **APPENDIX B – Describing Book-Entry Only Issuance**.

Pension and OPEB Benefits

The City participates in two public pension systems, Iowa Public Employee's Retirement System (IPERS) and Municipal Fire and Police Retirement System of Iowa (MFPRSI).

In fiscal year 2021, pursuant to the IPERS' required rate, the City's Regular employees (members) contributed 6.29% of covered payroll and the City contributed 9.44% of covered payroll, for a total rate of 15.73%. The City's contributions to IPERS for the year ended June 30, 2021 were $1,792,019. The City's share of the contributions, payable from the applicable funds of the City, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The City has always made its full required contributions to IPERS.

At June 30, 2021, the City reported a liability of $16,628,664 for its proportionate share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7%. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. While the City's contributions to IPERS are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See "**APPENDIX A – FISCAL YEAR 2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT**" for additional information on pension and liabilities of the City.

In fiscal year 2021, pursuant to the MFPRSI's required rate, the City's employees (members) contributed 9.40% of earnable compensation and the City contributed 25.31% of covered payroll. The City's contributions to MFPRSI for the year ended June 30, 2021 were $4,528,152. The City's share of the contributions, payable from the applicable funds of the City, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The City has always made its full required contributions to MFPRSI.

At June 30, 2021, the City reported a liability of $43,638,986 for its proportionate share of the MFPRSI net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7.5%. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. While the City's contributions to MFPRSI are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See "**APPENDIX A – FISCAL YEAR 2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT**" hereto for additional information on pension and liabilities of the City.

The City defined benefit OPEB plan, a single-employer health care plan provides OPEB for all active and retired employees and their eligible dependents. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The following table shows the City's changes to the total OPEB liability:

Total OPEB Liability Balance as of June 30, 2020	$22,031,599
Changes for the year:	
Service Cost	735,571
Interest	479,230
Changes in Assumptions or Other Inputs	183,252
Contributions and Payments Made	(2,165,102)
Net Changes	(767,049)
Total OPEB Liability Balance as of June 30, 2021	$21,264,550

See **APPENDIX A – Notes (10**) and **(13)** herein for further discussion of the City's employee retirement benefit obligations.

Bond Counsel, Disclosure Counsel, the Municipal Advisor, and the City undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from IPERS or MFPRSI discussed above or included on the IPERS or MFPRSI websites, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the IPERS or MFPRSI websites.

Continuing Disclosure

A failure by the City to comply with continuing disclosure obligations (see **"CONTINUING DISCLOSURE"** herein) will not constitute an event of default on the Bonds. Any such failure must be disclosed in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Bonds and their market price.

The City will covenant in a Continuing Disclosure Certificate for the benefit of the Owners and Beneficial Owners of the Bonds to provide annually certain financial information and operating data relating to the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City no later than two hundred seventy (270) days after the close of each fiscal year, commencing with the fiscal year ending June 30, 2022, with the Municipal Securities Rulemaking Board, at its internet repository named "Electronic Municipal Market Access" ("EMMA"). The notices of events, if any, are also to be filed with EMMA. See "**APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE**." The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in "**APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE**." These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the "Rule").

Cybersecurity

The City, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the City will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the City's information systems could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. Along with significant liability claims or regulatory penalties, any security breach could have a material adverse impact on the City's operations and financial condition. The City cannot predict whether its cyber liability policy will be sufficient in the event of a cyberattack. However, the Bonds are secured by an unlimited ad valorem property tax as described herein. See **"SECURITY AND SOURCE OF PAYMENT"** herein.

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Bankruptcy and Insolvency

The rights and remedies provided in the Resolution may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Bonds and the Resolution, including the opinion of Bond Counsel, will be similarly qualified. If the City were to file a petition under Chapter Nine of the Federal Bankruptcy Code, the owners of the Bonds could be prohibited from taking any steps to enforce their rights under the Resolution. In the event the City fails to comply with its covenants under the Resolution or fails to make payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Bonds.

Under sections 76.16 and 76.16A of the Code of Iowa, as amended, a city, county, or other political subdivision may become a debtor under Chapter Nine of the Federal Bankruptcy Code, if it is rendered insolvent, as defined in 11 U.S.C. §101(32)(c), as a result of a debt involuntarily incurred. As used therein, "debt" means an obligation to pay money, other than pursuant to a valid and binding collective bargaining agreement or previously authorized bond issue, as to which the governing body of the city, county, or other political subdivision has made a specific finding set forth in a duly adopted resolution of each of the following: (1) that all or a portion of such obligation will not be paid from available insurance proceeds and must be paid from an increase in general tax levy; (2) that such increase in the general tax levy will result in a severe, adverse impact on the ability of the city, county, or political subdivision to exercise the powers granted to it under applicable law, including without limitation providing necessary services and promoting economic development; (3) that as a result of such obligation, the city, county, or other political subdivision is unable to pay its debts as they become due; and (4) that the debt is not an obligation to pay money to a city, county, entity organized pursuant to Chapter 28E of the Code of Iowa, or other political subdivision.

Legislation

From time to time, there are proposals pending in Congress and in the Iowa General Assembly that could, if enacted, alter or amend one or more of the matters described herein in certain respects or would adversely affect the market value of the Bonds, or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

During the 2019 legislative session, the Iowa General Assembly passed Senate File 634 which was later signed into law by the Governor. This bill modifies the process for hearing and approval of the total maximum property tax dollars under certain levies in the City budget, including levies for the General Fund, the Emergency Fund, Trust and Agency Funds for pensions, insurance, transit, civic centers, certain bridges, sanitary disposal, and emergency management. The bill also includes a provision that requires the affirmative vote of 2/3 of the City Council when the maximum property tax dollars under these levies exceed an amount determined under a prescribed formula. The bill does not change the process for hearing and approval of the Debt Service Levy pledged for repayment of the Bonds. It is too early to evaluate the effect this legislation will have on the overall financial position of the City or its ability to fund essential services.

Loss of Tax Base

Economic and other factors beyond the City's control, such as economic recession, deflation of property values, or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the corporate boundaries of the City. In addition, the State of Iowa has been susceptible to tornados, flooding and other extreme weather wherein winds and flooding have from time to time caused significant damage, which if such events were to occur, may have an adverse impact on the City's financial position. The City believes it has employed adequate risk-mitigation strategies to limit future damage due to climate change or natural disaster, but it is impossible to predict the impact, cost or necessity of future recovery or mitigation efforts.

Tax Levy Procedures

The Bonds are general obligations of the City, payable from and secured by a continuing ad valorem tax levied against all of the taxable real property within the corporate limits of the City. See **"PROPERTY ASSESSMENT AND TAX INFORMATION"** herein for more details. As part of the budgetary process each fiscal year, the City will have an obligation to request a debt service levy to be applied against all of the taxable real property within the corporate limits of the City. A failure on the part of the City to make a timely levy request or a levy request by the City that is inaccurate or is insufficient to make full payments of the debt service of the Bonds for a particular fiscal year may cause Bondholders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the Bond Resolution) may have to be enforced from year to year.

Federal Funds Orders and State Funds Legislation

Various federal executive orders, and Iowa Code Chapter 27A (collectively "ICE Enforcement Initiatives"), impose requirements intended to ensure compliance with the federal immigration detainment processes. The ICE Enforcement Initiatives impose various penalties for non-compliance, including the loss of state and/or federal funding under certain circumstances. The loss of state and/or federal funds in any significant amount could negatively impact the City's overall financial position and may affect its rating and could slow down completion of certain of the Projects. However, the Bonds are secured by an unlimited ad valorem property tax and are not secured by state or federal funds. See **"SECURITY AND SOURCE OF PAYMENT"** herein.

Audit

The City is currently under audit by the Iowa Auditor of State as a result of a petition signed by residents in April of 2019. The City has submitted all documents and information requested by the State Auditor's office but has not received notice of any reports. At this time the City has no reason to believe the audit will yield any adverse findings.

Other Factors

An investment in the Bonds involves an element of risk. The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

THE CITY

The City is located in Northeastern Iowa. The City and the neighboring City of Cedar Falls are the primary urban centers in the region and in Black Hawk County (the "County"). The current land area of the City is almost 64 square miles. As of the 2020 Census, the City represented approximately 51% and Cedar Falls 31% of the County's population. According to the 2020 U.S. Census, the population of the City was 67,314.

City Organization and Services

The City was incorporated in 1868 and is the County Seat of Black Hawk County. The City is governed by a Mayor and a seven-member Council, of which five members are elected from five wards and two members are elected at large. City Council members are elected to staggered four-year terms. The Mayor is elected to a two-year term. The City Clerk and City Attorney are appointed by the City Council for two-year terms.

The City's currently employs 521.71 full-time equivalent employees, including 119 sworn police officers and 110 firefighters. Various City employees are members of seven collective bargaining units. The Communication Workers of America represents City library staff, Teamsters Local 238, Affiliated with International Brotherhood of Teamsters, represents secretarial and clerical employees, the Police Protective Association represents police officers, the International Association of Fire Fighters Local 66 represents the fire department, and the Laborers International Union of North America, AFL-CIO Local No. 177 represents street, sewer and technician/inspection positions. The AFSCME represents two groups: police lieutenants and code enforcement officers and certain professional positions including engineers and planners. Contracts for all seven units are for four-year terms that will expire June 30, 2023.

The Fire Department has 30 fire trucks and special vehicles and operates out of six stations. City government and services are administered from City Hall. The City owns and operates the water works system and the sewage collection and secondary treatment system. The Water Works is organized as a separate entity, managed by a board of trustees appointed by the Mayor and the City Council.

Community Life

The City's 51 parks provide a diversified recreation program. Other recreation facilities include the SportsPlex, an indoor facility including turf, a running track, gyms, pool and fitness areas, two outdoor Olympic sized swimming pools, an outdoor spray water park, a baseball stadium, a softball complex, 23 softball diamonds, eight baseball diamonds, 27 tennis courts and an ice arena with an Olympic size sheet of ice, as well as a 127 acre soccer complex, an ATV park, a skate park and a dog park. There are five 18-hole golf courses, three of which are owned and operated by the City. The City has 60+ miles of recreational bike trails, an outdoor amphitheater and Expo Plaza. The Waterloo Symphony Orchestra and local professional baseball and hockey teams provide cultural and sports entertainment in the City.

The Cedar Valley Sportsplex, a 130,000 square foot recreation facility, opened in January 2014. Features include a 30,000 square foot field house, a running track, basketball courts, pool area including lap lanes and a water slide, in addition to weight and cardio exercise areas. The facility is owned by a local development corporation and the City is acquiring it through a lease purchase agreement. It was built with $25 million in private donations. The City is responsible for the operation and maintenance of the facility.

Education

The Waterloo Community School District is the largest of the three school districts serving the City and has a total certified enrollment of 10,680 students for the 2021-2022 school year. Cedar Falls Community School District and Hudson Community School District have a combined enrollment of approximately 6,244. The public school system is supplemented by eight parochial schools including two high schools.

Hawkeye Community College, whose main campus is located in the City, offers more than 45 one-year and two-year programs for credit as well as business and community education classes. Hawkeye Community College has an enrollment of approximately 4,310 full-time equivalent students in addition the College serves approximately 14,000 additional registrants in continuing education programs and courses. College and graduate level degree programs are available from the University of Northern Iowa, located in adjacent Cedar Falls. The University of Northern Iowa has a fall 2021 enrollment of approximately 9,231 students and employs approximately 1,735. Other higher education opportunities in the area include Upper Iowa University (Waterloo Campus) which serves approximately 360 students, and Allen College which serves approximately 552 students in Waterloo.

Transportation

The City is located 267 miles west of Chicago, Illinois and 108 miles northeast of Des Moines, Iowa. It is accessible by U.S. Highways 218, 63, and 20, and State Highways 21, 57, and 281. Interstate 380 links the City with the southeastern area of the State and connects with Interstate 80. The Union Pacific Railroad, the Iowa Northern Railroad Company, and the Illinois Central Gulf Railroad (Canadian National) provide rail service. Many motor freight carriers operate out of the City with service to Chicago, Minneapolis, Kansas City, Omaha and other urban centers. Intercity bus transportation is available on five lines, and the City subsidizes the local transit service in order to provide frequent service.

Waterloo Regional Airport (the "Airport") is a non-hub, primary commercial service airport offering commercial, corporate, and general aviation services.

Economic Development

The City continues to prioritize the expansion of infrastructure for economic development infill and The City partners with many private developers for the creation, expansion, and build-out of development areas. The City works to provide infrastructure through grants such as state RISE funds, MPO (Metropolitan Planning Organization) road funds, and other sources for creating business parks, industrial parks, and retail settings. The City has two industrial parks (Airport area and Northeast Industrial Park) totaling over 800 acres of land for development, with ability for rail, heavy water and sewer flows, and access to the primary highway system. The City partners with private developers for infill industrial/commercial/residential development in Downtown Waterloo and the former Rath area. There are some mixed retail/medical/office parks at North Crossing, Crossroads Shopping area, the South Waterloo Business Park, and the Greenbelt Centre Business Park. In all, the City offer many opportunities for business development, expansion and has seen recent success.

The City has averaged $147.99 million in new permit valuation the last three years with many exciting projects 1) California Pellet Mill $180,000 sq. ft. $14 million warehousing and manufacturing plant at the Waterloo Air and Rail Park; 2) the $104 million 110-acre Lost Island Theme Park nearing completion near the Lost Island Water Park and Isle of Capri Casino in southern Waterloo; 3) the ConTrol 230,000 sq. ft. $16 million cross-docking facility near Deere in the Northeast Industrial Park; 4) the Lincoln Savings Bank Fintech division $18 million renovation of the top three floors of the Tech One Building on the Tech Works Campus; 5) the $6.25 million, 7-story, 72-unit mixed use building on the Upper Plaza at the Amphitheatre along the riverfront; 6) the $13 million expansion and renovation to the Waterloo Convention Center in Downtown Waterloo; 7) the 100,000 sq. ft. $12 million new cold storage facility on the former Rath Packing Plant brownfields site; 8) the 32,500 sq. ft. $3.56 million Warren Transport Logistics Facility in the Greenbelt Centre near Highway 63 and Highway 20 interchange; 9) the various partnerships with the City and Hawkeye Community College, Waterloo Schools, and Habitat for Humanity for the redevelopment of infill sites in older neighborhoods; 10) the partnerships with various other governmental entities for over $6 million in RISE funding for new roads for economic development, the MPO and IDOT for over $67 million in road dollars for La Porte Road, Highway 63, and University Avenue, EPA Assessment grant funding of over $800,000 the last 8 years for testing of sites for reuse, and other grants and funding sources for site-specific projects from IEDA and EDA for business development and growth.

SOCIOECONOMIC INFORMATION

The following demographic information is for the City. Additional comparisons are made with the County and the State of Iowa (the "State").

Population

The following table reflects population trends for the City, the County and the State.

Population Comparison*(1)*

Year	The City	Percent Change	The County	Percent Change	The State	Percent Change
1970	75,533	n/a	132,916	n/a	2,824,376	n/a
1980	75,985	0.60%	137,961	3.80%	2,913,808	3.17%
1990	66,467	(12.53%)	123,798	(10.27%)	2,776,755	(4.70%)
2000	68,747	3.43%	128,012	3.40%	2,926,324	5.39%
2010	68,406	(0.50%)	131,090	2.40%	3,046,355	4.10%
2020	67,314	(1.60%)	131,144	0.04%	3,190,369	4.73%

Note: (1) Source: U.S. Bureau of the Census.

Employment

Major Area Employers*(1)*

Location	Name	Product/Service	Approximate Employment
Waterloo	John Deere	Manufacturing	5,600
Waterloo	Tyson Fresh Meats	Food Processing	3,200
Waterloo	Unity Point Health Care	Health Care	2,745
Waterloo	MercyOne	Health Care	2,655
Cedar Falls	University of Northern Iowa	Higher Education	1,735
Waterloo	Waterloo Community Schools	Public Education	1,665
Waterloo/Cedar Falls	Hy-Vee	Grocery Stores	1,450
Cedar Falls	Target Regional Distribution	Retail Distribution	1,350
Waterloo/Cedar Falls	Western Home Communities	Retirement Community	1,060
Waterloo	VGM Group	Diversified	905
Cedar Falls	Cedar Falls Community Schools	Public Education	870
Waterloo	Omega Cabinetry Ltd.	Manufacturing	810
Waterloo	Bertch Cabinet Manufacturing	Manufacturing	750
Waterloo	Hawkeye Community College	Higher Education	740
Cedar Falls	Martin Brothers Distributing	Food Distribution	710

Note: (1) Source: Grow Cedar Valley, selected telephone surveys and the 2022 Iowa Manufacturers Database.

The following tables show employment by industry and by occupation for the City, the County and the State as reported by the U.S. Census Bureau 2016 - 2020 American Community Survey 5-year estimated values.

Employment By Industry*(1)*

	The City		The County		The State	
Classification	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	207	0.6%	844	1.2%	60,443	3.8%
Construction	2,145	6.5%	3,758	5.6%	105,449	6.5%
Manufacturing	7,109	21.7%	11,910	17.5%	236,327	14.7%
Wholesale trade	861	2.6%	1,832	2.7%	45,624	2.8%
Retail trade	4,360	13.3%	9,604	14.1%	185,930	11.5%
Transportation and warehousing, and utilities	1,438	4.4%	2,673	3.9%	80,042	5.0%
Information	406	1.2%	727	1.1%	25,116	1.6%
Finance and insurance, and real estate and rental and leasing	1,906	5.8%	3,945	5.8%	124,973	7.7%
Professional, scientific, and management, and administrative and waste management services	2,628	8.0%	5,559	8.2%	119,391	7.4%
Educational services, and health care and social assistance	6,627	20.2%	16,557	24.3%	391,707	24.3%
Arts, entertainment, and recreation, and accommodation and food services	3,478	10.6%	6,693	9.8%	116,108	7.2%
Other services, except public administration	1,052	3.2%	2,522	3.7%	70,677	4.4%
Public administration	567	1.7%	1,460	2.1%	49,737	3.1%
Total	32,784	100.0%	68,084	100.0%	1,611,524	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-Year Estimates from 2016 - 2020.

Employment By Occupation*(1)*

	The City		The County		The State	
Classification	Number	Percent	Number	Percent	Number	Percent
Management, business, science, and arts occupations	9,268	28.3%	22,501	33.1%	598,690	37.1%
Service occupations	6,010	18.3%	12,676	18.6%	255,711	15.9%
Sales and office occupations	6,626	20.2%	14,366	21.1%	328,437	20.4%
Natural resources, construction, and maintenance occupations	2,521	7.7%	5,056	7.4%	154,293	9.6%
Production, transportation, and material moving occupations	8,359	25.5%	13,485	19.8%	274,393	17.0%
Total	32,784	100.0%	68,084	100.0%	1,611,524	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-Year Estimates from 2016 - 2020.

The following shows the annual average unemployment rates for the City, the County, the State and the United States.

Annual Average Unemployment Rates*(1)(2)*

Calendar Year	The City	The County	The State	United States
2013	6.0%	5.1%	4.7%	7.4%
2014	5.8%	4.9%	4.2%	6.2%
2015	5.4%	4.5%	3.7%	5.3%
2016	5.4%	4.6%	3.6%	4.9%
2017	4.5%	3.7%	3.1%	4.4%
2018	3.4%	2.8%	2.5%	3.9%
2019	3.8%	3.0%	2.6%	3.7%
2020(3)	7.5%	6.0%	5.1%	8.1%
2021(3)	5.6%	4.6%	4.2%	5.4%
2022(4)	4.2%	3.6%	3.5%	4.1%

Notes: (1) Source: Iowa Workforce Development.
(2) Not seasonally adjusted.
(3) The increase in unemployment rates may be attributable to the COVID-19 pandemic. See "BONDHOLDERS RISKS – Potential Impact of the Coronavirus" herein.
(4) Preliminary rates for the month of February, 2022.

Building Permits

Shown below is the trend of building permits issued by the City.

City Building Permits*(1)*
(Excludes the Value of Land)

Fiscal Year	Residential Permits	Total Permits	Total Value
2013	110	8,682	$ 91,192,766
2014	216	9,969	112,406,047
2015	129	10,479	109,637,260
2016	218	10,867	121,493,169
2017	164	9,704	107,888,474
2018	55	8,483	104,700,306
2019	314	7,124	142,264,758
2020	98	7,013	161,102,460
2021	63	7,062	140,629,305
2022(2)	30	5,228	66,656,841

Notes: (1) Source: the City.
(2) Through March 31, 2022.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the City's owner-occupied homes was $117,000. This compares to $150,200 for the County and $153,900 for the State. The following table represents the five year average market value of specified owner-occupied units for the City, the County and the State at the time of the 2016 - 2020 American Community Survey.

Home Values*(1)*

	The City		The County		The State	
Value	Number	Percent	Number	Percent	Number	Percent
Less than $50,000	1,674	9.7%	2,450	7.0%	76,339	8.4%
$50,000 to $99,999	5,050	29.4%	6,910	19.7%	177,648	19.6%
$100,000 to $149,999	4,652	27.1%	8,106	23.2%	184,881	20.4%
$150,000 to $199,999	3,114	18.1%	6,919	19.8%	155,560	17.1%
$200,000 to $299,999	1,630	9.5%	6,289	18.0%	175,416	19.3%
$300,000 to $499,999	665	3.9%	3,450	9.8%	105,115	11.6%
$500,000 to $999,999	304	1.8%	686	2.0%	26,956	3.0%
$1,000,000 or more	100	0.6%	180	0.5%	5,052	0.6%
Total	17,189	100.0%	34,990	100.0%	906,967	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 - 2020.

Mortgage Status*(1)*

	The City		The County		The State	
Mortgage Status	Number	Percent	Number	Percent	Number	Percent
Housing units with a mortgage	10,727	62.4%	21,786	62.3%	547,418	60.4%
Housing units without a mortgage	6,462	37.6%	13,204	37.7%	359,549	39.6%
Total	17,189	100.0%	34,990	100.0%	906,967	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 - 2020.

Income

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of $59,437. This compares to $73,832 for the County and $79,186 for the State. The following table represents the distribution of family incomes for the City, the County and the State at the time of the 2016 - 2020 American Community Survey.

Family Income*(1)*

	The City		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Less than $10,000	852	5.1%	1,272	4.1%	22,207	2.8%
$10,000 to $14,999	530	3.2%	715	2.3%	14,370	1.8%
$15,000 to $24,999	1,480	8.8%	1,858	5.9%	38,824	4.8%
$25,000 to $34,999	1,832	10.9%	2,537	8.1%	52,575	6.6%
$35,000 to $49,999	2,280	13.6%	3,686	11.8%	90,256	11.3%
$50,000 to $74,999	3,382	20.2%	5,904	18.8%	157,719	19.7%
$75,000 to $99,999	2,350	14.0%	4,937	15.8%	138,130	17.2%
$100,000 to $149,999	2,601	15.5%	6,174	19.7%	168,301	21.0%
$150,000 to $199,999	708	4.2%	2,111	6.7%	62,349	7.8%
$200,000 or more	743	4.5%	2,135	6.8%	56,007	7.0%
Total	16,758	100.0%	31,329	100.0%	800,738	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 to 2020.

The U.S. Census Bureau 5-year estimated values reported that the City had a median household income of $46,942. This compares to $54,774 for the County and $61,836 for the State. The following table represents the distribution of household incomes for the City, the County and the State at the time of the 2016 - 2020 American Community Survey.

Household Income*(1)*

	The City		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Less than $10,000	2,248	7.8%	3,495	6.6%	64,607	5.1%
$10,000 to $14,999	1,609	5.6%	2,356	4.4%	51,206	4.0%
$15,000 to $24,999	3,363	11.7%	5,071	9.5%	110,143	8.6%
$25,000 to $34,999	3,723	13.0%	5,877	11.0%	118,343	9.3%
$35,000 to $49,999	4,132	14.4%	7,373	13.8%	167,084	13.1%
$50,000 to $74,999	5,510	19.2%	10,264	19.3%	243,639	19.1%
$75,000 to $99,999	3,322	11.6%	6,632	12.4%	182,007	14.3%
$100,000 to $149,999	2,996	10.4%	7,407	13.9%	202,695	15.9%
$150,000 to $199,999	879	3.1%	2,457	4.6%	70,804	5.6%
$200,000 or more	928	3.2%	2,389	4.5%	63,413	5.0%
Total	28,710	100.0%	53,321	100.0%	1,273,941	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 - 2020.

Agriculture

Shown below is information on the agricultural value of the County and the statewide average.

Average Value Per Acre*(1)*

	2017	2018	2019	2020	2021
Average Value Per Acre:					
The County	$8,841	$8,936	$9,014	$9,179	$11,757
State of Iowa	7,326	7,264	7,432	7,559	9,751

Note: (1) Source: Iowa State University Extension and Outreach.

Local Option Sales Tax

On January 22, 1991, a metropolitan area-wide referendum for a one percent local option sales tax passed with 8,114 votes in favor and 6,940 against, an approval ratio of approximately 54%. The sales tax became effective on April 1, 1991, in the City and in the seven cities contiguous to the City. On November 5, 2013, the referendum was renewed again with an approval rate of approximately 72%. The City's local option sales tax receipts are wholly dedicated to street repair and reconstruction, as mandated in the referendum. The City currently is authorized to collect this tax through December 31, 2025.

Once approved, a Local Option Tax can only be repealed through a public referendum at which a majority voting approve the repeal or tax rate change, or, in certain circumstances, upon adoption of a motion by the governing body of the incorporated city requesting the repeal. If a Local Option Tax is not imposed county-wide, then the question of repeal is voted upon only by voters in such areas of a county where the tax has been imposed. A Local Option Tax may not be repealed within one year of the effective date.

The State of Iowa Department of Revenue (the "Department") administers collection and disbursement of all local option sales and services taxes in conjunction with administration of the State-wide sales, services and use tax presently assessed at 6%. The Department is required by statute to remit at least 95% of the estimated tax receipts to a county board of supervisors (for taxes imposed in unincorporated areas) and to each incorporated city. Such remittances are on a monthly basis. Once a year the Department reconciles its monthly estimated payments and makes an adjustment payment or debit at the November 10 payment date. Remittance of collections within a county are based upon the following statutory formula for county-wide collections:

75 percent: Based on a pro rata share of population (the most recent certified federal census) of those incorporated or unincorporated areas in a county which have approved a Local Option Tax.

25 percent: Based on a pro rata share of total property tax dollars levied during the three year period beginning July 1, 1982, through June 30, 1985, for those incorporated or unincorporated areas of a county which have approved a Local Option Tax.

Local Option Taxes are based on the same sales currently taxed by the state-wide 6% sales and services tax, with the present statutory exceptions of (i) certain sales of motor fuel or special fuel as defined in Chapter 452A, (ii) the sale of natural gas or electric energy in a city or county where the gross receipts are subject to a franchise fee or user fee during the period the franchise or user fee is imposed, (iii) the sales price from a pay television service consisting of a direct-to-home satellite service, or (iv) the sale of equipment by the State Department of Transportation.

The following table shows the trend of City Local Option tax receipts.

Local Option Tax Receipts*(1)*

Fiscal Year Ending June 30	Local Option Sales Tax Receipts(2)	Percent Change +(-)
2013	$ 9,942,321	n/a
2014	9,771,002	(1.72%)
2015	9,661,573	(1.12%)
2016	9,760,807	1.03%)
2017	9,669,443	(0.94%)
2018	9,948,293	2.88%
2019	10,294,788	3.48%
2020	11,092,663	7.75%
2021	12,673,028	14.25%
2022	11,921,921(3)	(5.93%)

Notes: (1) Source: Iowa Department of Revenue.
(2) Includes a reconciliation payment in November attributable to the previous fiscal year.
(3) Collections received or expected to be received, not including any allowance for the reconciliation payment.

Retail Sales

The Department of Revenue of the State of Iowa provides retail sales figures based on sales tax reports for years ending June 30. The Department of Revenue figures provide recent data to confirm trends in retail sales activity in the City. The following amounts exclude the City's Local Option Tax.

Retail Taxable Sales*(1)*

Fiscal Year Ending June 30	Taxable Sales	Annual Percent Change + (-)
2012	$1,129,249,855	n/a
2013	1,124,405,223	(0.43%)
2014	1,117,415,085	(0.62%)
2015	1,119,986,316	0.23%
2016	1,147,128,289	2.42%
2017	1,142,882,536	(0.37%)
2018	1,109,149,735	(2.95%)
2019	1,118,491,285	0.84%
2020	1,108,666,160	(0.88%)
2021	1,250,282,417	12.77%
Growth from 2012 to 2021		10.72%

Note: (1) Source: the Iowa Department of Revenue.

THE PROJECT

Bond proceeds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements, equipment and vehicle acquisitions; (ii) provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects; and (iii) pay the costs of issuance of the Bonds.

Specifically, the proceeds of the Bonds will be used to pay costs of: the acquisition, improvement and installation of traffic control devices, signage, fixtures, equipment and improvements, including but not limited to traffic signal, pavement markings, traffic safety, fiber optics installation, and street light fixtures, connections, and facility improvements; the acquisition of vehicles and equipment for the Police and Fire Departments; the acquisition of vehicles and equipment for the street, public works and sign and traffic departments; the acquisition of ambulances and ambulance equipment; the rehabilitation and improvement of City parks and the acquisition, repair and replacement of facilities, equipment and improvements commonly found in City parks; the removal, replacement and planting of trees in parks and public grounds; the construction, reconstruction and repairing of street, sidewalk, skywalk, trail, alley, public ground, marketplace, bridges, pedestrian underpasses and overpasses, and intersection improvements; the acquisition, construction and improvement of real and personal property useful for the protection of property from floods or high waters, including flood control, levees, embankments, waterway, storm water and drainage improvements; the removal or replacement of dead or diseased trees; the acquisition and demolition of dangerous or dilapidated buildings, structures or properties, or funding housing assistance; acquiring, developing and improving of a geographic computer data base system suitable for automated mapping and facilities management; the acquisition and installation of river lighting; equipping city departments and City Hall, including information technology equipment and software; the renovation, construction, improvement and equipping of the golf course; the acquisition of vehicles for various city departments; the construction, reconstruction, improvement, renovation, and equipping of public works buildings; the construction, reconstruction, improvement, renovation, and equipping of city facilities; aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Chapter 403 and the Urban Renewal Plan for the Rath Area Redevelopment Area, such as those costs associated with acquisitions of properties and related demolition and clearance activities, grants to private developers, public infrastructure projects including streets, streetscape, and utility improvements; the acquisition and demolition of dangerous or dilapidated buildings, structures or properties, or funding housing assistance; reconstructing, improving and equipping Young Arena; the renovation, construction, improvement and equipping of the golf course; wetland restoration and related costs; aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Chapter 403 and the Urban Renewal Plans for the Rath Area Redevelopment Area, such as those costs associated with acquisitions of properties and related demolition and clearance activities, grants to private developers; and aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Chapter 403 and the Urban Renewal Plan for the Downtown Waterloo Urban Renewal and Redevelopment Area, such as those costs associated with the improvement, reconstruction, equipping and repair of the Waterloo Convention Center and surrounding plaza and pedestrian area.

DEFAULT RECORD

The City has no record of default and has met its debt repayment obligations promptly.

SHORT-TERM BORROWING

The City has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

DEBT INFORMATION

After issuance of the Bonds, the City will have outstanding $116,550,000 principal amount of general obligation debt. An aggregate principal amount of $50,180,000 of the City's total bonded debt is expected to be paid from tax increment finance funds and sewer revenues, not including the Bonds. The City also currently has approximately $8,552,417 principal amount of nonbonded general obligation debt.

Debt Limitation

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of taxable property within the corporate limits, taken from the last County Tax list. According to and based upon the January 1, 2020 property valuations, for taxes payable in September 2021 and March 2022, the City's debt limit, based upon said valuation, amounts to the following:

2020 100% Actual Valuation of Property	$4,089,831,846
Constitutional Debt Limit	$ 204,491,592
Outstanding Bonds/Notes Applicable to Debt Limit:	
Total G.O. Debt Subject to Debt Limit	$ 116,550,000*
Other Legal Indebtedness	8,552,417
Total Applicable Debt	$ 125,102,417*
Remaining Debt Capacity	$ 79,389,175*

The City does not expect to issue any additional general obligation debt in calendar year 2022.

Summary of Outstanding General Obligation Bonded Debt*(1)(2)*
(Principal Only)

Series 2014A	$ 3,810,000
Taxable Series 2014B	3,205,000
Series 2014C	570,000
Series 2015A	7,875,000
Taxable Series 2015B	995,000
Series 2016A	5,025,000
Taxable Series 2016B	1,285,000
Taxable Series 2016C	7,465,000
Series 2017A	5,755,000
Series 2017B	2,755,000
Series 2017C	6,725,000
Series 2018A	7,240,000
Taxable Series 2018B	780,000
Series 2019A	5,620,000
Taxable Series 2019B	2,640,000
Series 2019C	1,955,000
Taxable Bonds Series 2019D	2,640,000
Series 2020A	6,605,000
Taxable Series 2020B	7,475,000
Series 2021A	14,370,000
Taxable Series 2021B	8,610,000
Taxable Urban Renewal Series 2022A	14,075,000
The Tax-Exempt Bonds(3)	5,685,000
The Taxable Bonds(3)	4,315,000
Less: Debt Paid from Non-Property Tax Sources(3)	(50,180,000)
Total(3)	$ 66,370,000

Note: (1) Source: the City.
(2) After the June 1, 2022 principal payment.
(3) Subject to change.

**Subject to change.*

General Obligation Debt*(1)(2)*
(Principal Only)

Fiscal Year Ending June 30	Outstanding Bonds											
	Series 2014A	Taxable Series 2014B	Series 2015A	Taxable Series 2015B	Series 2016A	Taxable Series 2016B	Taxable Series 2016C	Series 2017A	Taxable Series 2017B	Taxable Series 2017C	Series 2018A	Taxable Series 2018B
2023	$ 445,000	$ 355,000	$ 810,000	$100,000	$ 760,000	$ 115,000	$ 395,000	$ 770,000	$ 225,000	$ 370,000	$ 695,000	$105,000
2024	455,000	370,000	830,000	105,000	405,000	115,000	405,000	785,000	230,000	385,000	665,000	105,000
2025	465,000	385,000	850,000	105,000	415,000	120,000	420,000	380,000	235,000	395,000	1,275,000	110,000
2026	480,000	410,000	870,000	110,000	425,000	125,000	435,000	390,000	240,000	410,000	650,000	115,000
2027	495,000	430,000	890,000	115,000	430,000	130,000	450,000	405,000	245,000	425,000	850,000	120,000
2028	510,000	445,000	915,000	115,000	445,000	135,000	470,000	415,000	255,000	440,000	775,000	125,000
2029	525,000	465,000	945,000	120,000	455,000	140,000	485,000	425,000	265,000	455,000	800,000	0
2030	0	0	970,000	125,000	465,000	145,000	505,000	440,000	270,000	475,000	820,000	0
2031	0	0	0	0	480,000	150,000	525,000	455,000	280,000	495,000	0	0
2032	0	0	0	0	0	0	550,000	475,000	290,000	515,000	0	0
2033	0	0	0	0	0	0	570,000	0	0	540,000	0	0
2034	0	0	0	0	0	0	595,000	0	0	565,000	0	0
2035	0	0	0	0	0	0	625,000	0	0	590,000	0	0
2036	0	0	0	0	0	0	655,000	0	0	305,000	0	0
Total	$3,375,000	$2,860,000	$7,080,000	$895,000	$4,280,000	$1,175,000	$7,085,000	$4,940,000	$2,535,000	$6,365,000	$6,530,000	$680,000

Fiscal Year Ending June 30	Outstanding Bonds									Total Outstanding General Obligation Debt
	Series 2019A	Taxable Series 2019B	Series 2019C	Taxable Series 2019D	Series 2020A	Taxable Series 2020B	Series 2021A	Taxable Series 2021B	Taxable Series 2022A	
2023	$ 645,000	$ 305,000	$ 395,000	$ 515,000	$ 420,000	$ 780,000	$ 1,340,000	$ 815,000	$ 720,000	$ 11,080,000
2024	660,000	315,000	395,000	530,000	425,000	790,000	1,350,000	830,000	1,035,000	11,185,000
2025	670,000	320,000	380,000	545,000	225,000	550,000	1,350,000	825,000	1,045,000	11,065,000
2026	695,000	335,000	385,000	550,000	545,000	925,000	1,270,000	830,000	1,260,000	11,455,000
2027	445,000	345,000	0	0	570,000	995,000	1,540,000	840,000	175,000	9,895,000
2028	455,000	355,000	0	0	850,000	515,000	1,030,000	840,000	205,000	9,295,000
2029	460,000	370,000	0	0	775,000	520,000	615,000	340,000	300,000	8,460,000
2030	475,000	0	0	0	560,000	535,000	620,000	345,000	465,000	7,215,000
2031	490,000	0	0	0	495,000	545,000	625,000	350,000	620,000	5,510,000
2032	0	0	0	0	505,000	555,000	630,000	355,000	805,000	4,680,000
2033	0	0	0	0	515,000	0	635,000	355,000	815,000	3,430,000
2034	0	0	0	0	150,000	0	640,000	355,000	835,000	3,140,000
2035	0	0	0	0	155,000	0	645,000	360,000	845,000	3,220,000
2036	0	0	0	0	0	0	650,000	360,000	785,000	2,755,000
2037	0	0	0	0	0	0	0	0	800,000	800,000
2038	0	0	0	0	0	0	0	0	815,000	815,000
2039	0	0	0	0	0	0	0	0	835,000	835,000
2040	0	0	0	0	0	0	0	0	850,000	850,000
2041	0	0	0	0	0	0	0	0	865,000	865,000
Total	$4,995,000	$2,345,000	$1,555,000	$2,140,000	$6,190,000	$6,710,000	$12,940,000	$7,800,000	$14,075,000	$106,550,000

General Obligation Debt*(1)(2)*
(continued)
(Principal Only)

Fiscal Year Ending June 30	Total Outstanding General Obligation Debt	Series 2022B Bonds(3)	Taxable Series 2022C Bonds(3)	Total General Obligation Debt(3)	Less G.O. Debt Paid by Other Sources(3)(4)	Total G.O. Debt Paid By Property Tax(3)	Total Cumulative Principal Retired(3) Amount	Percent
2023	$ 11,080,000	$ 315,000	$ 240,000	$ 11,635,000	$ (5,228,000)	$ 6,407,000	$ 6,407,000	9.65%
2024	11,185,000	115,000	100,000	11,400,000	(5,278,000)	6,122,000	12,529,000	18.88%
2025	11,065,000	100,000	100,000	11,265,000	(5,094,000)	6,171,000	18,700,000	28.18%
2026	11,455,000	100,000	100,000	11,655,000	(4,995,000)	6,660,000	25,360,000	38.21%
2027	9,895,000	345,000	260,000	10,500,000	(3,410,000)	7,090,000	32,450,000	48.89%
2028	9,295,000	355,000	265,000	9,915,000	(3,165,000)	6,749,000	39,199,000	59.06%
2029	8,460,000	365,000	275,000	9,100,000	(3,002,000)	6,098,000	45,297,000	68.25%
2030	7,215,000	475,000	285,000	7,975,000	(2,728,000)	5,247,000	50,544,000	76.15%
2031	5,510,000	485,000	335,000	6,330,000	(2,464,000)	3,866,000	54,410,000	81.98%
2032	4,680,000	500,000	350,000	5,530,000	(2,445,000)	3,085,000	57,495,000	86.63%
2033	3,430,000	510,000	360,000	4,300,000	(2,100,000)	2,200,000	59,695,000	89.94%
2034	3,140,000	520,000	370,000	4,030,000	(2,145,000)	1,885,000	61,580,000	92.78%
2035	3,220,000	535,000	375,000	4,130,000	(2,215,000)	1,915,000	63,495,000	95.67%
2036	2,755,000	505,000	495,000	3,755,000	(1,745,000)	2,010,000	65,505,000	98.70%
2037	800,000	460,000	405,000	1,665,000	(800,000)	865,000	66,370,000	100.00%
2038	815,000	0	0	815,000	(815,000)	0	66,370,000	100.00%
2039	835,000	0	0	835,000	(835,000)	0	66,370,000	100.00%
2040	850,000	0	0	850,000	(850,000)	0	66,370,000	100.00%
2041	865,000	0	0	865,000	(865,000)	0	66,370,000	100.00%
Total	$106,550,000	$5,685,000	$4,315,000	$116,550,000	$(50,180,000)	$66,370,000		

Note: (1) Source: the City.
(2) After the June 1, 2022 principal payment.
(3) Subject to change.
(4) Does not include the Bonds.

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Summary of City's General Obligation Bonded Debt Service*(1)(2)*

Fiscal Year Ending June 30	Total Annual Outstanding Debt Service	Series 2022B(3)	Taxable Series 2022C(3)	Less: General Obligation Debt Paid From Other Sources(3)	Total Net Property Tax Supported Debt Service(3)
2023	$ 13,787,147	$ 472,285	$ 367,998	$ (6,585,695)	$ 8,041,735
2024	13,519,969	276,100	231,353	(6,401,146)	7,626,276
2025	13,147,407	257,650	228,253	(6,099,513)	7,533,797
2026	13,278,677	254,650	225,153	(5,886,631)	7,871,849
2027	11,454,850	496,650	382,053	(4,190,268)	8,143,285
2028	10,616,747	496,300	378,993	(3,863,605)	7,628,434
2029	9,544,938	495,650	380,645	(3,616,346)	6,804,887
2030	8,071,228	594,700	381,845	(3,257,017)	5,790,756
2031	6,175,994	590,450	422,725	(2,919,777)	4,269,392
2032	5,211,069	590,900	427,005	(2,838,295)	3,390,679
2033	3,847,670	585,900	425,805	(2,429,255)	2,430,120
2034	3,474,438	580,600	424,285	(2,417,623)	2,061,700
2035	3,474,658	580,000	417,075	(2,428,098)	2,043,635
2036	2,925,790	533,950	524,700	(1,894,870)	2,089,570
2037	904,208	473,800	418,365	(904,208)	892,165
2038	900,008	0	0	(900,008)	0
2039	900,040	0	0	(900,040)	0
2040	894,165	0	0	(894,165)	0
2041	887,490	0	0	(887,490)	0
Total	$123,016,489	$7,279,585	$5,636,250	$(59,314,048)	$76,618,276

Notes: (1) Source: the City.
(2) After the June 1, 2022 principal and interest payments.
(3) Subject to change.

Statement of Bonded Indebtedness*(1)(2)*

City Actual Value, January 1, 2020 ..... $4,089,831,846
City Taxable Value, January 1, 2020 ..... $2,677,386,000

	Total	Applicable Percent	Applicable Amount	Per Capita Ratio to City Actual Value	Ratio to City Taxable Value	(2020 Pop. 67,314)
Direct Bonded Debt(3)	$116,550,000	100.00%	$116,550,000	2.85%	4.35%	$1,731.44
Less: Direct Debt Paid From Non-Property Tax Sources(3)	(50,180,000)	100.00%	(50,180,000)	(1.23%)	(1.87%)	(745.46)
Net Direct Debt(3)	$ 66,370,000		$ 66,370,000	1.62%	2.48%	$ 985.98
Overlapping Debt:						
Hawkeye Community College(4)	$ 11,560,000	24.03%	$ 2,777,868	0.07%	0.10%	$ 41.27
Black Hawk County	22,350,000	42.38%	9,471,930	0.23%	0.35%	140.71
Total Overlapping Bonded Debt(4)			$ 12,249,798	0.30%	0.45%	$ 181.98
Total Direct and Overlapping Bonded Debt(3)			$ 78,619,798	1.92%	2.94%	$1,167.96

Per Capita Actual Value $60,757.52
Per Capita Taxable Value $39,774.58

Notes: (1) Source: the City, Audited Financial Statements and Treasurer of the State of Iowa - Outstanding Obligations Report, debt as of June 30, 2021 for the County and Community College.
(2) As of the date of issuance for the Direct Bonded Debt and June 30, 2021 for Overlapping Debt.
(3) Subject to change.
(4) Excludes $20,500,000 in Industrial New Jobs Training Certificates, which are expected to be paid by proceeds from anticipated job credits from withholding taxes.

PROPERTY ASSESSMENT AND TAX INFORMATION

Property Tax Assessment

In compliance with Section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the County Auditor. Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Taxable Valuation. Such rollback percentages may be changed in future years. Certain historical rollback percentages for residential, multi-residential, agricultural and commercial valuations are as follows:

Percentages for Taxable Valuation After Rollbacks*(1)*

Fiscal Year	Residential	Multi-Residential(2)	Ag Land & Buildings	Commercial & Industrial
2013/14	52.8166%	N/A	59.9334%	100.0000%
2014/15	54.4002%	N/A	43.3997%	95.0000%
2015/16	55.7335%	N/A	44.7021%	90.0000%
2016/17	55.6259%	86.2500%	46.1068%	90.0000%
2017/18	56.9391%	82.5000%	47.4996%	90.0000%
2018/19	55.6209%	78.7500%	54.4480%	90.0000%
2019/20	56.9180%	75.0000%	56.1324%	90.0000%
2020/21	55.0743%	71.2500%	81.4832%	90.0000%
2021/22	56.4094%	67.5000%	84.0305%	90.0000%
2022/23	54.1302%	63.7500%	89.0412%	90.0000%

Notes: (1) Source: the Iowa Department of Revenue.
(2) New category beginning with fiscal year 2017, to be phased into residential category with valuations beginning January 1, 2022, per House File 418 signed into law on March 8, 2021.

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following tax year. For example, the assessments finalized on January 1, 2020, are used to calculate tax liability for the tax year starting July 1, 2021 through June 30, 2022.

Property Tax Collection

Each county is required by State law to collect all tax levies within its jurisdiction and remit, before the fifteenth of each month, the amount collected through the last day of the preceding month to underlying units of government, including the City. Property tax payments are made at the office of each county treasurer in full or one-half by September 30 and March 31, pursuant to the Code of Iowa, Sections 445.36 and 445.37. Where the first half of any property tax has not been paid by October 1, such installment becomes delinquent. If the second installment is not paid, it becomes delinquent on April 1. Delinquent taxes and special assessments are subject to a penalty at the rate of one and one-half percent per month, to a maximum of eighteen percent per annum.

If taxes are not paid when due, the property may be offered at the regular tax sale on the third Tuesday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property, and funds so received are applied to the payment of taxes. A property owner may redeem from the regular tax sale, but failing redemption within two years, the tax sale purchaser is entitled to a deed which in general conveys the title free and clear of all liens except future installments of taxes.

Actual (100%) Valuations for the City*(1)(2)*

Property Class	Fiscal Year: / Levy Year:	2018/19 2017	2019/20 2018	2020/21 2019	2021/22 2020	2022/23 2021
Residential		$2,542,144,210	$2,576,740,020	$2,659,287,350	$2,680,048,880	$2,879,517,830
Agricultural		27,078,500	26,661,880	18,587,250	18,226,718	17,665,978
Commercial		877,140,273	920,822,614	927,159,537	930,544,292	952,359,016
Industrial		183,960,880	187,613,460	191,171,690	197,842,020	198,048,970
Multi-residential		89,110,797	86,020,666	83,780,523	85,439,148	82,284,264
Railroads		6,913,598	6,824,594	7,181,168	3,743,850	3,643,870
Utilities without Gas and Electric(3)		9,403,899	9,812,338	7,850,723	5,477,037	3,478,531
Gas and Electric Utility(3)		155,487,283	162,426,999	171,406,253	173,300,700	196,258,836
Other		0	0	0	1,852	1,852
Less: Military Exception		(5,607,483)	(5,360,379)	(5,093,521)	(4,792,651)	(4,518,759)
Total		$3,885,631,957	$3,971,562,192	$4,061,330,973	$4,089,831,846	$4,328,740,388
Percentage Change		1.50%(4)	2.21%	2.26%	0.70%	5.84%

Notes: (1) Source: the Iowa Department of Management.
(2) Includes tax increment finance (TIF) valuations in the following amounts:

January 1:	2017	2018	2019	2020	2021
TIF Valuation	$279,153,501	$283,204,270	$284,405,439	$317,411,512	$339,815,284

(3) See **"PROPERTY TAX INFORMATION - Utility Property Tax Replacement"** herein.
(4) Based on 2016 Actual Valuation of $3,828,125,642.

For the January 1, 2021 levy year, the City's Taxable Valuation was comprised of approximately 57% residential, 31% commercial, 6% industrial, 3% utilities, 2% multi-residential, 1% agriculture and less than 1% military exemption.

Taxable ("Rollback") Valuations for the City*(1)(2)*

Property Class	Fiscal Year: / Levy Year:	2018/19 2017	2019/20 2018	2020/21 2019	2021/22 2020	2022/23 2021
Residential		$1,413,963,435	$1,466,628,963	$1,464,583,833	$1,511,798,865	$1,558,688,816
Agricultural		13,845,512	14,263,702	14,891,151	15,139,734	15,594,074
Commercial		789,426,255	828,740,360	834,443,591	837,489,873	857,123,121
Industrial		165,564,792	168,852,114	172,054,521	178,057,818	178,244,073
Multi-residential		70,174,804	64,515,623	59,693,676	57,671,493	52,456,262
Railroads		6,222,239	6,142,135	6,463,051	3,369,465	3,279,483
Utilities without Gas and Electric(3)		9,403,899	9,812,338	7,850,723	5,397,560	3,478,531
Gas and Electric Utility(3)		83,274,717	81,260,971	78,392,110	73,253,843	80,994,683
Less: Military Exemption		(5,607,483)	(5,360,379)	(5,093,521)	(4,792,651)	(4,518,759)
Total		$2,546,268,170	$2,634,855,827	$2,633,279,135	$2,677,386,000	$2,745,340,284
Percentage Change		0.42%(4)	3.48%	(0.06%)	1.67%	2.54%

Notes: (1) Source: Black Hawk County.
(2) Includes tax increment finance (TIF) valuations in the following amounts:

January 1:	2017	2018	2019	2020	2021
TIF Valuation	$263,287,703	$267,969,299	$284,405,439	$317,411,512	$339,815,284

(3) See **"PROPERTY TAX INFORMATION - Utility Property Tax Replacement"** herein.
(4) Based on 2016 Taxable Valuation of $2,535,643,226.

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The following shows the trend in the City's tax extensions and collections.

Tax Extensions and Collections*(1)*

Levy Year	Fiscal Year	Amount Levied	Amount Collected(2)	Percent Collected
2011	2012-13	$40,620,062	$40,294,370	99.20%
2012	2013-14	39,993,210	39,690,828	99.24%
2013	2014-15	39,200,603	38,539,187	99.31%
2014	2015-16	38,480,720	38,228,882	99.35%
2015	2016-17	38,823,734	38,731,044	99.76%
2016	2017-18	39,613,829	39,611,362	99.99%
2017	2018-19	38,984,631	39,002,329	100.05%
2018	2019-20	40,639,192	40,157,048	98.81%
2019	2020-21	42,422,199	42,990,863	101.34%
2020	2021-22	43,275,701	- - In Collection - -	

Notes: (1) Source: the State of Iowa Department of Management and the City. Does not include Levies or Collections for Utility Replacement or the City's tax increment finance district.
(2) Includes delinquent taxes.

Principal Taxpayers*(1)*

Taxpayer Name	Business/Service	Levy Year 2020 Taxable Valuation(2)
MidAmerican Energy	Utility	$ 73,161,213
Deere and Company	Manufacturing	50,768,365
GLP Capital LP	Casino and Hotel	48,954,195
ConAgra	Food Processing	31,500,000
Tyson Fresh Meats	Pork Processing	22,227,386
Ferguson Enterprises, Inc.	Warehouse	18,636,903
FDP WTC LLC	Real Estate	16,711,938
VGM Management, Inc.	Commercial Property	16,594,905
Waterloo Cabinet Properties LLC	Cabinet Manufacturer	14,318,676
Menards Inc.	Retail Store	10,845,090
Total		$303,718,671
Ten Largest Taxpayers as Percent of City's 2020 Taxable Valuation ($2,677,386,000)		11.34%

Notes: (1) Source: the County.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

Levy Limits

Normal municipal operations and maintenance costs are generally funded through the corporate property tax levy. Iowa State Code does not allow the municipal general fund to be taxed above $8.10 per thousand dollars of taxable value in any one year. In addition to the General Fund, there are several other tax funds that the City can create and use for specific purposes.

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The property tax rates for the City from levy year 2016 through levy year 2020 are shown below:

Property Tax Rates*(1)(2)*
(Per $1,000 Actual Valuation)

Fiscal Year:	2017/18	2018/19	2019/20	2020/21	2021/22
Levy Year:	2016	2017	2018	2019	2020
City:					
General Fund	$ 8.10000	$ 8.10000	$ 8.10000	$ 8.10000	$ 8.10000
Emergency Levy	0.27000	0.27000	0.27000	0.27000	0.27000
Debt Service Fund	3.11073	2.98828	2.75595	2.75591	2.85552
Employee Benefits	4.31902	4.31981	4.69454	5.49308	5.50603
Capital Improvement	0.00000	0.00000	0.00000	0.00000	0.00000
Others	1.80025	1.77786	1.72750	1.82127	1.90033
Total City Rate	$17.60000	$17.45595	$17.54799	$18.44026	$18.63188
Others:					
Black Hawk County	$ 6.41507	$ 6.69303	$ 6.30363	$ 6.33625	$ 6.17391
Waterloo Community School District	14.98155	14.57188	14.20694	14.20694	13.84769
Hawkeye Community College	0.97071	1.01703	1.11803	1.15802	1.17640
Other	0.36424	0.34641	0.31688	0.31945	0.32235
Total Tax Rate	$40.33157	$40.08430	$39.49347	$40.46092	$40.15223

Notes: (1) Source: the Iowa Department of Management.
(2) Does not include tax rate for agriculture.

Tax Levy Procedures

The Bonds are general obligations of the City, payable from and secured by a continuing ad valorem tax levied against all of the taxable real property within the corporate limits of the City. As part of the budgetary process each fiscal year, the City will have an obligation to request a debt service levy to be applied against all of the taxable real property within the corporate limits of the City. A failure on the part of the City to make a timely levy request or a levy request by the City that is inaccurate or is insufficient to make full payments of the debt service of the Bonds for a particular fiscal year may cause Bond holders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the resolution for the Bonds) may have to be enforced from year to year.

Notwithstanding the foregoing, Iowa Code section 76.2 provides when an Iowa political subdivision issues general obligation bonds, "the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditor(s) to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full."

Utility Property Tax Replacement

Property owned by entities involved primarily in the production, delivery, service and sale of electricity and natural gas ("Utilities") pay a replacement tax based upon the delivery of energy by Utilities in lieu of property taxes. All replacement taxes are allocated among local taxing bodies by the State Department of Revenue and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Utility properties paying the replacement tax are exempt from the levy of property tax by political subdivisions. In addition to the replacement tax, Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

By statute, the replacement tax collected by the State and allocated among local taxing bodies (including the City) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. It is possible that the general obligation debt capacity of the City could be adjudicated to be proportionately reduced in future years if Utility property were determined to be other than "taxable property" for purposes of computing the City's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the City can issue or (ii) adversely affect the City's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Bonds. Approximately 3% of the City's levy year 2021 taxable valuation currently is utility property.

Tax Increment Financing

The Code of Iowa currently authorizes the use of two types of tax increment financing by local taxing districts in the State of Iowa. The first type allows local governments to establish TIF districts for the purposes of financing designated urban renewal projects which contribute to the urban redevelopment and economic development of the immediate area. The taxable valuation used for this type of TIF district in the City for levy year 2021 is $339,815,284.

The second type of tax increment financing was authorized by state legislative action in the mid-1980's. The area community colleges can establish TIF districts by contract with specific local businesses and industries to provide jobs training programming for new employees of existing expanding businesses or employees of new businesses. The revenues from these job training TIF districts then retires the debt incurred from the issuance of jobs training certificates which finance the cost of jobs training programming over a maximum of ten years. Upon payment of all jobs training certificates, the district dissolves and the incremental value from the new or expanded business reverts to the general tax base. There is no current valuation for this second type of TIF district.

Legislation

From time to time, legislative proposals are pending in Congress and the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described herein. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for taxes levied by the City or have an adverse impact on the future tax collections of the City. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed federal or state tax legislation. The opinions expressed by Bond Counsel are based upon existing legislation as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending federal or state tax legislation.

During the 2019 legislative session, the Iowa General Assembly enacted Senate File 634 (the "2019 Act"). This bill modifies the process for hearing and approval of the total maximum property tax dollars under certain levies in the county budget. The bill also includes a provision that will require the affirmative vote of 2/3 of the City Council when the maximum property tax dollars under these levies exceed an amount determined under a prescribed formula.

The 2019 Act does not change the process for hearing and approval of the Debt Service Levy pledged for repayment of the Bonds. It is too early to evaluate the affect the 2019 Act will have on the overall financial position of the City or its ability to fund essential services.

2013 and 2021 Legislation: During its 2013 session the Iowa Legislature enacted, and the Governor signed, legislation that reduced the limit on the annual assessed value growth with respect to certain classes of property (the "2013 Legislation"). The 2013 legislation included state-funded replacement moneys for a portion of the expected reduction in property tax revenues (the "Backfill Payments") to local governments caused by the 2013 Legislation. The Backfill Payments were limited in both amount and availability in the 2013 Legislation. During the 2021 legislative session the Iowa General Assembly passed additional legislation that eliminates the Backfill Payments for school districts after fiscal year ending June 30, 2022, which the Governor signed. The Bonds are general obligations of the District. See "**THE BONDS – Source of Security for the Bonds**" herein.

From time to time, other legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described in this Official Statement. It cannot be predicted whether or in what forms any of such proposals may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for the levy of taxes by the District.

FINANCIAL INFORMATION

Financial Reports

The City's financial statements are audited annually by certified public accountants. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governments. See **APPENDIX A** for more detail.

No Consent or Updated Information Requested of the Auditor

The tables and excerpts (collectively, the "Excerpted Financial Information") contained in this "**FINANCIAL INFORMATION**" section are from the audited financial statements of the City, including the audited financial statements for the fiscal year ended June 30, 2021 (the "2021 Audit"). The 2021 Audit has been prepared by RSM US LLP, Certified Public Accountants, Davenport, Iowa, (the "Auditor"), and received by the City Council. The City has not requested the Auditor to update information contained in the Excerpted Financial Information and the 2021 Audit; nor has the City requested that the Auditor consent to the use of the Excerpted Financial Information and the 2021 Audit in this Official Statement. The inclusion of the Excerpted Financial Information and the 2021 Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the City since the date of the 2021 Audit. Questions or inquiries relating to financial information of the City since the date of the 2021 Audit should be directed to the City.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for the City's 2021 Audit. The City's expects its unassigned General Fund balance for the fiscal year ending June 30, 2022 to be approximately $_____. The City has approved a budget for fiscal year 2023 with a planned used of unassigned general fund reserves in the approximate amount of $_____.

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Statement of Net Position
Governmental Activities*(1)*

	Audited as of June 30				
	2017	2018	2019	2020	2021
Assets:					
Current Assets:					
Cash and Cash Equivalents	$ 80,681,435	$ 78,204,617	$ 85,389,911	$ 81,040,157	$ 75,137,720
Restricted Cash and Cash Equivalents	1,021,123	1,241,336	1,050,406	929,908	835,947
Receivables:					
Customer Accounts (Net)	1,809,981	1,774,931	2,085,704	2,368,757	2,293,711
Property Taxes:					
Delinquent	252,732	315,231	316,924	1,246,401	698,369
Succeeding Year	45,311,296	45,855,101	47,611,420	49,788,234	52,066,688
Internal Accounts	(38,704)	(38,704)	(38,704)	(38,704)	(38,704)
Due from Other Governments:					
Component Unit	0	369,042	734,415	77,847	115,479
Other	17,068,030	12,904,677	6,858,443	7,899,489	10,177,992
Accrued Interest	250,164	352,230	299,114	13,278	9,844
Special Assessments	170,715	135,788	82,243	0	0
Inventories and Prepaids	459,094	491,670	481,816	725,249	1,211,578
Total Current Assets	$146,985,866	$141,605,919	$144,871,692	$144,050,616	$142,508,624
Noncurrent Assets:					
Restricted Assets:					
Cash and Cash Equivalents	$ 13,050,431	$ 12,056,283	$ 10,664,802	$ 11,011,322	$ 25,844,853
Receivables	13,770	13,168	12,068	11,030	9,803
Loans and Notes (Net)	27,500	23,100	18,700	0	0
Special Assessments Receivable	184,762	278,857	159,080	221,774	568,609
Capital Assets (Net)	294,573,584	292,442,591	296,146,114	318,000,759	317,542,343
Capital Assets Not Being Depreciated	66,793,289	81,296,376	82,806,285	78,726,672	110,783,750
Total Noncurrent Assets	$374,643,336	$386,110,375	$389,807,049	$407,971,557	$454,749,358
Total Assets	$521,629,202	$527,716,294	$534,678,741	$552,022,173	$597,257,982
Deferred Outflows of Resources:					
Pension Related Amounts	$ 21,156,718	$ 13,519,715	$ 13,141,764	$ 12,268,459	$ 16,272,514
OPEB Related Amounts	0	0	366,557	2,192,247	2,060,557
Total Deferred Outflows of Resources	$ 21,156,718	$ 13,519,715	$ 13,508,321	$ 14,460,706	$ 18,333,071
Liabilities:					
Current Liabilities:					
Accounts and Retainages Payable	$ 3,744,007	$ 5,344,478	$ 4,757,003	$ 5,812,492	$ 7,308,578
Accrued Liabilities and Other	1,609,353	1,729,380	1,798,460	2,145,154	2,433,458
Due to Component Unit	298,368	298,340	183,092	111,203	185,895
Noncurrent Liabilities Due and Payable Within One Year	12,782,566	13,197,153	12,939,646	12,489,906	13,729,515
Unearned Revenues	150,445	400,403	450,550	990,469	16,258,428
Current Liabilities Payable from Restricted Assets:					
Health Claims	1,021,123	1,241,336	1,050,406	929,908	835,947
Other	456,764	404,750	260,805	312,938	452,865
Accrued Interest	166,575	186,211	280,517	275,381	260,854
Total Current Liabilities	$ 20,229,201	$ 22,802,051	$ 21,720,479	$ 23,067,451	$ 41,465,540
Noncurrent:					
Customer Deposits	$ 78,199	$ 57,140	$ 71,766	$ 33,926	$ 45,030
Worker's Compensation Claims	535,187	636,923	472,501	561,323	639,327
General Obligation Bonds and Notes (Net)	73,904,844	72,703,300	74,024,507	78,703,792	83,572,511
Other Loans and Notes and Capital Lease	1,607,357	6,891,787	5,862,151	4,799,400	8,154,776
Total Postemployment Benefits Liability	3,977,250	17,302,862	17,575,071	19,076,867	18,442,207
Compensated Absences	1,524,513	1,844,358	1,647,525	2,116,077	1,761,361
Net Pension Liability	58,937,252	46,059,803	45,448,595	48,049,962	56,949,740
Total Noncurrent Liabilities	$140,564,602	$145,496,173	$145,102,116	$153,341,347	$169,564,952
Total Liabilities	$160,793,803	$168,298,224	$166,822,595	$176,408,798	$211,030,492
Deferred Inflows Of Resources:					
Property Taxes	$ 45,663,122	$ 46,170,332	$ 47,928,344	$ 49,788,234	$ 52,066,687
Pension Related Amounts	5,876,108	1,165,415	2,046,759	2,419,283	1,502,626
OPEB Related Amounts	0	287,843	256,874	220,415	184,662
Total Deferred Inflows of Resources	$ 51,539,230	$ 47,623,590	$ 50,231,977	$ 52,427,932	$ 53,753,975
Net Position:					
Net Investment in Capital Assets	$306,360,558	$312,634,254	$320,748,412	$338,162,674	$357,396,168
Restricted	55,182,022	52,436,491	53,863,633	44,923,907	39,925,625
Unrestricted (Deficit)	(31,089,693)	(39,756,550)	(43,479,555)	(45,440,432)	(46,515,207)
Total Net Position	$330,452,887	$325,314,195	$331,132,490	$337,646,149	$350,806,586

Note: (1) Source: Audited financial statements of the City for the fiscal years ended June 30, 2017 through 2021.

Statement of Activities
Governmental Activities*(1)*

	Audited Fiscal Years Ended June 30				
	2017	2018	2019	2020	2021
Programs/Functions:					
Primary Government:					
Governmental Activities:					
Public Safety	$ (28,825,036)	$ (15,711,997)	$ (27,880,682)	$ (30,644,031)	$ (32,702,695)
Public Works	6,738,477	(13,981,070)	(13,875,908)	(14,835,766)	(14,698,292)
Health and Social Services	(327,278)	(307,535)	(253,591)	(246,890)	(250,556)
Culture and Recreation	(11,343,796)	(8,873,490)	(9,029,385)	(7,731,715)	(7,618,907)
Community and Economic Development	(3,962,421)	(10,179,611)	(2,698,731)	(3,510,442)	(137,337)
General Government	(9,609,407)	(9,338,298)	(7,491,292)	(8,909,953)	(8,669,445)
Interest and Issuance Costs on Long-Term Debt	(2,175,284)	(2,385,499)	(2,452,792)	(2,413,402)	(2,212,316)
Total Governmental Activities	$ (49,504,745)	$ (60,777,500)	$ (63,682,381)	$ (68,292,199)	$ (66,289,548)
General Revenues:					
Taxes:					
Property Taxes	$ 46,530,686	$ 47,404,667	$ 47,722,089	$ 49,332,480	$ 52,877,346
Other Taxes:					
Local Option Sales	9,588,261	9,416,283	10,345,599	11,083,075	11,957,710
Utility Excise	1,479,848	1,422,316	1,354,131	1,363,258	1,403,017
Gaming	1,301,082	1,276,144	1,255,839	984,156	1,324,236
Hotel/Motel	1,239,346	1,352,467	1,338,618	985,466	799,936
Gas and Electric	2,835,985	3,029,140	3,726,027	3,764,060	4,161,915
Cable Television	748,325	675,681	669,425	646,853	648,817
Mobile Home	67,533	67,588	67,568	59,593	81,164
Bank/Credit Union	0	0	0	153,319	200,676
Investment Earnings	339,895	842,018	1,468,222	978,205	124,727
Miscellaneous	2,741,240	4,592,600	2,186,481	5,455,393	5,870,441
Transfers	0	0	(633,323)	0	0
Gain on Sale of Capital Assets	34,865	0	0	0	0
Total General Revenues and Transfers	$ 66,907,066	$ 70,078,904	$ 69,500,676	$ 74,805,858	$ 79,449,985
Change In Net Position	$ 17,402,321	$ 9,301,404	$ 5,818,295	$ 6,513,659	$ 13,160,437
Net Position, Beginning of Year	$313,050,566	$316,012,791(2)	$325,314,195	$331,132,490	$337,646,149
Net Position, End of Year	$330,452,887	$325,314,195	$331,132,490	$337,646,149	$350,806,586

Notes: (1) Source: Audited financial statements of the City for the fiscal years ended June 30, 2017 through 2021.
(2) Restated.

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Balance Sheet
General Funds*(1)*

	Audited as of June 30				
	2017	2018	2019	2020	2021
Assets:					
Cash and Cash Equivalents	$10,826,534	$11,494,635	$11,229,032	$12,825,130	$14,220,754
Receivables:					
Customer Accounts, Net	1,308,565	1,532,841	2,059,678	2,340,694	2,274,748
Property Tax:					
Delinquent	119,681	147,701	135,103	414,870	320,405
Succeeding Year	19,937,663	19,680,558	20,385,867	20,400,576	20,731,638
Special Assessments	355,477	414,645	241,323	221,774	568,609
Accrued Interest	111,699	198,850	157,511	528	193
Loans and Notes	27,500	23,100	18,700	0	0
Due from Other Funds	4,458,733	4,542,648	5,115,742	4,781,167	7,004,681
Due from Other Governments:					
Federal	54,236	40,332	50,870	99,161	224,863
Iowa	368,678	408,130	403,455	284,998	438,806
Other	205,879	238,693	247,189	197,549	245,142
Inventories and Prepaids	197,324	360,459	392,145	584,290	898,156
Restricted Assets:					
Cash and Cash Equivalents	10,000,395	8,894,456	7,100,556	7,007,460	21,226,204
Receivables	13,770	13,168	12,068	11,030	9,803
Total Assets	$47,986,134	$47,990,216	$47,549,239	$49,169,227	$68,164,002
Liabilities, Deferred Inflows of Resources and Fund Balances:					
Liabilities:					
Accounts Payable	$ 346,688	$ 252,899	$ 453,807	$ 458,703	$ 451,085
Retainages Payable	8,230	0	8,744	23,901	10,203
Accrued Liabilities	1,213,487	1,307,801	1,372,750	1,626,800	1,852,381
Unearned Revenue	150,445	135,826	172,628	569,913	15,657,137
Compensated Absences	59,507	84,275	87,528	93,506	103,229
Due to Waterloo Convention & Visitors Bureau, Inc.	298,368	298,340	183,092	111,203	185,895
Payable from Restricted Assets	1,477,887	1,646,086	1,311,211	1,242,846	1,288,812
Advances from Other Funds	168,316	168,316	168,316	168,316	168,316
Total Liabilities	$ 3,722,928	$ 3,893,543	$ 3,758,076	$ 4,295,188	$19,717,058
Deferred Inflows of Resources:					
Unavailable Revenue:					
Property Tax	$20,140,750	$19,828,259	$20,520,970	$20,815,446	$21,052,042
Special Assessment	327,434	414,645	241,323	221,774	568,609
Intergovernmental and Other	74,590	70,218	354,813	312,879	292,066
Total Deferred Inflows of Resources	$20,542,774	$20,313,122	$21,117,106	$21,350,099	$21,912,717
Fund Balances:					
Nonspendable	$ 197,324	$ 528,775	$ 392,145	$ 584,290	$ 898,156
Restricted	8,565,653	7,839,825	6,384,873	5,888,663	5,027,951
Committed	0	33,004	154,511	229,791	0
Assigned	5,410,593	5,902,856	5,465,413	5,633,149	7,871,374
Unassigned	9,546,862	9,479,091	10,277,115	11,188,047	12,736,746
Total Fund Balances	$23,720,432	$23,783,551	$22,674,057	$23,523,940	$26,534,227
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$47,986,134	$47,990,216	$47,549,239	$49,169,227	$68,164,002

Note: (1) Source: Audited financial statements of the City for the fiscal years ended June 30, 2017 through 2021.

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Statement of Revenues, Expenditures and Changes in Fund Balances
General Funds*(1)*

	Audited Fiscal Years Ended June 30				
	2017	2018	2019	2020	2021
Revenues:					
Property Taxes	$20,387,130	$20,892,430	$20,545,205	$21,085,430	$ 21,568,319
Other Taxes	6,959,983	7,137,065	7,761,122	7,298,000	8,087,266
Licenses and Permits	1,521,808	1,340,458	1,420,722	1,449,113	1,366,440
Investment Income	198,340	513,942	766,025	465,149	59,453
Rent	998,034	976,538	1,026,422	1,107,525	1,034,826
Intergovernmental	984,769	993,021	1,083,042	1,077,524	3,004,751
Charges for Services	7,631,540	7,753,197	7,596,846	9,788,667	9,659,969
Interfund Charges for Services	2,135,000	2,205,000	2,130,000	2,130,000	2,366,493
Special Assessments	133,943	176,382	201,637	126,258	169,139
Miscellaneous	1,390,425	1,395,472	1,863,624	2,121,921	2,095,867
Total Revenues	$42,340,972	$43,383,505	$44,394,645	$46,649,587	$ 49,412,523
Expenditures:					
Current Operating:					
Public Safety	$26,326,146	$26,538,729	$27,709,146	$29,722,252	$ 30,788,173
Public Works	3,104,466	3,253,216	3,192,827	3,177,164	3,200,908
Health and Social Services	379,958	365,193	276,922	270,460	286,771
Culture and Recreation	9,947,787	9,771,641	9,743,007	9,317,371	9,518,432
Community and Economic Development	1,841,540	1,859,306	2,020,269	2,824,714	2,348,565
General Government	10,025,237	8,856,520	8,472,560	9,480,205	10,460,828
Debt Service:					
Principal	0	0	0	0	202,035
Capital Outlay	0	0	0	0	$ 4,503,811
Total Expenditures	$51,625,134	$50,644,605	$51,414,731	$54,792,166	$ 61,309,523
Excess (Deficiency) of Revenues Over Expenditures	$ (9,284,162)	$ (7,261,100)	$ (7,020,086)	$ (8,142,579)	$(11,897,000)
Other Financing Sources (Uses)					
Transfers In	$ 5,944,388	$ 6,221,395	$ 5,853,416	$ 7,462,766	$ 8,619,067
Transfers Out	(135,750)	(160,806)	(64,250)	(185,750)	0
Proceeds from Sale of Capital Assets	70,564	151,006	121,426	56,088	336,362
Issuance of Capital Lease and Other Long-Term Debt	0	0	0	0	3,964,965
Proceeds from Insurance	1,624,380	1,112,624	0	1,659,358	1,986,893
Total Other Financing Sources (Uses)	$ 7,503,582	$ 7,324,219	$ 5,910,592	$ 8,992,462	$ 14,907,287
Net Changes in Fund Balances	$ (1,780,580)	$ 63,119	$ (1,109,494)	$ 849,883	$ 3,010,287
Fund Balances, Beginning of Year	25,501,012	23,720,432	23,783,551	22,674,057	23,523,940
Fund Balances, End of Year	$23,720,432	$23,783,551	$22,674,057	$23,523,940	$ 26,534,227

Note: (1) Source: Audited financial statements for the City for the fiscal years ended June 30, 2017 through 2021.

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B - BOOK-ENTRY SYSTEM** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The City shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in West Des Moines, Iowa. The City will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Resolution. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the fifteenth day of the month next preceding an interest payment date on such bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)

Tax Exemption

Federal tax law contains a number of requirements and restrictions that apply to the Tax-Exempt Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of Tax-Exempt Bonds proceeds and facilities financed with Tax-Exempt Bond proceeds, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Tax-Exempt Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Tax-Exempt Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Bonds.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, the interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes and interest on the Tax-Exempt Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Prospective purchasers of the Tax-Exempt Bonds should be aware that ownership of the Tax-Exempt Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Tax-Exempt Bonds should consult their tax advisors as to collateral federal income tax consequences.

The interest on the Tax-Exempt Bonds is not exempt from present Iowa income taxes. Ownership of the Tax-Exempt Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

Qualified Tax Exemption Obligations

The Tax-Exempt Bonds will be designated as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code").

Discount and Premium Bonds

The initial public offering price of certain Tax-Exempt Bonds may be less than the amount payable on such Tax-Exempt Bonds at maturity ("Discount Bonds"). Purchasers of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Tax-Exempt Bonds may be greater than the amount of such Tax-Exempt Bonds at maturity ("Premium Bonds"). Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Other Tax Advice

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Tax-Exempt Bonds. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in Tax-Exempt Bonds.

Audits

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Tax-Exempt Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Tax-Exempt Bonds until the audit is concluded, regardless of the ultimate outcome.

Reporting and Withholding

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Tax-Exempt Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Tax-Exempt Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Tax-Exempt Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Tax Legislation

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa General Assembly. Court proceedings may also be filed, the outcome of which could modify the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Tax-Exempt Bonds will not have an adverse effect on the tax status of interest or other income on the Tax-Exempt Bonds or the market value or marketability of the Tax-Exempt Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Tax-Exempt Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Enforcement

There is no trustee or similar person to monitor or enforce the terms of the Bond Resolution. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the Bond Resolution) may have to be enforced from year to year.

The owners of the Bonds cannot foreclose on property within the boundaries of the City or sell such property in order to pay the debt service on the Bonds. In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in Bond Counsel's opinion. The opinion will state, in part, that the obligations of the City with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, to the exercise of judicial discretion in appropriate cases and to the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

Opinion

The **FORM OF LEGAL OPINION**, in substantially the form set out in **APPENDIX C** to this Preliminary Official Statement, will be delivered at closing.

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service, nor does the rendering of the opinion guarantee the outcome of any legal dispute that may arise out of the transaction. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

Bond Counsel Review

Bond Counsel has approved the language included in this **"TAX MATTERS"** Section but has not otherwise participated in the preparation of this Preliminary Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Preliminary Official Statement, and will express no opinion with respect thereto.

ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)

Taxability and Related Considerations (Taxable Bonds)

In the opinion of Bond Counsel, under existing law, interest on the Taxable Bonds will be included in gross income of the owners thereof for federal income tax purposes.

Tax Accounting Treatment of Discount and Premium on Certain Taxable Bonds

The initial public offering price of certain Taxable Bonds ("Taxable Discount Bonds") may be less than the amount payable on such Taxable Discount Bonds at maturity. An amount equal to the difference between the initial public offering price of the Taxable Discount Bonds (assuming that a substantial amount of the Taxable Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bonds. Owners of Taxable Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Taxable Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Taxable Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Taxable Bonds ("Taxable Premium Bonds") may be greater than the amount of such Taxable Premium Bonds at maturity. An amount equal to the difference between the initial public offering price of Taxable Premium Bonds (assuming that a substantial amount of the Taxable Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes a premium to the initial purchaser of such Taxable Premium Bonds. Purchasers of the Taxable Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Taxable Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Premium Bonds.

Other Tax Advice

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Bonds. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in the Bonds.

Enforcement

Holders of the Taxable Bonds shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Taxable Bonds, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the resolution authorizing issuance of the Taxable Bonds (the "Taxable Bond Resolution").

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Taxable Bond Resolution. The remedies available to the owners of the Taxable Bonds upon an event of default under the Taxable Bond Resolution, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Taxable Bond Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Taxable Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Taxable Bond Resolution, including principal of and interest on the Taxable Bonds.

Opinion

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise. See **"APPENDIX C"** for the form of Bond Counsel opinion for the Taxable Bonds.

Bond Counsel has approved the language included in this **"TAXABILITY OF INTEREST"** section but has not otherwise participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Official Statement, and will express no opinion with respect thereto.

ALL POTENTIAL PURCHASERS OF THE TAXABLE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE TAXABLE BONDS (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

CONTINUING DISCLOSURE

For the purpose of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), the City will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds to provide reports of specified information and notice of the occurrence of certain events, as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, and the events as to which notice is to be given, is set forth in **"APPENDIX D – Form of Continuing Disclosure Certificate"**. This covenant is being made by the City to assist the Underwriter(s) in complying with the Rule.

Breach of the Disclosure Covenants will not constitute a default or an "Event of Default" under the Bonds or Resolution, respectively. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Bonds and their market price.

Pursuant to the Rule, in the last five years, the City believes it has complied in all material respects with regard to its prior Disclosure Covenants with the exception that the City failed to timely file a material event notice for a financial obligation entered into on February 15, 2021. The City has taken steps to ensure future filing of this information in compliance with the applicable undertakings.

Bond Counsel expresses no opinion as to whether the Disclosure Covenants comply with the requirements of Section (b)(5) of the Rule.

OPTIONAL REDEMPTION

Bonds due June 1, 2023 - 2029 inclusive, are not subject to optional redemption. Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part on any date on or after June 1, 2029, at a price of par and accrued interest. If selection by lot within a maturity is required, the Registrar shall designate the Bonds to be redeemed by random selection of the names of the registered owners of the entire annual maturity until the total amount of Bonds to be called has been reached.

If less than all of the maturity is called for redemption, the City will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed.

Thirty days' written notice of redemption shall be given to the registered owner of the Bond. Failure to give written notice to any registered owner of the Bonds or any defect therein shall not affect the validity of any proceedings for the redemption of the Bonds. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment. Written notice will be deemed completed upon transmission to the owner of record.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the City, threatened against the City that is expected to materially impact the financial condition of the City.

LEGAL MATTERS

The Bonds are subject to approval as to certain legal matters by Ahlers & Cooney, P.C., Des Moines, Iowa, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement except for guidance concerning the sections regarding **"TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)"** and **"TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)"** and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements, or data contained in this Official Statement, and will express no opinion with respect thereto. A legal opinion in substantially the form set forth in **APPENDIX C** to this Official Statement will be delivered at closing. Ahlers & Cooney, P.C. is also serving as Disclosure Counsel for the City in connection with the issuance of the Bonds.

The legal opinion to be delivered concurrently with the delivery of the Bonds expresses the professional judgment of the attorneys rendering the opinion as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in the Bond Counsel's opinion. The opinion will state, in part, that the obligation of the City with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and to the exercise of judicial discretion in appropriate cases.

OFFICIAL STATEMENT AUTHORIZATION

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the City, and all expressions of opinion, whether or not so stated, are intended only as such.

This Official Statement is not to be construed as a contract or agreement amongst the City, the Underwriter, or the holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinions contained herein are subject to change without notice and neither the delivery of this Official Statement or the sale of the Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. The information contained in this Official Statement is not guaranteed.

INVESTMENT RATING

The City has supplied certain information and material concerning the Bonds and the City to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment rating may be obtained from the rating agency: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658.

UNDERWRITING

The Tax-Exempt Bonds were offered for sale by the City at a public, competitive sale on May 18, 2022. The best bid submitted at the sale was submitted by _____ (the "Tax-Exempt Bond Underwriter"). The City awarded the contract for sale of the Tax-Exempt Bonds to the Tax-Exempt Bond Underwriter at a price of $_____ (reflecting the par amount of $_____, plus a reoffering premium of $_____, and less an Underwriter's discount of $_____). The Tax-Exempt Bonds Underwriter has represented to the City that the Tax-Exempt Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

The Taxable Bonds were offered for sale by the City at a public, competitive sale on May 18, 2022. The best bid submitted at the sale was submitted by _____ (the "Taxable Bonds Underwriter"). The City awarded the contract for sale of the Taxable Bonds to the Taxable Bonds Underwriter at a price of $_____ (reflecting the par amount of $_____, plus a reoffering premium of $_____, and less an Taxable Bonds Underwriter's discount of $_____). The Taxable Bonds Underwriter has represented to the City that the Taxable Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

MUNICIPAL ADVISOR

The City has engaged Speer Financial, Inc. as municipal advisor (the "Municipal Advisor") in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Municipal Advisor obligated by the City's continuing disclosure undertaking.

MISCELLANEOUS

Brief descriptions or summaries of the City, the Bonds, the Resolution and other documents, agreements and statutes are included in this Official Statement. The summaries or references herein to the Bonds, the Resolution and other documents, agreements and statutes referred to herein, and the description of the Bonds included herein, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to such documents, and the description herein of the Bonds is qualified in its entirety by reference to the form thereof and the information with respect thereto included in the aforesaid documents. Copies of such documents may be obtained from the City.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or Owners of any of the Bonds.

The attached **APPENDICES A, B, C**, and **D** are integral parts of this Official Statement and must be read together with all of the foregoing statements.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Bonds.

The City has reviewed the information contained herein which relates to it and has approved all such information for use within this Official Statement. The execution and delivery of this Official Statement has been duly authorized by the City.

/s/ **KELLEY FELCHLE**
City Clerk
CITY OF WATERLOO
Black Hawk County, Iowa

/s/ **QUENTIN M. HART**
Mayor
CITY OF WATERLOO
Black Hawk County, Iowa

APPENDIX A

CITY OF WATERLOO
BLACK HAWK COUNTY, IOWA

FISCAL YEAR 2021 COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF WATERLOO, IOWA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2021

Prepared by:
City of Waterloo Finance Department
Michelle C. Weidner, CPA, Chief Financial Officer
Emily Graham, Financial Analyst
Brent Bohlen, Financial Analyst
Kim Bahr, Financial Analyst

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Mayor
QUENTIN HART

COUNCIL MEMBERS

JOHN CHILES
Ward 1

JONATHAN GRIEDER
Ward 2

NIA WILDER
Ward 3

JEROME AMOS, JR.
Ward 4

RAY FEUSS
Ward 5

ROB NICHOLS
At-Large

DAVE BOESEN
At-Large

March 17, 2022

Members of the City Council
and Citizens of the City of Waterloo, Iowa

We are pleased to present the Annual Comprehensive Financial Report of the City of Waterloo, Iowa (City) for the year ended June 30, 2021 in accordance with the provisions of Chapter 11 of the Code of Iowa. This report is published to provide the City Council and citizens detailed information concerning the financial condition of the City. It has also been audited by an independent certified public accounting firm in accordance with generally accepted auditing standards and the federal single audit act requirements, including the provisions of Title 2 of the U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). RSM US LLP issued an unmodified ("clean") opinion on the financial statements for the year ended June 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

THE CITY'S BACKGROUND AND SERVICES

Waterloo is the 8th largest and historically one of the most diverse cities in the state of Iowa with a population of 67,314, according to the 2020 U.S. Census. The City was incorporated in 1868 and is the county seat of Black Hawk County. Waterloo and the neighboring City of Cedar Falls are the primary urban centers in the area, serving as a retail and healthcare hub for the region. The City is empowered to levy a property tax on real property located within its boundaries. The City operates under a Mayor – Council form of government, with the mayor as the elected chief executive. The City Council is comprised of seven members, five of whom are elected from separate wards and two who are elected at-large. The Mayor is elected to two-year terms, and the City Council members are elected to four-year staggered terms.

The City of Waterloo provides a full range of municipal services to its citizens and is organized into a number of operating departments, the activities of which are directed by the Mayor. The public services provided by the employees of the City include police and fire protection, building inspections and animal control, a regional airport, construction and maintenance of highways, streets and other infrastructure, and recreational and cultural and arts services. The City also provides solid waste collection and wastewater treatment services. Other human services are provided through the community development, housing and human rights departments. The central garage provides vehicle maintenance services, and the human resources, management information systems, city attorney, city clerk and finance departments perform various administrative functions.

Funds, agencies, boards, commissions, trusts and authorities involved in the provision of municipal services must be included in the City's financial reporting as component units if the City is financially accountable. Although the Waterloo Water Works and the Waterloo Convention & Visitors Bureau, Inc. are operated as independent entities, they meet the requirements to be considered component units of the City and these entities are included in this report. The Waterloo Community School District and the Metropolitan Transit Authority do not meet the established criteria for component entities of the City and are not included in this report.

ECONOMIC OUTLOOK

The economy of Waterloo and the Cedar Valley area is seeing continued commercial and industrial activity even amid the COVID-19 pandemic. The largest employer in the City is Deere & Company through its Waterloo Works Drivetrain Operations, Engine Works, Foundry, Product Engineering and Assembly facilities. Other major employers include Tyson Foods, University of Northern Iowa, Mercy One, Unity Point Health, Hy-Vee and The VGM Group.

The area's regional economic development corporation, GROW Cedar Valley, works with the city to help create development in Waterloo as well as the entire metropolitan area. Total building permit valuation for Waterloo was over $100 million for the eighth straight year, reaching $141.1 million for the fiscal year ended June 30, 2021. This marked the fourth best construction year in history, and the City has averaged $148.0 million during the past 3 years in permit activity. New housing starts were at 65 new units. Waterloo is a regional retail center for Black Hawk and surrounding counties. Retail sales were $1,249.2 million in fiscal 2021, an increase of $256.0 million from the prior year. Waterloo's population declined in the official 2020 census, although the City believes it has remained relatively stable during the past decade.

The overall city tax base has reflected an average annual growth of approximately 1.4% during the last five years. The City has developed a more diverse employment base in recent years, although Deere & Company continues to play a major role in the local economy. Deere (a Fortune 100 company) remains the city's largest employer and also its largest taxpayer. The company has invested over $1.0 billion in its Waterloo facilities since 2010, including the Westfield advanced manufacturing facility and the Waterloo Foundry, the largest electric foundry in the state. The City's unemployment level as of September 30, 2021 was 3.8% compared to the state level of 2.9% and the federal level of 4.8%.

Downtown/Cedar Valley Riverfront Renaissance

The Riverfront Renaissance project utilized state "Vision Iowa" funds, as well as private funds, local funds, and partnerships with other businesses to create three new major developments to revitalize the downtown area along the Cedar River:

- The RiverWalk Loop – a walking and recreational trail system along the banks of Cedar River from 1st Street to 18th Street in Downtown Waterloo.
- The Cedar River Dam improvements – an inflatable bladder dam system that improved recreational water depth upstream of the dam at 4th Street.
- The Riverfront Amphitheater – this space has become a popular destination for many activities, and is bringing more residents and visitors to downtown Waterloo and the riverfront.

Downtown/Cedar Valley SportsPlex

The Cedar Valley SportsPlex is a 125,000 square-foot recreational facility with indoor soccer fields, gyms, a leisure pool and slide, fitness facility, running track and multi-purpose activity spaces. The facility opened in 2014 and now has approximately 5,000 members.

Downtown/Cedar Valley TechWorks Campus

At the other end of the Riverwalk Loop, the $52 million Cedar Valley TechWorks Campus Project has transformed two former Deere and Co. 6-story industrial buildings into a Marriott Hotel, Deere Training center (Tech Two building) and a multi-tenant green technology and advanced manufacturing innovation center (Tech One building). This was the first project approved under the Iowa Reinvestment District (IRD) program.

Lincoln Savings Bank has recently renovated a 50-year old former Deere factory at a total project investment of $18.3 million. LSB currently occupies two of the top three floors of the Tech One building to house their financial technology operation, which is projected to add over 300 new employees into the Downtown Waterloo area.

The IRD development will also include the creation of a Marina along the Cedar River. This will be part of a water trail designation in Black Hawk County in partnership with the City of Cedar Falls. In excess of $500,000 in federal enhancement funds have been programmed for this project. Construction of a trail along the river and docks for kayaks and other boats is expected to begin in the spring of 2022. The City is also platting additional lots for commercial development in the area.

Downtown/Other Developments

Other developments in the downtown area include the $15 million Grand Crossing development. Phases I and II are complete with 108 condominium units and first floor retail and commercial space. The $8 million urban campus developed by Hawkeye Community College is bringing additional educational and student services populations downtown.

The $2.5 million renovation of the historic Friedl Bakery building is nearing completion. The Art Bloc, a seven-story 72 unit residential tower on the riverfront near the RiverLoop Amphitheater, is now leasing space to tenants.

Makenda LLC has completed a $10 million interior and exterior renovation of the former Ramada Hotel in Downtown Waterloo, which has re-opened as a dual-branded Best Western Plus and Executive Residency Hotel. The City has hired Global Spectrum, L.P. to manage the Waterloo Convention Center, located directly across the street from this hotel. The Convention Center is currently undergoing a $10 million renovation, including interior renovations on both floors with new equipment, signage, and an addition at the main entrance.

Lincoln Park, a popular downtown destination, was recently improved with a $1 million facelift including improved infrastructure, new seating, lighting and walkways.

North Crossing

North Crossing, the former Logan Plaza Shopping Center in the northern part of the City, was acquired by a developer and completely demolished, with plans to replace it with several new medical and retail buildings. All five phases of the project are now complete with over $10 million in new taxable value. The project includes multiple medical buildings, a new Burger King restaurant, Kwik Star convenience store and strip mall renovations. Over 40 acres of land are available for additional development in this area. The public-private partnership for the redevelopment has been created from:

- The $30 million Highway 63 redevelopment project which created green space, aesthetics, recreational trails, and economic opportunity along the corridor, as well as improving traffic movements with turning lanes
- The continued investment by Unity Point Health (formerly Allen Hospital) with over $40 million in improvements and expansions to the hospital campus, and over $8 million in the Nursing College campus.
- The new Carver Academy middle school built on the former Logan School site, offering a more aesthetically pleasing campus setup for students with a greenhouse, and partnerships with other entities.

An additional $10 million investment is planned for the northeast portion of the medical-retail campus, including a new senior center in partnership with Unity Point, multi-family residential housing units, and a day care center.

Midport

- The City completed the construction of the majority of the infrastructure needed to open over 400 acres for commercial and industrial development in the Waterloo Air & Rail Park (WARP) located near the Waterloo Regional Airport. The City received a State of Iowa RISE award for construction of WARP Drive, which serves 38 acres of land and is now complete. The City has received a second RISE award for the construction of Hyper Drive to serve an additional 32 acres, including the entrance to serve the new $8 million CPM manufacturing plant.
- A number of developers have plans for smaller infill construction projects in the Airport area, comprising 12 lots with a projected $6 million investment.
- There has been over $3.0 million in private investment in new hangars at the Waterloo Regional Airport.

Other New Development Projects

Construction continues on the Lost Worlds Theme Park, a $100 million investment by the Bertch family to create a new theme park near Lost Island Waterpark on the city's southeast side. Groundbreaking began in 2019 and the theme park is scheduled to open in the summer of 2022. The City has received a State of Iowa RISE award for the construction of Shaulis Road directly in front of the Theme Park. Reconstruction of Shaulis Road is currently in progress.

The former Greyhound Park has been demolished, creating new development land near the major intersection of U.S. Highways 20 and 63. A Love's Travel Center and a new Casey's convenience store are now open. Warren Transport has announced an $8.6 million project for a new headquarters and vehicle maintenance facility. Cedar Valley Crossing has built roadways and platted lots for a new 10-lot industrial park, with 3 projects planned for 2022. Additional developments are planned for the area around the intersection of Highway 63 and West Ridgeway Avenue.

Crystal Distribution is currently constructing a new $16.5 million cold storage facility in the former Rath Packing plant area. This brownfield redevelopment will create an additional 23 acres in lots for continued infill projects.

Con-trol has completed their new $12 million cross-docking facility in the Northeast Industrial Park. The City has received a State of Iowa RISE award for the reconstruction of a portion of Newell Street to facilitate the Con-trol project.

The Boys & Girls Club has finished construction of a $5.0 million Teen Center in the Walnut Historic Neighborhood near downtown. Within this neighborhood, All-In Grocers has started construction on a $2.0 million grocery store and there has been $2.8 million of residential construction and rehabilitation work completed.

The San Marnan corridor continues to see new development, including the $1.5 million Cedar Valley Hospice office, a $1.6 million addition by Locke Funeral Home, and a new $1.1 million facility for Club Car Wash.

The City is also working on several projects in the University corridor, including the $9.6 million Greenhill apartment project, the $3.4 million Maple Lanes renovation, $2.9 million in renovations completed by Digestive Healthcare, and a new $2.8 million facility for Tommy Car Wash.

Street Improvements

The one-cent local option tax was approved in 2013 for another ten years, to be used for street repairs and improvements. Other major construction initiatives that are primarily funded with grants include the reconstruction of Highway 63 through the northern part of the city, which was completed in 2020, with pedestrian enhancements expected to be complete in 2022.The reconstruction of University Avenue from Midway Dr. to U.S. Highway 63 is substantially complete, and opened to the public in October 2021.

The City has been awarded $12.5 million in federal competitive bridge funds and a $1.7 million State of Iowa RISE grant to assist with the reconstruction of the Park Avenue and 11th St. bridges in the downtown area. Construction of the bridge project is slated to begin in the spring of 2022.

Design is underway for the La Porte Road corridor to improve streets and bike trails near the new Lost Worlds Theme Park and the Crossroads Shopping Center area. The La Porte Road segments include over $5 million in federal roadway funding, and the City was awarded a $.34 million RISE grant for improvements to the adjoining Shaulis Road area for additional improvements to turning lanes, flood control, and intersection improvements to accommodate anticipated theme park traffic.

Recreational Facilities

The City is also continuing to develop its extensive system of bike trails, which are being connected to countywide and regional trail networks, creating a system of more than 117 miles of trails. The Riverwalk Loop trail in downtown Waterloo has been completed and a new trail has been constructed along the newly constructed Shaulis Road connection from Highway 63 to the Isle of Capri Boulevard. This trail system connects directly into the American Discovery Trail. Major trail facilities have been added as part of the University Avenue reconstruction project, including a new 10 ft. wide concrete recreational trail from the West Waterloo city limits to U.S. Highway 63. A new trailhead, parking lot, and trail underpass has been constructed at the University Avenue and Highway 63 intersection. A recreational area for all-terrain vehicle trails has also been developed in the Riverview neighborhood. The City has received a grant for the construction of the Shaulis Road Recreational Trail in the southeast part of the City, which will be completed in 2022.

Phase 1 of the Greenbelt Lake Improvements Project has been completed with a REAP grant for a $200,000 investment in a new accessible fishing pier with several shoreline fishing points and a large pollinator planting.

Master Plans are currently underway for Waterloo's aquatic facilities and for Gates Park.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Waterloo, Iowa for its Annual Comprehensive Financial Report (ACFR) for fiscal year 2020. This is the seventeenth year that the City received this award, which is a prestigious national award, recognizing conformance with the highest standards for the preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. The ACFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes that the current report continues to meet the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

FINANCIAL MANAGEMENT INFORMATION

Budgetary Controls - The City's management staff is responsible and is actively involved in the financial planning and management of the City's daily operations and long-range strategic planning. The objective of budgetary controls is to ensure compliance with the annual budget approved by the City Council, as well as budget control procedures mandated by the State of Iowa.

Management control policies adopted by the City Council require that departmental and activity budgets comply with departmental appropriations. Amendments exceeding de minimus guidelines require the specific approval of the City Council Finance Committee. These policies also require certain non-routine expenditures exceeding $2,500 to be pre-authorized by the City Council Finance Committee.

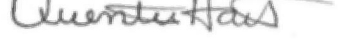
Long-term financial and capital improvement planning are crucial strategic functions of the City. The City's management staff, coordinated by the Planning Department, prepares and presents the five-year Capital Improvement Program (CIP) to the Mayor and City Council for their review and approval annually. The CIP outlines the City's planned schedule of capital project construction over the next five-year cycle. The CIP provides an analysis of the financial funding impact and capital debt impact of the planned construction project program.

The City met the minimum fund balance requirement for the General Fund and adhered to all other financial policies approved by the City Council.

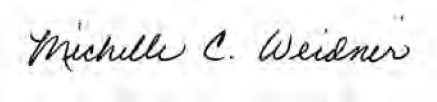
ACKNOWLEDGMENTS

This report could not have been completed without the dedicated service of the entire Finance department and other City staff in addition to the RSM US LLP audit team. We want to thank all of the City departments for their assistance in providing data necessary for this report.
Special thanks go to Emily Graham, Brent Bohlen and Kimberly Bahr in the Finance Department and also the City Clerk staff. Each of you has our appreciation and respect for your contributions to this report. We also want to thank the members of the City Council for their support of our efforts to conduct the financial operations of the City in a responsible and progressive manner.

Sincerely,



Quentin M. Hart
Mayor



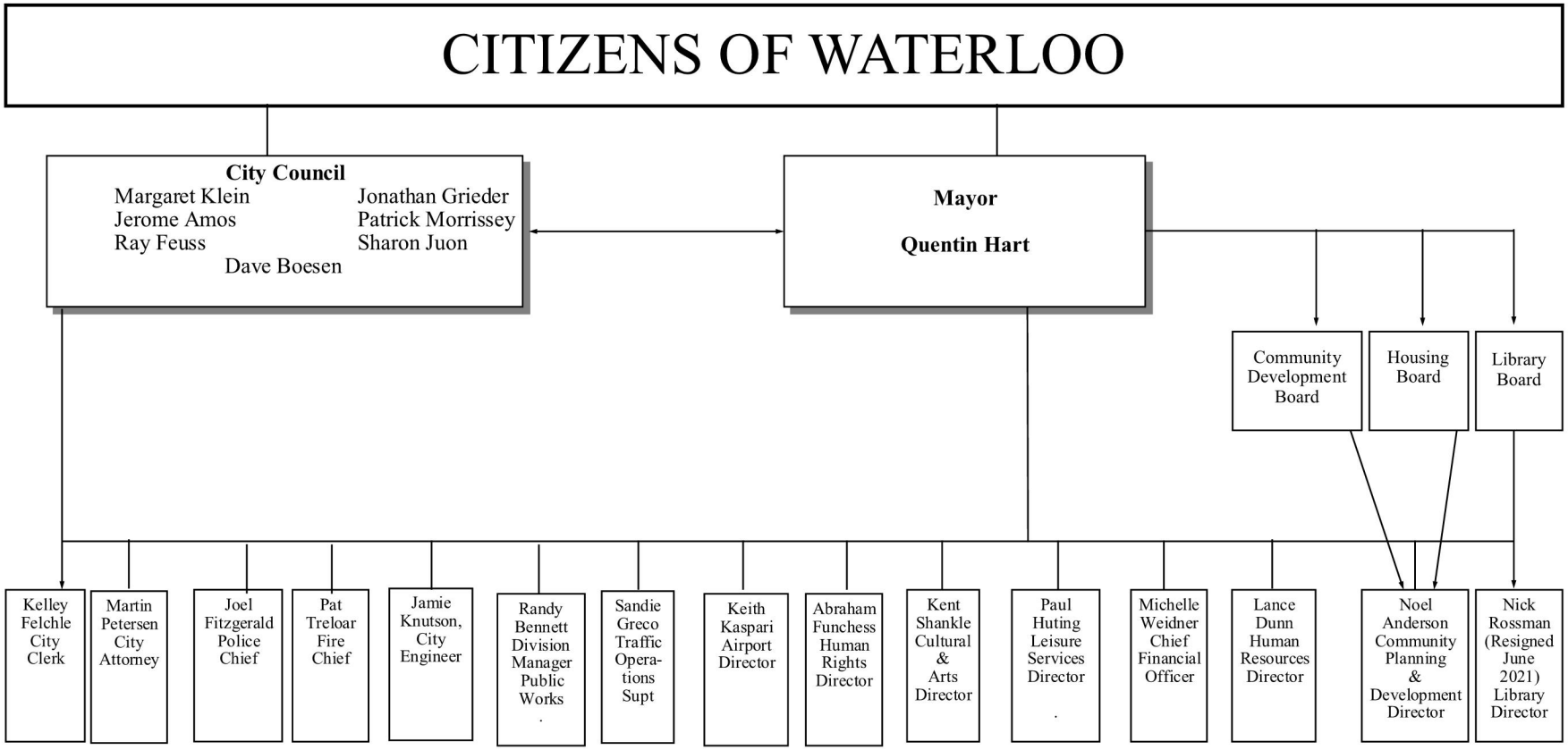
Michelle C. Weidner, CPA
Chief Financial Officer

City of Waterloo, Iowa

Officials
As of June 30, 2021

Name	Title	Term Expires
	Elected	
Quentin Hart	Mayor	January 2022
Margaret Klein	Council Member - 1st Ward	January 2022
Jonathan Grieder	Council Member - 2nd Ward	January 2024
Patrick Morrissey	Council Member - 3rd Ward	January 2022
Jerome Amos	Council Member - 4th Ward	January 2024
Ray Feuss	Council Member - 5th Ward	January 2022
Sharon Juon	Council Member - At-Large	January 2022
Dave Boesen	Council Member - At-Large	January 2024
	Appointed	
Michelle Weidner, CPA	Chief Financial Officer	Indefinite
Kelley Felchle, CMC	City Clerk	Indefinite
Jamie Knutson, PE	City Engineer	Indefinite
Martin Petersen	City Attorney	Indefinite
Joel Fitzgerald, Sr., Phd.	Chief of Waterloo Police Department	Indefinite
Pat Treloar	Chief of Fire Services	Indefinite

CITY OF WATERLOO, IOWA — ORGANIZATIONAL STRUCTURE



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Waterloo
Iowa

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

RSM US LLP

Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Waterloo, Iowa

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Waterloo, Iowa (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units, Waterloo Water Works and Waterloo Convention & Visitors Bureau, Inc., which collectively represent 100% of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Waterloo, Iowa as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the schedule of changes in the City's total OPEB liability and related ratios, the schedule of the City's proportionate share of the net pension liability and schedule of contributions for the Iowa Public Employees' Retirement System, the schedule of the City's proportionate share of the net pension liability and schedule of City contributions for the Municipal Fire and Police Retirement System of Iowa, budgetary comparison schedule, and the Schedule of Contributions for Waterloo Water Works Pension Plan and Schedule of changes in net pension liability and related ratios for the Waterloo Water Works Pension Plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining individual and nonmajor fund financial statements and other schedules and statements, listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit and the procedures performed as described above, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

RSM US LLP

Davenport, Iowa
March 16, 2022

As management of the City of Waterloo, we offer readers of the City of Waterloo's financial statements this narrative overview and analysis of the financial activities of the City of Waterloo for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at pages iii–ix of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Waterloo exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $458,003,292 (net position). Of this amount, the City's unrestricted net position ($31,533,724) is negative, due to recording the City's share of postemployment benefit liabilities and pension liabilities.
- The City's total net position increased by $18,908,854 compared to the 2020 ending net position of $439,094,438.
- As of the close of this current fiscal year, the City of Waterloo's governmental funds reported combined ending fund balances of $83,476,483, a decrease of $6,157,900 in comparison with the prior year. Approximately 6,9% of this total amount, $5,780,395, is available for spending at the City's discretion (unassigned fund balance), although some funds are legally limited for specified purposes.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $12,736,746, or 20.8% of total General Fund expenditures.
- The City of Waterloo's total long-term liabilities increased by $27,045,417 or 14.4% during the current fiscal year, due to increased general obligation bonds and state revolving fund capital loans issued for construction projects and the issuance of a capital lease for police equipment.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Waterloo's basic financial statements. The City of Waterloo's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Waterloo's finances in a manner similar to a private-sector business.

The statement of net position presents information about all of the City of Waterloo's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Waterloo is improving or deteriorating.

The statement of activities presents information illustrating how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Waterloo that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Waterloo include public safety, public works, health and social services, culture and recreation, community and economic development and general government. In addition, the convention bureau provides marketing services for tourism operated as a separate discretely presented component unit of the City. The business-type activities of the City of Waterloo include the sanitary sewer system and the solid waste system. The water utility is operated as a separate discretely presented component unit of the City. For detailed information about the Waterloo Convention & Visitors Bureau, Inc. or the Waterloo Water Works, please see their separate audited financial statements.

The government-wide financial statements include only the City of Waterloo itself (known as the primary government) and its discretely presented component units, the Waterloo Water Works and Waterloo Convention and Visitors Bureau, Inc. The Waterloo Community School District and the Metropolitan Transit Authority provide services to the citizens of Waterloo but do not meet established criteria as component units of the City and thus are not included in this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Waterloo, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Waterloo can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Waterloo maintains 18 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Trust and Agency Fund, Tax Increment Financing Fund, and Road Use Tax Fund, all of which are considered to be major funds. Data from the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. The City of Waterloo maintains two proprietary funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitary sewer fund and the sanitation fund. The sanitary sewer fund is considered to be a major fund of the City of Waterloo.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Waterloo's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has one type of fiduciary fund, a custodial fund.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. The City's budgetary comparison schedule and the other postemployment benefit plan schedule of funding progress are presented as required supplementary information immediately following the notes to the financial statements. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Waterloo, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $458,003,292 at the close of the fiscal year ended June 30, 2021.

By far the largest portion of the City of Waterloo's net position (98%) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure and vehicles and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Waterloo uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Waterloo's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position

A condensed version of the Statement of Net Position as of June 30, 2021 and 2020 follows:

	City of Waterloo's Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	**2021**	2020	**2021**	2020
Assets						
Current and other assets	**$ 168,931,889**	$ 155,294,742	**$ 25,312,452**	$ 22,615,485	**$ 194,244,341**	$ 177,910,227
Capital assets	**428,326,093**	396,727,431	**121,928,678**	103,850,948	**550,254,771**	500,578,379
Total assets	**597,257,982**	552,022,173	**147,241,130**	126,466,433	**744,499,112**	678,488,606
Deferred outflows of resources	**18,333,071**	14,460,706	**1,068,660**	1,057,253	**19,401,731**	15,517,959
Liabilities						
Current liabilities	**41,465,540**	23,067,451	**7,620,284**	4,954,394	**49,085,824**	28,021,845
Long-term liabilities	**169,564,952**	153,341,347	**33,309,943**	20,625,573	**202,874,895**	173,966,920
Total liabilities	**211,030,492**	176,408,798	**40,930,227**	25,579,967	**251,960,719**	201,988,765
Deferred inflows of resources	**53,753,975**	52,427,932	**182,857**	495,430	**53,936,832**	52,923,362
Net position						
Net investment in capital assets	**357,396,168**	338,162,674	**92,076,756**	87,857,186	**449,472,924**	426,019,860
Restricted	**39,925,625**	44,923,907	**138,467**	19,491	**40,064,092**	44,943,398
Unrestricted	**(46,515,207)**	(45,440,432)	**14,981,483**	13,571,612	**(31,533,724)**	(31,868,820)
Total net position	**$ 350,806,586**	$ 337,646,149	**$ 107,196,706**	$ 101,448,289	**$ 458,003,292**	$ 439,094,438

$40,064,092 of the City of Waterloo's net position (8.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($31,533,724) is a negative position, due to the net pension liabilities for the city's share of liabilities in the IPERS and MFPRSI pension plans and the city's liability for other postemployment health care benefits.

The separate governmental activities had positive balances in the net investment in capital assets and fund balances restricted for specific purposes. Business-type activities also reported positive balances in all categories. The same situation held true for the prior fiscal year.

The City's total net position increased compared to the 2020 ending net position. Governmental-type activities' net position increased by $13,160,437, from the 2020 net position of $337,646,149. This increase was largely related to capital invested in City infrastructure projects. See page 26 for a reconciliation of this increase. The total business-type activities' net position increased by $5,748,417 from the 2020 net position of $101,448,289, due to capital invested in City infrastructure projects and debt retirement payments.

Statement of Activities

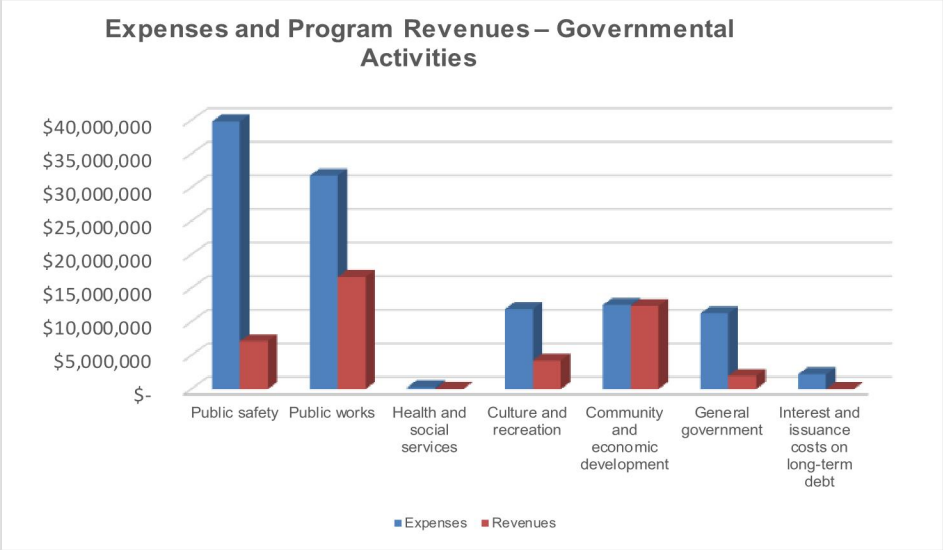
A condensed version of the Statement of Activities as of June 30, 2021 and 2020 follows:

City of Waterloo's Changes in Net Position

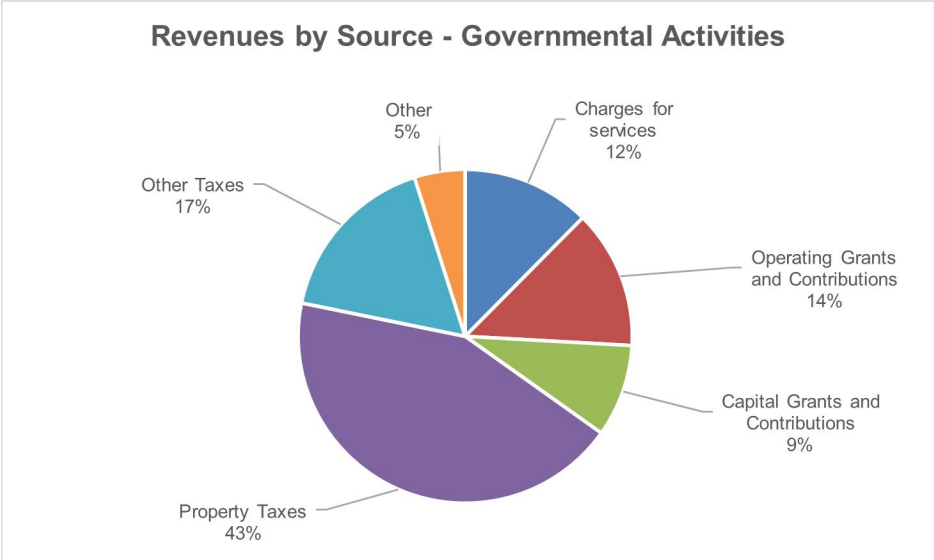
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	**2021**	2020	**2021**	2020
Revenues:						
Program revenues:						
Charges for services	**$ 15,151,064**	$ 13,938,071	**$ 22,632,728**	$ 21,702,047	**$ 37,783,792**	$ 35,640,118
Operating grants and contributions	**16,409,982**	12,158,925	**274,551**	275,862	**16,684,533**	12,434,787
Capital grants and contributions	**10,923,191**	7,151,415	**204,889**	356,837	**11,128,080**	7,508,252
General revenues:						
Property taxes	**52,877,346**	49,332,480	**-**	-	**52,877,346**	49,332,480
Other taxes	**20,577,471**	19,039,780	**-**	-	**20,577,471**	19,039,780
Other	**5,995,168**	6,433,598	**18,999**	245,204	**6,014,167**	6,678,802
Total revenues	**121,934,222**	108,054,269	**23,131,167**	22,579,950	**145,065,389**	130,634,219
Expenses:						
Public safety	**39,844,040**	38,539,492	**-**	-	**39,844,040**	38,539,492
Public works	**31,393,797**	27,453,883	**-**	-	**31,393,797**	27,453,883
Health and social services	**281,594**	265,757	**-**	-	**281,594**	265,757
Culture and recreation	**11,878,940**	11,297,723	**-**	-	**11,878,940**	11,297,723
Community and economic development	**12,518,489**	11,778,352	**-**	-	**12,518,489**	11,778,352
General government	**10,644,609**	9,792,001	**-**	-	**10,644,609**	9,792,001
Interest on long-term debt	**2,212,316**	2,413,402	**-**	-	**2,212,316**	2,413,402
Sanitary sewer	**-**	-	**12,110,438**	12,287,197	**12,110,438**	12,287,197
Sanitation	**-**	-	**5,272,312**	4,963,445	**5,272,312**	4,963,445
Total expenses	**108,773,785**	101,540,610	**17,382,750**	17,250,642	**126,156,535**	118,791,252
Increase in net position before transfers	**13,160,437**	6,513,659	**5,748,417**	5,329,308	**18,908,854**	11,842,967
Transfers	**-**	-	**-**	-	**-**	-
Change in net position	**13,160,437**	6,513,659	**5,748,417**	5,329,308	**18,908,854**	11,842,967
Net position, beginning	**337,646,149**	331,132,490	**101,448,289**	96,118,981	**439,094,438**	427,251,471
Net position, ending	**$ 350,806,586**	$ 337,646,149	**$ 107,196,706**	$ 101,448,289	**$ 458,003,292**	$ 439,094,438

Total governmental activities' revenue for the current fiscal year was $121,934,222. The largest single revenue source for the City was property taxes of $52,877,346. Property taxes increased by $3,544,866 (7.2%) during the year. This increase is a result of a combination of factors, including an increase in the assessed value of property of 2.27%, a reduction of 0.08% in the taxable value of property and an increase of 5.08% in the levy rate.

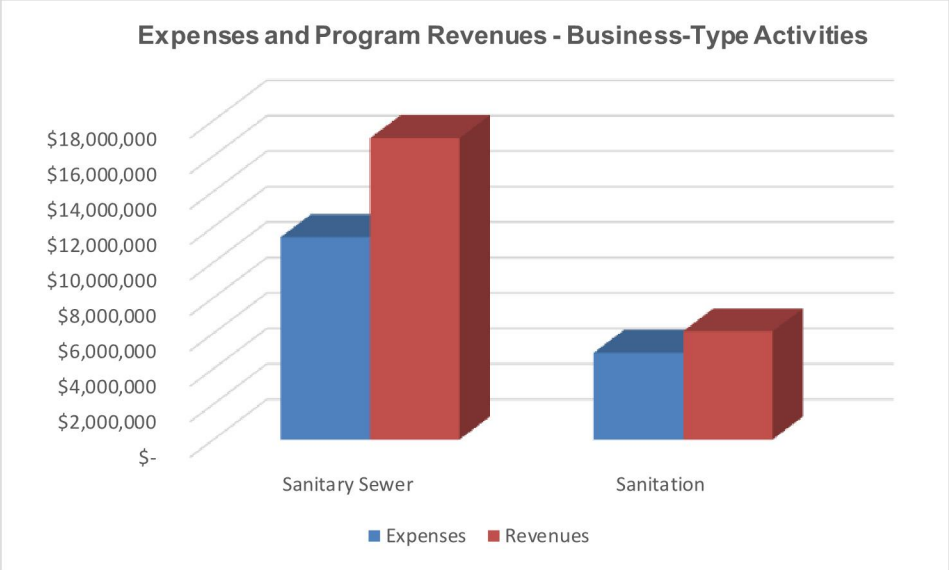
Certain revenues are generated that are specific to governmental program activities. These totaled $42,484,237 during the fiscal year ended June 30, 2021. The graph below illustrates the comparison between the expenses by governmental activity type and the revenues generated that are specific to those activities.



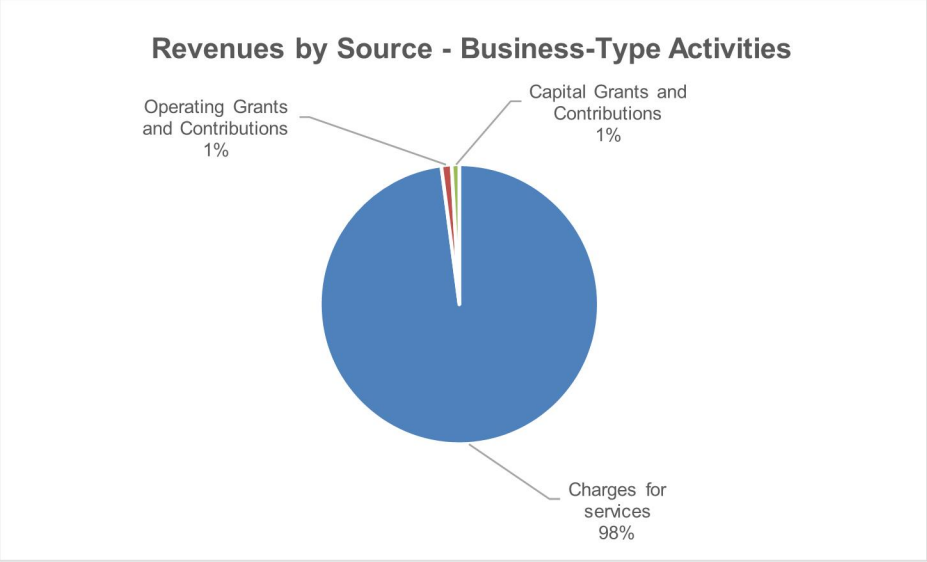
The graph below shows the percentage of the total governmental revenues allocated by each revenue type.



Total business-type activities' revenue for the fiscal year was $23,131,167. $23,112,168 of this revenue was generated for specific business-type activity expenses. The graph below shows a comparison between the business-type activity expenses and program revenues.



The graph below shows the breakdown of revenues by source for the business-type activities.



Business-type activities. Business-type activities increased the City of Waterloo's net position by $5,748,417 from the 2020 net position of $101,448,289, accounting for 30.4% of the increase in the City's net position.

Financial Analysis of the Government's Funds

As noted earlier, the City of Waterloo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Waterloo's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City of Waterloo's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Waterloo's governmental funds reported combined ending fund balances of $83,476,483, a decrease of $6,157,900 in comparison with the prior year. Fund balance in the amount of $77,696,088 is not available for new spending because it represents amounts previously paid for items that were not exhausted at year-end (nonspendable) or has already been restricted, committed or assigned to be used for a variety of purposes. Approximately 6.9% of total fund balance or $5,780,395, constitutes unassigned fund balance.

The General Fund is the chief operating fund of the City of Waterloo. At the end of the current fiscal year, unassigned fund balance of the General Fund was $12,736,746, while total fund balance was $26,534,227. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 20.8% of total General Fund expenditures, while total fund balance represents 43.3% of that same amount.

Net general fund operations resulted in an increase in total general fund balance of $3,010,287, and an increase in unassigned fund balance of $1,548,699 for the year.

Federal funds received for COVID-19 response through the State of Iowa were used for public safety salaries of approximately $1,600,000.

A significant source of increased revenue was again due to a program implemented by the state that the City participated in that resulted in increased ambulance fee revenue during the year. This resulted in a substantial increase in revenue, net of related expense, for the year in the amount of $1,300,000.

Other than the ambulance program, several consequences of the pandemic affected city revenue. Building inspection fees were $255,000 less than budgeted, reflecting supply chain delays.

The COVID-19 pandemic resulted is reduced attendance and participation in many cultural and recreational programs. The city reduced part-time staffing and delayed filling selected full-time positions as programming was curtailed in many areas and worked to match spending to anticipated revenues. Positions that were vacant for portions of the year also contributed to general fund performance being better than expected.

One bright spot in the pandemic was that golf rounds increased. Golf revenue was $222,000 more than budgeted. However, Young Arena, which serves as the home to the Black Hawks ice hockey team, had reduced revenue, partly due to pandemic-required attendance restrictions. Revenue was less than budget by $358,000 or 50%.

The city's airport revenue was negatively affected by the pandemic. However, FAA COVID-19 assistance was substituted to support airport operations.

The City took over operations of the Convention Center in January 2020. The City elected to begin major renovations while events were being delayed or cancelled due to the pandemic to hopefully allow better future performance. As a result, Convention Center operations incurred a loss of $505,000.

Due to the city's payroll schedule, there will be an additional 27th pay period during the fiscal year ending June 30, 2023. The city set aside a portion of the increase in general fund revenue over expenses to cover this payroll so that property taxes will not need to be increased for that expense.

These items all contributed to the increase in unassigned fund balance of $1,548,699 and the overall increase of $3,010,287.

Trust and Agency Fund – The net increase in fund balance of $279,188 during the current year is due primarily to property taxes collected for prior years.

TIF Fund - The total fund balance of $5,127,534 is restricted for the payment of debt service related to tax increment financing district projects. The net increase in fund balance during the current year was $2,598,888 and is the result of timing differences between revenue collections and the payment of TIF obligations.

Road Use Tax Fund – The net decrease in fund balance in the road use tax fund of $6,788,960 is due primarily to the use of transfer of jurisdiction funds received in prior years from the State of Iowa for University Avenue that were spent on construction during the current year.

Proprietary funds. The City of Waterloo's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the sanitary sewer fund at the end of the year was $102,118,285, an increase of $4,905,460 from the 2020 net position of $97,212,825. This increase was due primarily to investments in the construction of mandated sewer infrastructure projects.

Other factors concerning the finances of the sanitary sewer fund have already been addressed in the discussion of the City of Waterloo's business-type activities.

Budgetary Highlights

In accordance with the Code of Iowa, the City Council annually adopts a budget on the modified cash basis following required public notice and hearing for all funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon ten major classes of disbursements known as functions, not by fund or fund type. These ten functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, business-type and non-program. Function disbursements required to be budgeted include disbursements for the general fund, special revenue funds, debt service fund, capital projects funds and permanent funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not at the fund or fund type level. These budget amendments are reflected in the final budgeted amounts.

Differences between the original budget and the final amended budget for the City of Waterloo are summarized below.

The total original expenditure budget of $219,146,662, including transfers out, was increased to $259,208,590 (an increase of $40,061,928).

- In the Public Safety program category, expenses and related revenue for various law enforcement grants and non-property tax funded projects were increased ($1.7 million).
- In the Public Works category, the use of Road Use Tax fund balance was added to fund the anticipated increase in expenses for the University Avenue reconstruction, the use of Local Option Tax fund balance was added to fund the anticipated increase in expenses for street reconstruction, ($9.5 million).
- The Culture & Recreation program category was increased to reflect a number of additional grants and donations received by the Cultural and Arts department, the Library and Leisure Services. Revenue and expenses were increased for the Sportsplex to more closely match operations and the use of unassigned fund balance was increased for Young Arena operations ($.2 million).
- Additional federal revenue and expense expected to be completed using Block Grant and Housing funds were added to the Community and Economic Development category ($4.5 million).
- Amendments reflecting the use of restricted health insurance reserves and insurance refunds to fund additional claims were made in the General Government category ($.6 million).
- Expenses were added relating to refunding several bond issues to achieve reduced interest expense ($9.6 million).
- In the Capital Projects program, additional expenses relating to grant revenue awarded during the year that was not originally budgeted were added. Several construction project budgets were adjusted to more accurately reflect the work expected to be completed by June 30, 2021 ($6 million).
- In the Business Type/Enterprises activity, which accounts for the activities of the sewer and garbage funds, line item adjustments were made to more accurately reflect the amount that will be spent for capital improvement projects and operations by June 30, 2021 ($1.9 million).
- Transfers Out were increased to reflect the portion of the refunded bond issues paid by the Sewer Fund ($6 million).

The total original revenue budget, including other financing sources of $202,270,919 was increased to $230,153,230 (an increase of $27,882,311).

- State and federal grant revenue was increased to reflect additional grants awarded after the original budget certification for a variety of programs, including community development block grants, public safety projects, airport and traffic improvements, and storm water lift stations ($8.1 million).
- Other city tax revenue was increased to reflect an increase in local option sales tax revenue estimate ($2.1 million).
- Amendments were made to various charges for services to reflect higher revenues than originally anticipated with the certified budget ($1.2 million).
- Miscellaneous revenue was increased to reflect additional donations received for various City projects, insurance and other refunds received that exceeded original budget projections ($.4 million).
- Other financing sources were increased to reflect the issuance of refunding bond issues ($9.9 million).
- Transfers In were increased to reflect the portion of the refunded bond issues paid by the Sewer Fund ($6 million).

See pages 91 through 97 for the Budgetary Comparison Schedule - Budget and Actual (Modified Cash Basis) – All Governmental Funds and Proprietary Funds.

Capital Asset and Debt Administration

Capital Assets. The City of Waterloo's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to $550,254,771 (net of accumulated depreciation) as reflected in the following table. The total increase in the City of Waterloo's investment in capital assets for the current fiscal year was 9.9% (a 7.4% increase for governmental activities and a 14.9% increase for business-type activities).

This investment in capital assets includes land, buildings and improvements, park facilities, vehicles and equipment, and roads, highways and bridges (also referred to as infrastructure assets) placed in service since July 1, 1980.

City of Waterloo's Capital Assets at Fiscal Year End (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	**2021**	2020	**2021**	2020
Land	**$ 46,104,367**	$ 46,081,492	**$ 759,233**	$ 657,900	**$ 46,863,600**	$ 46,739,392
Land held for redevelopment	**18,227,365**	16,640,416	**-**	-	**18,227,365**	16,640,416
Buildings and improvements	**61,439,241**	63,108,990	**41,215,339**	42,628,505	**102,654,580**	105,737,495
Other improvements	**-**	-	**49,815,260**	47,909,270	**49,815,260**	47,909,270
Software	**25,779**	50,607	**-**	-	**25,779**	50,607
Infrastructure	**242,982,791**	245,310,129	**-**	-	**242,982,791**	245,310,129
Furniture, vehicles, machinery and equipment	**13,094,532**	9,531,033	**4,778,338**	4,918,931	**17,872,870**	14,449,964
Construction-in-progress	**46,452,018**	16,004,764	**25,360,508**	7,736,342	**71,812,526**	23,741,106
	$ 428,326,093	$ 396,727,431	**$ 121,928,678**	$ 103,850,948	**$ 550,254,771**	$ 500,578,379

Major capital assets events during the current fiscal year included the following:

- The City acquired properties for economic development ($1.8 million). Land held for redevelopment was transferred to private parties for redevelopment ($.2 million).
- New additions to buildings and improvements totaled $1.5 million, including the Riverside Skate Park project, Hope Martin park shelter reconstruction, W 5th Street parking ramp repairs and Truck Wash area improvements. Disposals included one runway at the airport that was taken out of service ($1.27 million).
- The City invested $4.6 million in new vehicles, equipment, computers and software for various city departments. The most significant of these included Police body cameras and in car recorders at $3.9 million, a fire engine pumper($.65 million) and a forestry lift truck ($.19 million).
- New investments in infrastructure assets totaled $8.3 million, including several street reconstruction projects, and the Exhibition Hall Ceiling Renovation at the Convention Center.
- The City invested $3.2 million in a number of sewer reconstruction projects during the year and $.9 million in new vehicles and equipment for the sewer and sanitation departments, including a garbage truck and a street sweeper.
- There were a number of projects under construction that are included in Construction-in-progress. $6.1 million was invested in renovations to the Convention Center. $32.6 million was invested in street flood control projects, including $10.2 million for University Avenue reconstruction, $3.5 million for new roads and $9.6 million for improvements to existing roads.
- The City invested $3.3 million in various sewer system projects, including $1.6 mil in reconstructed sewer lines, the completion of wing dike repairs ($.5 million), and treatment plant improvements in the business enterprise funds.

- There were several major construction projects underway for business-enterprise activities at year-end. Significant projects include $10 million that was invested in biosolids processing equipment and $3.3 million that was invested in the Dry Run Creek Sewer Interceptor. Numerous other sewer lines were reconstructed or lined ($2.1 million) as well as other treatment system improvements.

Additional information about the City of Waterloo's capital assets can be found in Note 6 of this report.

Long-term liabilities. At the end of the current fiscal year, the City of Waterloo had total bonded debt outstanding of $103.4 million. This entire amount is comprised of debt backed by the full faith and credit of the government. This was an increase of $3.1 million from the prior year, net of premiums and discounts. The additional debt was issued for a variety of capital improvements, including Convention Center renovations, Shaulis Road construction and the reconstruction of the Park Avenue and 11th Street bridges.

The long-term portion of the state revolving fund capital loans being issued for sewer improvements increased by $15.4 million during the year. Funds were borrowed for the construction of the biosolids treatment system improvements, new instrumentation controls and the construction of the Dry Run Creek Sewer interceptor, as well as for sewer pipe lining.

The amount of other loans, originally issued to purchase land in the City's industrial parks for economic development projects and to provide developer incentives, increased by $51 thousand. A new loan of $1.1 million was entered into for the Fusion Investments development, while debt retirement on outstanding loans totaled $1.05 million. The City has obligations to employees for benefit time not used at fiscal year-end. During the current fiscal year the balance due on these obligations increased by $28 thousand due to additional benefits accrued.

The City of Waterloo's total long-term liabilities increased by $31.0 million (19.7%) during the current fiscal year, due to the items discussed above and increases in estimated pension liabilities of $9.4 million.

The City of Waterloo maintains an Aa2 rating from Moody's Investor Services, Inc. for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its total assessed valuation. The current debt limitation for the City of Waterloo is $202,158,094 which is significantly greater than the City of Waterloo's outstanding general obligation debt ($105,024,478) and other debt subject to debt limitation ($9,676,442). The total debt subject to this limitation is $114,700,920, resulting in available debt margin of $87,457,174.

Additional information about the City of Waterloo's long-term liabilities can be found in Note 9 of this report.

Economic Factors and Next Year's Budgets and Rates
Property taxes provide 43% of General Fund revenues. Over the past five years, citywide assessed valuations have risen an average of 2% annually, while property tax regulations imposed by the State of Iowa resulted in taxable values increasing by an average of 1.4% over that same time period. The fiscal 2022 budget reflects an increase in total property tax and utility excise tax revenue of 1.8%. As discussed elsewhere in this report, the City budgeted to use $750,000 in general fund reserves for general operations for the year ended June 30, 2021.

Personnel costs comprise a significant portion of City operating costs. Wage increases identified in contractual bargaining agreements range from 2% to 3% for fiscal year 2022. The employer contribution rate required for the Municipal Fire and Police Retirement System will increase by 3.44% to 26.18% of eligible compensation. Anticipated health care costs for the year ending June 30, 2022 are expected to increase at a rate of approximately 18%. The City had been using excess health insurance reserves to reduce the rates for past several years.

Federal and state mandates for clean water continue to result in additional costs both for sewer system users and property taxpayers. Significant construction and revolving fund loan borrowing are anticipated during the next fiscal year. Sanitary and storm water rates were increased effective July 1, 2021 to address these issues.

These factors were considered in preparing the City of Waterloo's budget for fiscal year 2022.

Requests for Information
This financial report is designed to provide a general overview of the City of Waterloo's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Michelle C. Weidner, CPA, Chief Financial Officer, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa 50703.

City of Waterloo, Iowa

Statement of Net Position
June 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Waterloo Water Works	Waterloo Convention & Visitors Bureau, Inc.
Assets					
Current assets:					
Cash and cash equivalents	$ 75,137,720	$ 17,911,690	$ 93,049,410	$ 19,248,240	$ 499,161
Restricted cash and cash equivalents	835,947	-	835,947	-	-
Investments	-	-	-	548,405	252,793
Receivables:					
Customer accounts, net of allowance for uncollectible accounts	2,293,711	4,603,639	6,897,350	1,889,199	-
Property taxes:					
Delinquent	698,369	-	698,369	-	-
Succeeding year	52,066,688	-	52,066,688	-	-
Internal accounts	(38,704)	38,704	-	-	-
Due from other governments:					
Component unit	115,479	1,572,207	1,687,686	-	-
Primary government	-	-	-	-	185,895
Other	10,177,992	46,636	10,224,628	-	-
Accrued interest	9,844	-	9,844	14,236	1,018
Special assessments	-	307,662	307,662	-	-
Inventories and prepaids	1,211,578	131,608	1,343,186	482,255	18,176
Total current assets	142,508,624	24,612,146	167,120,770	22,182,335	957,043
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	25,844,853	700,306	26,545,159	-	-
Investments	-	-	-	202,628	190,204
Receivables	9,803	-	9,803	-	42,605
Special assessments receivable	568,609	-	568,609	189,146	-
Capital assets, net of accumulated depreciation	317,542,343	95,808,935	413,351,278	29,142,394	35,173
Capital assets not being depreciated	110,783,750	26,119,743	136,903,493	4,147,993	-
Total noncurrent assets	454,749,358	122,628,984	577,378,342	33,682,161	267,982
Total assets	597,257,982	147,241,130	744,499,112	55,864,496	1,225,025
Deferred Outflows of Resources					
Pension related amounts	16,272,514	753,318	17,025,832	473,260	-
OPEB related amounts	2,060,557	315,342	2,375,899	-	-
Total deferred outflows of resources	18,333,071	1,068,660	19,401,731	473,260	-

See notes to basic financial statements.

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Waterloo Water Works	Waterloo Convention & Visitors Bureau, Inc.
Liabilities					
Current liabilities:					
Accounts and retainages payable	$ 7,308,578	$ 3,888,329	$ 11,196,907	$ 168,559	$ 9,257
Accrued liabilities and other	2,433,458	262,881	2,696,339	94,167	11,977
Due to primary government	-	-	-	1,564,776	-
Due to component unit	185,895	-	185,895	-	-
Due to other governments	-	-	-	40,972	-
Noncurrent liabilities due and payable within one year	13,729,515	3,428,924	17,158,439	64,162	-
Unearned revenues	16,258,428	-	16,258,428	-	29,150
Current liabilities payable from restricted assets:					
Health claims	835,947	-	835,947	-	-
Other	452,865	-	452,865	-	-
Accrued interest	260,854	40,150	301,004	-	-
Total current liabilities	41,465,540	7,620,284	49,085,824	1,932,636	50,384
Noncurrent liabilities:					
Customer deposits	45,030	417,030	462,060	202,628	-
Worker's compensation claims	639,327	-	639,327	-	-
General obligation bonds and notes, net of bond discounts and premium	83,572,511	10,526,967	94,099,478	-	-
State revolving fund capital loan	-	16,186,491	16,186,491	-	-
Other loans and notes and capital lease	8,154,776	-	8,154,776	-	53,720
Total postemployment benefits liability	18,442,207	2,822,343	21,264,550	-	-
Compensated absences	1,761,361	39,200	1,800,561	-	-
Net pension liability	56,949,740	3,317,912	60,267,652	1,899,437	-
Total noncurrent liabilities	169,564,952	33,309,943	202,874,895	2,102,065	53,720
Total liabilities	211,030,492	40,930,227	251,960,719	4,034,701	104,104
Deferred Inflows of Resources					
Property taxes	52,066,687	-	52,066,687	-	-
Pension related amounts	1,502,626	154,596	1,657,222	1,063,847	-
OPEB related amounts	184,662	28,261	212,923	-	-
Total deferred inflows of resources	53,753,975	182,857	53,936,832	1,063,847	-
Net Position					
Net investment in capital assets	357,396,168	92,076,756	449,472,924	33,290,388	35,173
Restricted for:					
Debt service	5,201,258	138,467	5,339,725	-	-
Tourism promotion	2,011,806	-	2,011,806	-	-
Public access television	228,668	-	228,668	-	-
Housing	5,072,559	-	5,072,559	-	-
Donor specified	1,006,009	-	1,006,009	-	-
Library	482,339	-	482,339	-	-
Street and right-of-way maintenance	12,396,513	-	12,396,513	-	-
Improvements	9,303,542	-	9,303,542	-	-
Self-funded insurance	3,557,955	-	3,557,955	-	-
Employee benefits	664,976	-	664,976	-	-
Unrestricted (deficit)	(46,515,207)	14,981,483	(31,533,724)	17,948,820	1,085,748
Total net position	$ 350,806,586	$ 107,196,706	$ 458,003,292	$ 51,239,208	$ 1,120,921

City of Waterloo, Iowa

Statement of Activities
Year Ended June 30, 2021

Programs/Functions	Direct Expenses	Indirect Allocations	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government					
Governmental activities:					
Public safety	$ 39,844,040	$ -	$ 6,120,115	$ 1,021,230	$ -
Public works	31,773,797	(380,000)	2,448,785	10,996,193	3,250,527
Health and social services	281,594	-	-	31,038	-
Culture and recreation	11,928,940	(50,000)	3,897,666	362,367	-
Community and economic development	12,518,489	-	2,330,488	2,378,000	7,672,664
General government	11,283,109	(638,500)	354,010	1,621,154	-
Interest and issuance costs on long-term debt	2,212,316	-	-	-	-
Total governmental activities	109,842,285	(1,068,500)	15,151,064	16,409,982	10,923,191
Business-type activities:					
Sanitary Sewer	11,418,438	692,000	16,797,429	1,001	204,889
Sanitation	4,895,812	376,500	5,835,299	273,550	-
Total business-type activities	16,314,250	1,068,500	22,632,728	274,551	204,889
Total primary government	$ 126,156,535	$ -	$ 37,783,792	$ 16,684,533	$ 11,128,080
Component unit, Waterloo Water Works	$ 8,001,301	$ -	$ 11,013,555	$ -	$ 7,818
Component unit, Waterloo Convention & Visitors Bureau, Inc.	$ 609,330	$ -	$ -	$ 503,049	$ -
General Revenues					
Taxes:					
Property taxes					
Other taxes:					
Local option sales					
Utility excise					
Gaming					
Hotel/motel					
Gas and electric					
Cable television					
Mobile home					
Bank/credit union					
Investment earnings					
Miscellaneous					
Gain on sale of capital assets					
Total general revenues and transfers					
Changes in net position					
Net position, beginning of year					
Net position, end of year					

See notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Position					
Primary Government				Component Units	
Governmental Activities	Business-Type Activities	Total		Waterloo Water Works	Waterloo Convention & Visitors Bureau, Inc.
$ (32,702,695)	$ -	$ (32,702,695)		$ -	$ -
(14,698,292)	-	(14,698,292)		-	-
(250,556)	-	(250,556)		-	-
(7,618,907)	-	(7,618,907)		-	-
(137,337)	-	(137,337)		-	-
(8,669,445)	-	(8,669,445)		-	-
(2,212,316)	-	(2,212,316)		-	-
(66,289,548)	-	(66,289,548)		-	-
-	4,892,881	4,892,881		-	-
-	836,537	836,537		-	-
-	5,729,418	5,729,418		-	-
(66,289,548)	5,729,418	(60,560,130)		-	-
-	-	-		3,020,072	-
-	-	-		-	(106,281)
52,877,346	-	52,877,346		-	-
11,957,710	-	11,957,710		-	-
1,403,017	-	1,403,017		-	-
1,324,236	-	1,324,236		-	-
799,936	-	799,936		-	-
4,161,915	-	4,161,915		-	-
648,817	-	648,817		-	-
81,164	-	81,164		-	-
200,676	-	200,676		-	-
124,727	10,999	135,726		114,888	12,833
5,870,441	-	5,870,441		859,390	11,274
-	8,000	8,000		19,800	-
79,449,985	18,999	79,468,984		994,078	24,107
13,160,437	5,748,417	18,908,854		4,014,150	(82,174)
337,646,149	101,448,289	439,094,438		47,225,058	1,203,095
$ 350,806,586	$ 107,196,706	$ 458,003,292		$ 51,239,208	$ 1,120,921

City of Waterloo, Iowa

Balance Sheet
Governmental Funds
June 30, 2021

	General	Trust and Agency
Assets		
Cash and cash equivalents	$ 14,220,754	$ 844,776
Receivables:		
Customer accounts, net	2,274,748	-
Property tax:		
Delinquent	320,405	193,723
Succeeding year	20,731,638	12,507,293
Special assessments	568,609	-
Accrued interest	193	9
Due from other funds	7,004,681	-
Due from other governments:		
Federal	224,863	-
Iowa	438,806	-
Other	245,142	137,529
Inventories and prepaids	898,156	-
Restricted assets:		
Cash and cash equivalents	21,226,204	1,844,107
Receivables	9,803	-
Advances to other funds	-	-
Total assets	$ 68,164,002	$ 15,527,437

(Continued)

Tax Increment Financing	Road Use Tax	Other Governmental	Total
$ 5,168,468	$ 12,959,342	$ 41,944,380	$ 75,137,720
-	4,556	14,407	2,293,711
74,273	-	109,968	698,369
10,821,510	-	8,006,247	52,066,688
-	-	-	568,609
17	-	9,625	9,844
-	-	-	7,004,681
-	-	2,190,770	2,415,633
-	1,705,693	4,906,487	7,050,986
58,413	6,059	379,709	826,852
-	281,977	31,445	1,211,578
-	-	3,610,489	26,680,800
-	-	-	9,803
-	108,189	21,423	129,612
$ 16,122,681	$ 15,065,816	$ 61,224,950	$ 176,104,886

City of Waterloo, Iowa

Balance Sheet (Continued)
Governmental Funds
June 30, 2021

	General	Trust and Agency
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 451,085	$ 76,141
Retainages payable	10,203	-
Accrued liabilities	1,852,381	241,194
Due to other funds	-	-
Unearned revenue	15,657,137	-
Compensated absences	103,229	-
Due to Waterloo Convention & Visitors Bureau, Inc.	185,895	-
Payables from restricted assets	1,288,812	-
Advances from other funds	168,316	-
Total liabilities	19,717,058	317,335
Deferred Inflows of Resources		
Unavailable revenue—property tax	21,052,042	12,701,016
Unavailable revenue—local option sales tax	-	-
Unavailable revenue—special assessments	568,609	-
Unavailable revenue—intergovernmental and other	292,066	-
Total deferred inflows of resources	21,912,717	12,701,016
Fund balances		
Nonspendable	898,156	-
Restricted	5,027,951	2,509,086
Assigned	7,871,374	-
Unassigned	12,736,746	-
Total fund balances	26,534,227	2,509,086
Total liabilities, deferred inflows of resources and fund balances	$ 68,164,002	$ 15,527,437

See notes to basic financial statements.

Tax Increment Financing	Road Use Tax	Other Governmental	Total
$ 99,364	$ 761,870	$ 3,422,387	$ 4,810,847
-	1,405,831	1,081,697	2,497,731
-	209,750	130,133	2,433,458
-	-	7,004,681	7,004,681
-	-	601,291	16,258,428
-	5,390	9,707	118,326
-	-	-	185,895
-	-	45,030	1,333,842
-	-	-	168,316
99,364	2,382,841	12,294,926	34,811,524
10,895,783	-	8,116,215	52,765,056
-	-	2,105,523	2,105,523
-	-	-	568,609
-	6,059	2,079,566	2,377,691
10,895,783	6,059	12,301,304	57,816,879
-	281,977	31,445	1,211,578
4,457,619	12,394,939	41,284,116	65,673,711
669,915	-	2,269,510	10,810,799
-	-	(6,956,351)	5,780,395
5,127,534	12,676,916	36,628,720	83,476,483
$ 16,122,681	$ 15,065,816	$ 61,224,950	$ 176,104,886

City of Waterloo, Iowa

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2021

Total governmental fund balances		$ 83,476,483
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds		428,326,093
Certain revenues are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds		5,750,192
Pension and other post employment benefits obligation (OPEB) related deferred outflows of resources and deferred inflows of resources are not reported in the governmental funds, but are amortized and recognized as a component of pension/OPEB expense in the government-wide financial statements, as follows:		
Deferred outflows of resources—IPERS	$ 3,010,744	
Deferred outflows of resources—MFPRSI	13,261,770	
Deferred outflows of resources—OPEB	2,060,557	
Deferred inflows of resources—IPERS	(624,783)	
Deferred inflows of resources—MFPRSI	(877,843)	
Deferred inflows of resources—OPEB	(184,662)	16,645,783
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds	(91,085,000)	
Other loans and notes	(5,913,512)	
Capital lease	(3,762,930)	
Bond discount	164,664	
Bond premium	(1,612,175)	
Total OPEB liability	(18,442,207)	
Workers' compensation claims payable	(639,327)	
Compensated absences	(4,890,884)	
Net pension liability—IPERS	(13,310,754)	
Net pension liability—MFPRSI	(43,638,986)	
Accrued interest payable	(260,854)	(183,391,965)
Net position of governmental activities		$ 350,806,586

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	General	Trust and Agency
Revenues:		
Property taxes	$ 21,568,319	$ 13,046,309
Other taxes	8,087,266	464,588
Licenses and permits	1,366,440	-
Investment income	59,453	9,871
Rent	1,034,826	-
Intergovernmental	3,004,751	-
Charges for services	9,659,969	-
Interfund charges for services	2,366,493	-
Special assessments	169,139	-
Miscellaneous	2,095,867	-
Total revenues	49,412,523	13,520,768
Expenditures:		
Current operating:		
Public safety	30,788,173	4,610,638
Public works	3,200,908	-
Health and social services	286,771	-
Culture and recreation	9,518,432	-
Community and economic development	2,348,565	-
General government	10,460,828	11,875
Debt service:		
Principal	202,035	-
Interest and fees	-	-
Capital outlay	4,503,811	-
Total expenditures	61,309,523	4,622,513
Excess (deficiency) of revenues over expenditures	(11,897,000)	8,898,255
Other financing sources (uses):		
Transfers in	8,619,067	-
Transfers out	-	(8,619,067)
Bond premium	-	-
Proceeds from sale of capital assets	336,362	-
Payment to escrow for refunding bonds	-	-
Issuance of capital lease and other long-term debt	3,964,965	-
Proceeds from insurance	1,986,893	-
Issuance of refunding bonds	-	-
Issuance of general obligation bonds	-	-
Total other financing sources (uses)	14,907,287	(8,619,067)
Net changes in fund balances	3,010,287	279,188
Fund balances, beginning of year	23,523,940	2,229,898
Fund balances, end of year	$ 26,534,227	$ 2,509,086

See notes to basic financial statements.

Tax Increment Financing	Road Use Tax	Other Governmental	Total
$ 10,245,025	$ -	$ 8,017,693	$ 52,877,346
-	-	12,213,737	20,765,591
-	25,733	-	1,392,173
9,573	-	45,830	124,727
-	-	234,114	1,268,940
-	10,314,451	12,415,809	25,735,011
-	82,376	331,113	10,073,458
-	50,000	-	2,416,493
-	-	-	169,139
-	26,687	1,817,554	3,940,108
10,254,598	10,499,247	35,075,850	118,762,986
-	-	-	35,398,811
-	7,857,883	16,983,413	28,042,204
-	-	-	286,771
-	-	792,397	10,310,829
3,364,668	-	8,841,655	14,554,888
-	-	67,358	10,540,061
189,518	-	9,487,575	9,879,128
50,482	-	2,583,138	2,633,620
-	9,430,324	21,019,608	34,953,743
3,604,668	17,288,207	59,775,144	146,600,055
6,649,930	(6,788,960)	(24,699,294)	(27,837,069)
-	-	5,306,315	13,925,382
(5,206,495)	-	(99,820)	(13,925,382)
-	-	557,496	557,496
-	-	-	336,362
-	-	(6,472,000)	(6,472,000)
1,155,453	-	-	5,120,418
-	-	-	1,986,893
-	-	6,360,000	6,360,000
-	-	13,790,000	13,790,000
(4,051,042)	-	19,441,991	21,679,169
2,598,888	(6,788,960)	(5,257,303)	(6,157,900)
2,528,646	19,465,876	41,886,023	89,634,383
$ 5,127,534	$ 12,676,916	$ 36,628,720	$ 83,476,483

City of Waterloo, Iowa

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2021

Net change in fund balances—governmental funds			$ (6,157,900)
Amounts reported for governmental activities in the statement of activities are different because:			
Capital outlays to purchase or construct capital assets are reported in the governmental funds as expenditures. However, those costs are reported in the statement of net position and are allocated over their estimated useful lives as depreciation expense in the statement of activities. The amounts of capital outlay and depreciation expense for the year are as follows:			
Capital outlay	$ 46,089,860		
Depreciation	(16,032,557)		30,057,303
The net effect of various miscellaneous transactions involving capital assets is to increase/decrease net position:			
Proceeds from sale of capital assets	(336,362)		
Capital asset contributions	1,883,824		
Net (loss) on disposal of capital assets	(6,103)		1,541,359
The issuance of long-term debt provides current financial resources to governmental funds while repayment of the principal of long-term debt consumes current financial resources. These transactions have no effect on the change in net position in the statement of activities. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In addition, interest is accrued on outstanding debt in the statement of net position whereas in the governmental funds an interest expenditure is reported only when due. The following is a detail of the net effect on these differences in the treatment of long-term debt and related items:			
General obligation bonds issued for governmental purposes	(20,150,000)		
Issuance of other long-term debt, inlcuding capital lease	(5,120,418)		
Repayment of general obligation bond principal	15,045,000		
Repayment of other long-term debt principal, inlcuding capital lease	1,306,128		
Bond premium	(557,496)		
Amortization of bond discounts and premiums	406,777		
Change in accrued interest	14,527		(9,055,482)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the governmental funds:			
Current year			5,750,192
Prior year			(5,427,673)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:			
OPEB expense			538,723
Change in workers' compensation claims payable			(78,004)
Change in compensated absences and deferred compensation liabilities			(29,015)
Pension expense—IPERS			(568,641)
Pension expense—MFPRSI			(3,410,425)
Change in net position of governmental activities			$ 13,160,437

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Net Position
Enterprise Funds
June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 14,353,188	$ 3,558,502	$ 17,911,690
Customer accounts receivable, net	3,568,042	1,035,597	4,603,639
Special assessments receivable	3,154	304,508	307,662
Due from other governments:			
Waterloo Water Works	1,008,037	564,170	1,572,207
Other	1,860	44,776	46,636
Inventories	36,284	95,324	131,608
Total current assets	18,970,565	5,602,877	24,573,442
Noncurrent assets:			
Advances to other funds	27,003	11,701	38,704
Restricted cash and cash equivalents	570,476	129,830	700,306
Capital assets, net of accumulated depreciation	94,034,292	1,774,643	95,808,935
Capital assets not being depreciated	26,119,743	-	26,119,743
Net capital assets	120,154,035	1,774,643	121,928,678
Total noncurrent assets	120,751,514	1,916,174	122,667,688
Total assets	139,722,079	7,519,051	147,241,130
Deferred Outflows of Resources			
Pension related amounts	542,395	210,923	753,318
OPEB related amounts	185,115	130,227	315,342
Total deferred outflows of resources	727,510	341,150	1,068,660
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities:			
Current liabilities:			
Accounts payable	2,615,244	298,559	2,913,803
Retainages payable	974,526	-	974,526
Accrued liabilities	175,309	87,572	262,881
Current maturities of general obligation and capital loans	3,182,240	-	3,182,240
Compensated absences and deferred compensation	171,555	75,129	246,684
Accrued interest	40,150	-	40,150
Total current liabilities	7,159,024	461,260	7,620,284
Noncurrent liabilities:			
Security deposits	287,200	129,830	417,030
General obligation bonds, net bond discount and premium	10,526,967	-	10,526,967
State revolving fund capital loan	16,186,491	-	16,186,491
Total other postemployment benefits liability	1,656,797	1,165,546	2,822,343
Compensated absences and deferred compensation	19,110	20,090	39,200
Net pension liability	2,369,387	948,525	3,317,912
Total noncurrent liabilities	31,045,952	2,263,991	33,309,943
Total liabilities	38,204,976	2,725,251	40,930,227
Deferred Inflows of Resources			
Pension related amounts	109,738	44,858	154,596
OPEB related amounts	16,590	11,671	28,261
Total deferred inflows of resources	126,328	56,529	182,857
Net Position			
Net investment in capital assets	90,302,113	1,774,643	92,076,756
Restricted for debt service	138,467	-	138,467
Unrestricted	11,677,705	3,303,778	14,981,483
Total net position	$ 102,118,285	$ 5,078,421	$ 107,196,706

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
Year Ended June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Operating revenues:			
Charges for sales and service	$ 16,576,262	$ 5,818,547	$ 22,394,809
Miscellaneous	221,167	16,752	237,919
Total operating revenues	16,797,429	5,835,299	22,632,728
Operating expenses:			
Salaries and benefits	4,127,673	1,779,064	5,906,737
Contractual services	2,012,222	2,239,600	4,251,822
Intra-city reimbursements	692,000	376,500	1,068,500
Commodities	1,394,143	483,861	1,878,004
Depreciation	3,443,779	393,287	3,837,066
Total operating expenses	11,669,817	5,272,312	16,942,129
Operating income	5,127,612	562,987	5,690,599
Nonoperating revenues (expenses):			
Interest income	4,579	6,420	10,999
Intergovernmental	1,001	273,550	274,551
Interest expense	(467,284)	-	(467,284)
Amortization	26,663	-	26,663
Gain on sale of capital assets	8,000	-	8,000
Total nonoperating revenues (expenses)	(427,041)	279,970	(147,071)
Income prior to capital contributions	4,700,571	842,957	5,543,528
Capital contributions	204,889	-	204,889
Change in net position	4,905,460	842,957	5,748,417
Net position, beginning of year	97,212,825	4,235,464	101,448,289
Net position, end of year	$ 102,118,285	$ 5,078,421	$ 107,196,706

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Cash Flows
Enterprise Funds
Year Ended June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Cash flows from operating activities:			
Receipts from customers and users	$ 16,573,908	$ 5,873,289	$ 22,447,197
Payments to suppliers	(5,004,418)	(2,760,538)	(7,764,956)
Payments to or on behalf of employees	(3,973,483)	(1,877,263)	(5,850,746)
Payment for interfund services used	(692,000)	(376,500)	(1,068,500)
Net cash provided by operating activities	6,904,007	858,988	7,762,995
Cash flows from noncapital financing activities, intergovernmental proceeds	2,034	245,152	247,186
Cash flows from capital and related financing activities:			
Purchase and construction of capital assets	(18,194,362)	(351,567)	(18,545,929)
Proceeds from disposal of capital assets	41,783	-	41,783
Proceeds from bonds and notes	18,657,663	-	18,657,663
Principal paid on debt	(5,307,473)	-	(5,307,473)
Interest paid on debt	(461,971)	-	(461,971)
Net cash used in capital and related financing activities	(5,264,360)	(351,567)	(5,615,927)
Cash flows from investing activities, interest received	4,579	6,420	10,999
Increase in cash and cash equivalents	1,646,260	758,993	2,405,253
Cash and cash equivalents, beginning of year	13,277,404	2,929,339	16,206,743
Cash and cash equivalents, end of year	$ 14,923,664	$ 3,688,332	$ 18,611,996
Reconciliation of cash and cash equivalents to statement of net position:			
Unrestricted cash and cash equivalents	$ 14,353,188	$ 3,558,502	$ 17,911,690
Restricted cash and cash equivalents	570,476	129,830	700,306
	$ 14,923,664	$ 3,688,332	$ 18,611,996

(Continued)

City of Waterloo, Iowa

Statement of Cash Flows (Continued)
Enterprise Funds
Year Ended June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 5,127,612	$ 562,987	$ 5,690,599
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	3,443,779	393,287	3,837,066
(Increase) decrease in accounts receivable	(122,386)	78,130	(44,256)
Increase in due from Waterloo Water Works	(101,135)	(40,140)	(141,275)
(Increase) decrease in inventories and prepaids	16,506	(95,324)	(78,818)
Increase (decrease) in accounts payable	(1,614,559)	58,247	(1,556,312)
Increase in accrued liabilities	10,559	21,628	32,187
Increase (decrease) in other post employment benefits liability	45,747	(178,136)	(132,389)
Decrease in compensated absences and deferred compensation	(5,665)	(5,410)	(11,075)
Increase in net pension liability	84,548	34,755	119,303
Decrease in deferred outflows of resources	37,266	39,494	76,760
Decrease in deferred inflows of resources	(18,265)	(10,530)	(28,795)
Net cash provided by operating activities	$ 6,904,007	$ 858,988	$ 7,762,995
Schedule of noncash capital and related financing activities:			
Payables for acquisition of capital assets	$ 3,197,762	$ -	$ 3,197,762
Capital assets contributed	204,889	-	204,889

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Fiduciary Net Position
Custodial Fund
June 30, 2021

	Custodial Fund
Assets	
Cash and cash equivalents	$ 25,957
Liabilities	
Due to other governments	25,957
Net Position	
Restricted for others	$ -

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Changes in Fiduciary Net Position
Custodial Fund
Year Ended June 30, 2021

	Custodial Fund
Additions:	
Property taxes collected for others	$ 2,149,213
Building permits	129,979
Other additions	57,980
Total additions	2,337,172
Deductions:	
Payments to other governments	2,337,172
Change in net position	-
Net position, beginning of year	-
Net position, end of year	$ -

See notes to basic financial statements.

City of Waterloo, Iowa

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Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies

Nature of operations:

The City of Waterloo, Iowa (City) is a political subdivision of the state of Iowa located in Black Hawk County. It was incorporated in 1868 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the full-time Mayor and seven part-time City Council members elected on a nonpartisan basis. The Mayor is elected for a two-year term. City Council members from five wards plus two at-large are elected for staggered four-year terms. The City provides numerous services to citizens including public safety, public works, health and social services, culture and recreation, community and economic development and general government services. The City also provides sanitary sewer and sanitation (garbage pickup) utilities for its citizens. Through its component unit, Waterloo Water Works, water utility services are also provided.

Reporting entity:

In accordance with Governmental Accounting and Financial Reporting Standards, the basic financial statements include all funds, organizations, agencies, boards, commissions, authorities and material component units and have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The City has considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on, the City.

These financial statements present the City of Waterloo (the primary government) and its discretely presented component units, the Waterloo Water Works and Waterloo Convention & Visitors Bureau, Inc. Complete financial statements of the Waterloo Water Works component unit can be obtained from the Waterloo Water Works administrative office, 325 Sycamore Street, Waterloo, Iowa. Complete financial statements of the Waterloo Convention & Visitors Bureau, Inc. can be obtained from their office at 500 Jefferson Street, Waterloo, Iowa.

Blended component unit: The Waterloo Housing Authority (Authority) is governed by a board that includes all seven members of the City Council plus two members appointed by the Mayor, subject to approval of a majority of the City Council, for a total of nine members. Although the Authority is considered legally separate from the City, it has a financial benefit/burden relationship with the City. Due to the nature of its relationship with the City, the Authority is considered part of the primary government. The Authority is reported as a special revenue fund.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Discretely presented component units:

***Waterloo Water Works*:** The Waterloo Water Works is a component unit that is legally separate from the City, but is financially accountable to the City. The Waterloo Water Works is governed by a three-member board appointed by the City Council and its operating budget is subject to the review of the City Council. The Waterloo Water Works operates on a calendar year-end and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. Due to the different year-end, the amount reported by the Waterloo Water Works as due to the primary government and the primary government's due from the Waterloo Water Works do not agree by $122,910.

***Waterloo Convention & Visitors Bureau, Inc.*:** The Waterloo Convention & Visitors Bureau, Inc. (the Organization) is a nonprofit corporation and a component unit of the City whose purpose is to strengthen the local economy by competitively marketing the area as a destination for conventions, tour groups, sporting events and individual travelers.

The Organization's operations are funded primarily by an allocation of the local hotel/motel tax from the City's local transient guest tax. By ordinance, the City allocates 50% of the tax to the Organization.

The Organization is governed by a 15-member Board of Directors. Five members are appointed by the City, and the other ten are elected by other members of the Organization's Board. Although the City does not appoint the voting majority of the Organization's Board of Directors, the Organization has been determined to be fiscally dependent on the City.

Basis of presentation:

Government-wide financial statements: The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate Waterloo Water Works and Waterloo Convention & Visitors Bureau, Inc. component units.

The statement of net position presents the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given program or function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program or function. Program/function revenue includes: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given program/function and (2) grants, contributions and other resources that are restricted to meeting the operational or capital requirements of a particular program/function. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Fund financial statements: Separate financial statements are provided for governmental and proprietary funds. The focus of fund financial statements is on major funds. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds. The other enterprise fund is reported in a separate column on the enterprise funds financial statements as a nonmajor fund.

Description of funds: The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenue and expenditures or expenses, and other financing sources and uses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into categories as follows:

Governmental Fund Types: Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, the fund equity, is referred to as “fund balance.” The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City’s governmental fund types:

General fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on long-term debt.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The City had the following major governmental funds:

General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

Trust and Agency (Employee Benefits) Special Revenue Fund is required by the Code of Iowa to account for property taxes levied for employee benefits. This fund either pays benefits as expenditures (primarily police and fire pension costs) or transfers cash to the General Fund to reimburse allowable benefits paid from that fund.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Tax Increment Financing Fund is a special revenue fund used to account for the accumulation of resources from tax increment financing projects, payment of contracted rebates and other obligations related to the projects and transfers to the GO Debt Service Fund and/or other funds to reimburse the other funds for expenditures on the projects.

Road Use Tax Fund is a special revenue fund required by the Code of Iowa to account for the City's share of fuel taxes collected and allocated by the State which is restricted for local street maintenance.

Proprietary Fund Type: Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows.

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to that of a private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The City had the following major enterprise fund:

***Sanitary Sewer Fund*:** Operates the sewage collection system and wastewater treatment plant.

Fiduciary Fund Type: To account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Fund: This is a custodial fund used to account for property taxes collected on behalf of the Metropolitan Transit Agency, Water Works kill water assessments, Grout Museum District and building permits passed through to Black Hawk County.

Measurement focus and basis of accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied and budgeted for. Grants and similar items are recognized as revenue at the same time the related asset is recorded. For reimbursable grants, the asset is recorded as soon as all eligibility requirements imposed by the provider have been met.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if it is collected within 60 days of the end of the fiscal year.

Property taxes when levied for, other taxes, charges for services, intergovernmental revenue (shared revenue, grants and reimbursements from other governments) and interest are considered to be measurable and are recognized as revenue, if available. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, pension benefits and compensated absences are recorded as expenditures only when payment is due and the liability has matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt, premiums and discounts on the issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants and general revenue. It is the City's policy to first apply cost-reimbursement grant resources to such programs and then by general revenue.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the City's enterprise funds are charges to customers for services. Operating expenses include the costs of services and administrative expenses. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Budgets and budgetary accounting: The budgetary comparison and related disclosures are reported as required supplementary information.

Summary of significant accounting policies:

The significant accounting policies followed by the City include the following:

Cash and cash equivalents: The cash balances of most City funds are pooled and deposited into interest-bearing demand deposit accounts, certificates of deposit and Iowa Public Agency Investment Trust (IPAIT). Interest earned on investments is allocated among funds in the ratio of cash provided by the fund unless otherwise provided by law. Interest earned by the Road Use Tax Fund is allocated to the General Fund. Investments consist of nonnegotiable certificates of deposit and deposits in IPAIT money market accounts which are stated at amortized cost plus accrued interest.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid (including restricted assets) are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Receivables and payables: Receivables are reported net of any allowance for uncollectible accounts. As of June 30, 2021, the General Fund and the enterprise funds had allowances for uncollectible customer accounts totaling $746,810 and $289,914, respectively.

Property taxes receivable are recognized on the levy or lien date, which is the date that the tax asking is certified by the City to the County Board of Supervisors. Current year delinquent property taxes receivable represent unpaid taxes from the current year. The succeeding year property taxes receivable represent taxes certified by the City to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the City is required to certify its budget to the County Auditor by March 31 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property taxes receivable have been recorded, the related revenue is reported as a deferred inflow of resources (unavailable revenue) and will not be recognized as revenue until the year for which it is levied and budgeted for.

Property tax revenue which became due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; was based on January 1, 2019 assessed property valuations; was for the tax accrual period July 1, 2020 through June 30, 2021; and reflected the tax asking contained in the budget certified to the County Board of Supervisors in March 2020.

Special assessments are levied against certain property owners and become liens against the property benefited by the improvement. Special assessments receivable consist of current assessments which are due within one-year, delinquent assessments remaining unpaid after the due date, uncollected assessments which have been levied, but are not due within one year.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services.

Loans and notes consist of amounts advanced to private individuals or organizations. Collections of principal and interest from loans and notes made from federal funds are program income of the federal program when received in cash.

Due from other governments consists of grants, shared revenue and amounts collected by other governments on behalf of the City.

Inventories and prepaids: Inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when purchased. Inventories and prepaids recorded in the governmental fund types do not reflect current available resources; therefore, an equivalent portion of fund balance is nonspendable.

Prepaids consist primarily of a deposit for insurance deductibles and premiums paid in advance, which are recorded as an expenditure or an expense when consumed.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Restricted assets: Certain assets of the governmental funds and enterprise funds are classified as restricted assets because their use is completely restricted by donors, bond indentures, contracts or grant agreements.

Bond discounts, premiums and issuance costs: In the government-wide financial statements and proprietary fund types in the fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported as an expense in the year the costs are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs are reported as an expenditure in the year the costs are incurred.

Capital assets: Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide statement of net position and in the fund financial statements for proprietary funds. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset useful lives are not capitalized.

Capital assets, other than infrastructure, are defined by the City as assets with an initial, individual cost in excess of $5,000 and estimated useful lives in excess of one year. Infrastructure is defined by the City as assets available for public use, other than buildings, and having a cost of $50,000 or more.

Depreciation is computed using the straight-line method over the estimated useful life of the asset. Estimated useful lives are as follows:

	Years
Governmental activities:	
Buildings and improvements	10 - 40
Infrastructure	15 - 100
Furniture and equipment	3 - 20
Vehicles, machinery and equipment	3 - 25
Software	5
Assets under capital lease	10 - 15
Business-type activities:	
Buildings	15 - 50
Improvements other than buildings	50
Furniture and equipment	5 - 20
Vehicles, machinery and equipment	5 - 10
Software	5
Discretely presented component units:	
Buildings and improvements	8 - 40
Water supply and distribution systems	10 - 99
Meters and equipment	5 - 63
Machinery and equipment	5 - 26
Leasehold improvements	5 - 39

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

The City's collection of works of art, library books and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to City policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. These items are pension and OPEB related deferred outflows of resources, which consists of unrecognized items not yet charged to pension and OPEB expense and pension contributions from the City after the measurement date but before the end of the City's reporting period.

Deferred inflows of resources: In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from four sources: property taxes, local option sales taxes, special assessments and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In the City's government-wide statements, the property tax revenues are reported as a deferred inflow of resources and will become an inflow in the year for which they are levied and budgeted for. The City's government-wide and enterprise fund statements also include unrecognized pension and OPEB related amounts as deferred inflows.

Pensions: The net pension liability, deferred inflows and outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and the Municipal Fire and Police Retirement System of Iowa (MFPRSI) and additions to/deductions from IPERS' and MFPRSI's fiduciary net position have been determined on the same basis as they are reported by IPERS and MFPRSI. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total OPEB liability: For purposes of measuring the total other postemployment benefit (OPEB) liability, deferred inflows of resources related to OPEB and OPEB expense, information has been based on an actuary report. For that purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total of OPEB liability attributable to governmental activities will be paid primarily by the General Fund.

Interfund transactions: Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective fund's operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Noncurrent portions of long-term interfund loan receivables and payables are reported as advances within the governmental and enterprise funds.

Compensated absences: City ordinances and labor contracts with the City call for the accumulation of vacation, compensatory time and sick leave for subsequent use or for payment upon termination or retirement. During 2001, the City began offering an early sick leave payout option for certain employees. Qualifying employees can elect to receive 60% of the time in their frozen sick leave bank over a five-year period prior to their retirement or termination of employment. Vacation and compensatory time are accrued when incurred in the government-wide and the proprietary funds statements and reported as a liability. Matured compensated absences, for example, as a result of employee retirements and resignations, are considered due and expected to be liquidated with expendable available financial resources and are reported as an expenditure and a fund liability of the respective governmental fund. Governmental fund liabilities for unmatured compensated absences are not reported in the fund financial statements.

Long-term liabilities: In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities.

In the governmental fund financial statements, the face amount of long-term debt issued is reported as an other financing source.

Fund balance: In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated by the City Council to the Chief Financial Officer in accordance with the City's Fund Balance and Reserve Policy.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the City's policy is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

Net position: Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Amounts reported as net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Unspent debt proceeds for the various capital project GO Bonds Funds are $25,365,517. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The government-wide statement of net position reports $39,925,625 of restricted net position for governmental activities of which $7,924,071 is restricted by enabling legislation for debt service, library, tourism promotion and public access television.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Indirect allocations: Operating funds, departments and activities receive services from supporting funds, departments and activities. Annually, management estimates the value of those services and records applicable indirect allocations. Activities related to federal grant programs have not been included in the indirect cost calculations, but are reported within the function the grant serves.

Estimates and assumptions: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 2. Cash and Investments

Interest rate risk: The City's policy allows the operating funds to be invested in instruments authorized by the City's investment policy that mature within 397 days and funds not identified as operating funds to be invested with maturities longer than 397 days. However, all investments of the City shall have maturities that are consistent with the liquidity needs of the City.

As of June 30, 2021, the City had investments in the Iowa Public Agency Investment Trust (IPAIT) which were valued at an amortized cost of $19,895,019, pursuant to GASB Statement No. 79. IPAIT is registered with the Securities and Exchange Commission. The City's investment in IPAIT is not subject to interest rate risk.

The discretely presented Waterloo Water Works component unit's certificates of deposit are restricted to comply with debt covenants and to secure customer deposits.

Credit risk: In accordance with the City's investment policy, the City may invest in interest bearing savings accounts, interest bearing money market accounts, and interest bearing checking accounts at any bank, savings and loan associations or credit union in the state of Iowa, obligations of the United States government, its agencies and instrumentalities, certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions, IPAIT, prime bankers' acceptances that mature within 270 days of purchase and are eligible for purchase by a Federal Reserve Bank, commercial paper or other short-term corporate debt that matures within 270 days of purchase and is rated within the two highest classifications, as established by at least one of the standard rating services, repurchase agreements, open-end management investment company organized in trust form, registered with Securities & Exchanges Commission. The policy does not allow the City to invest in reverse repurchase agreements and futures and options contracts.

The investment in the Iowa Public Agency Investment Trust is rated AAAm by Standard & Poors.

Concentration of credit risk: The City's investment policy is to diversify its investment portfolio to eliminate the risk of loss resulting from overconcentration of assets in a specific maturity, a specific issuer or a specific class of securities. Accordingly, the policy limits the City from investing in prime bankers' acceptances or commercial paper of more than 10% of the investment portfolio and more than 5% of the investment portfolio with a single issuer at the time of purchase. In addition, no more than 5% of all amounts invested in commercial paper and other short-term corporate debt shall be invested in paper and debt rated in the second highest classification at the time of purchase. As of June 30, 2021, the City's investments were not subject to concentration of credit risk.

Custodial credit risk: For deposits, this is the risk that in the event of bank failure, the City's deposits may not be returned to it. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City and Waterloo Water Works' deposits as of June 30, 2021 were entirely covered by federal depository insurance, National Credit Union insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure that there will be no loss of public funds. In addition, the City had no investments subject to custodial credit risk since the City does not hold the underlying investments.

Note 3. Leasing Activities

Airport: The Waterloo Municipal Airport has entered into various operating leases with airlines, fixed base operators, auto lease companies, the airport hangar tenants, as well as farm airport land. These agreements range from month-to-month leases to longer-term leases with various specified terms. Some of these lease agreements contain cancellable conditions which eliminate any future guaranteed rentals or are contingent upon income produced by the lessee. The following is a schedule by years of the future minimum lease rentals to be received under these leases as of June 30:

During the years ending June 30:	
2022	$ 328,579
2023	54,969
2024	54,969
2025	8,756
2026	4,375
Total future minimum lease rentals to be received	$ 451,648

Board of Regents, State of Iowa: The City has entered into a lease agreement with the Board of Regents, State of Iowa, for the former Chicago Great Western Depot building. The term of the lease is from August 21, 2001 through August 20, 2021 at a rate of $6,035 per month. The following is a schedule by years of the future minimum lease rentals to be received under the lease as of June 30:

During the year ending June 30, 2022	$ 12,070

Waterloo Convention Center: The City contracted with Global Spectrum, L.P. d/b/a Spectra Venue Management, effective January 15, 2020 for management of the Convention Center operations. The initial term of the agreement expires June 30, 2025 and includes an optional extension period of five additional years and may be terminated with 90 days advance written notice if net operating income benchmarks (set annually) are not met in each of two consecutive operating years or by either party with thirty days written notice for failure to comply with the agreement. The agreement requires the city to pay Global Spectrum, L.P. a fixed management fee of $10,000 per month through June 30, 2025. In addition to the fixed fees, Global Spectrum, L.P. is eligible for qualitative and quantitative incentive fees based on performance.

Global Spectrum, L.P. agreed to contribute $350,000 to be used for transition expenses, improvements or equipment at the Facility designed to increase Revenue. If the agreement is terminated prior to January 15, 2030, a portion of the contribution must be repaid to Global Spectrum, L.P.

Note 4. Loans and Notes

Community Development Block Grant (CDBG) Loans:

Low-income housing loans: The City has provided six loans for low-income housing projects, five of which have a below-market interest rate. All have minimal payments required each year until maturity. The balance of the six loans at June 30, 2021 was $1,073,132. Maturities range from September 2021 to August 2031. Cash received is program income and considered to be charges for services. Given the nature and collection history of the loans, the City has determined these amounts are uncollectible and has recorded an allowance for the full amount of the loans.

Forgivable loans: The City, through its CDBG, HOME program, Economic Development Initiative program, Lead Paint Removal grant, federal and state Jumpstart funds and Iowans Helping Iowans funds, provides forgivable rehabilitation loans to low-income households. The loans are forgiven on a sliding scale over a five-year period, provided the home is not sold or abandoned. If the home is sold or abandoned, the City's lien against the property prevents a clear title transfer unless the unforgiven portion of the note is satisfied. As of June 30, 2021, the City had made 1,785 such loans totaling $35,685,790. The loan balances are considered forgivable and/or uncollectible by the City given the nature and terms of the loans and therefore, have not been recorded as assets on the balance sheet.

Note 5. Interfund Activity

The composition of interfund receivables and payables balances as of June 30, 2021 was as follows:

	Due From	Due To
Major governmental funds:		
General	$ 7,004,681	$ -
Nonmajor governmental funds	-	7,004,681
	$ 7,004,681	$ 7,004,681

Advances to and from other funds as of June 30, 2021, were as follows:

	Advances To	Advances From
Major governmental funds:		
General	$ -	$ 168,316
Road Use Tax	108,189	-
Nonmajor governmental funds	21,423	-
Major Enterprise Fund, sanitary sewer	27,003	-
Nonmajor Enterprise Fund, sanitation	11,701	-
	$ 168,316	$ 168,316

Note 5. Interfund Activity (Continued)

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. The interfund receivables and payables are scheduled to be collected in the subsequent year whereas the interfund advances are not.

Due to/from primary government and component units:

Due to (from) governmental funds:	
Road use tax	$ (6,059)
Aggregate nonmajor	121,538
Due from Water Works	115,479
Due to enterprise funds:	
Sanitary sewer	1,008,037
Sanitation	564,170
Due from Waterloo Water Works	1,572,207
Total due from Water Works	1,687,686
Waterloo Water Works—due to primary government	1,564,776
Difference	$ 122,910

The difference in the above amounts of $122,910 results from the different year ends of the entities as described in Note 1.

Due to Waterloo Convention & Visitors Bureau, Inc. from General Fund	$ 185,895

The following is a schedule of transfers as included in the basic financial statements of the City:

	Transfers In	Transfers Out
Major governmental funds:		
General	$ 8,619,067	$ -
Trust and agency	-	8,619,067
Tax increment financing	-	5,206,495
Nonmajor governmental funds	5,306,315	99,820
	$ 13,925,382	$ 13,925,382

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance June 30, 2020	Additions	Deletions	Transfers	Ending Balance June 30, 2021
Governmental Activities					
Capital assets, not being depreciated:					
Land	$ 46,081,492	$ 22,875	$ -	$ -	$ 46,104,367
Land held for redevelopment	16,640,416	1,860,949	274,000	-	18,227,365
Construction-in-progress	16,004,764	40,344,938	-	(9,897,684)	46,452,018
Total capital assets, not being depreciated	78,726,672	42,228,762	274,000	(9,897,684)	110,783,750
Capital assets, being depreciated:					
Buildings and improvements	137,409,130	79,723	1,652,937	1,428,154	137,264,070
Infrastructure	420,187,540	-	-	8,318,780	428,506,320
Vehicles, machinery, furniture and equipment	33,910,317	5,665,199	928,291	150,750	38,797,975
Software	817,293	-	-	-	817,293
Total capital assets, being depreciated	592,324,280	5,744,922	2,581,228	9,897,684	605,385,658
Less accumulated depreciation for:					
Buildings and improvements	74,300,140	3,125,859	1,601,170	-	75,824,829
Infrastructure	174,877,411	10,646,118	-	-	185,523,529
Vehicles, machinery, furniture and equipment	24,379,284	2,235,752	911,593	-	25,703,443
Software	766,686	24,828	-	-	791,514
Total accumulated depreciation	274,323,521	16,032,557	2,512,763	-	287,843,315
Total capital assets, being depreciated, net	318,000,759	(10,287,635)	68,465	9,897,684	317,542,343
Governmental activities capital assets, net	$ 396,727,431	$ 31,941,127	$ 342,465	$ -	$ 428,326,093

Note 6. Capital Assets (Continued)

	Beginning Balance June 30, 2020	Additions	Deletions	Transfers	Ending Balance June 30, 2021
Business-Type Activities					
Capital assets, not being depreciated:					
Land	$ 657,900	$ 101,333	$ -	$ -	$ 759,233
Construction-in-progress	7,736,342	20,937,685	33,783	(3,279,736)	25,360,508
Total capital assets, not being depreciated	8,394,242	21,039,018	33,783	(3,279,736)	26,119,741
Capital assets, being depreciated:					
Buildings	71,699,337	-	-	-	71,699,337
Improvements other than buildings	68,687,192	-	-	3,279,736	71,966,928
Vehicles, machinery, furniture and equipment	13,825,416	909,561	41,341	-	14,693,636
Total capital assets, being depreciated	154,211,945	909,561	41,341	3,279,736	158,359,901
Less accumulated depreciation for:					
Buildings	29,070,832	1,413,166	-	-	30,483,998
Improvements other than buildings	20,777,922	1,373,746	-	-	22,151,668
Vehicles, machinery, furniture and equipment	8,906,485	1,050,154	41,341	-	9,915,298
Total accumulated depreciation	58,755,239	3,837,066	41,341	-	62,550,964
Total capital assets, being depreciated, net	95,456,706	(2,927,505)	-	3,279,736	95,808,937
Business-type activities capital assets, net	$ 103,850,948	$ 18,111,513	$ 33,783	$ -	$ 121,928,678

Note 6. Capital Assets (Continued)

Discretely Presented Component Unit - Waterloo Water Works Capital Assets	Beginning Balance December 31, 2020	Additions	Deletions	Ending Balance December 31, 2021
Capital assets, not being depreciated:				
Land	$ 472,362	$ -	$ -	$ 472,362
Construction-in-progress	3,967,250	1,013,563	(1,281,182)	3,699,631
Total capital assets, not being depreciated	4,439,612	1,013,563	(1,281,182)	4,171,993
Capital assets, being depreciated:				
Buildings and improvements	1,799,537	-	-	1,799,537
Water supply and distribution systems	35,299,456	1,860,410	-	37,159,866
Meters and equipment	1,179,260	63,453	-	1,242,713
Machinery and equipment	3,927,453	219,610	(75,381)	4,071,682
Total capital assets, being depreciated	42,205,706	2,143,473	(75,381)	44,273,798
Less accumulated depreciation for:				
Buildings and improvements	926,982	25,388	-	952,370
Water supply and distribution systems	10,116,596	799,972	-	10,916,568
Meters and equipment	804,276	14,769	-	819,045
Machinery and equipment	2,276,785	266,017	(75,381)	2,467,421
Total accumulated depreciation	14,124,639	1,106,146	(75,381)	15,155,404
Total capital assets, being depreciated, net	28,081,067	1,037,327	-	29,118,394
Net discretely presented component unit—Waterloo Water Works capital assets, net	$ 32,520,679	$ 2,050,890	$ (1,281,182)	$ 33,290,387

Discretely Presented Component Unit - Waterloo Convention & Visitors Bureau, Inc.	Beginning Balance June 30, 2020	Additions	Deletions	Ending Balance June 30, 2021
Capital assets, being depreciated:				
Equipment	$ 130,104	$ -	$ -	$ 130,104
Leasehold improvements	125,924	-	-	125,924
Total capital assets, being depreciated	256,028	-	-	256,028
Less accumulated depreciation	207,806	13,049	-	220,855
Total capital assets, being depreciated, net	$ 48,222	$ (13,049)	$ -	$ 35,173

Note 6. Capital Assets (Continued)

Depreciation expense was charged by the City as follows for the year ended June 30, 2021:

Governmental activities:	
Public safety	$ 930,563
Public works	12,858,909
Culture and recreation	1,980,566
Community and economic development	149,186
General government	113,333
Total governmental activities	16,032,557
Business-type activities:	
Sanitary sewer	3,443,779
Sanitation	393,287
Total business-type activities	3,837,066
Total primary government	$ 19,869,623
Component unit—Waterloo Water Works	$ 1,106,146
Component unit—Waterloo Convention & Visitors Bureau, Inc.	$ 13,049

Note 7. Compensated Absences

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. A calendar year is primarily used for the calculation of vacation pay benefits while sick leave utilizes the City's fiscal year. Vacation days for most bargaining unit employees must be taken or paid during the calendar year with limited exceptions. Nonbargaining unit employees may carry forward up to 10 days' vacation with proper approval. Upon termination, employees receive payment for unused vacation plus a payment for vacation hours accrued from January through the termination date. As of June 30, 2021, there was $3,517,883 accrued for vacation.

Prior to July 1, 1984, sick leave was allowed to accumulate to a maximum of 240 days, except for police and fire personnel who could accumulate a maximum of 260 days. Any unused days as of July 1, 1984 were accumulated into a frozen sick leave bank. The days frozen in the bank are paid upon use, termination or retirement (except for library employees who will only be paid upon use). If paid upon retirement, the amount due to employees is computed as the amount equal to 60% of the total accumulated hours times the employee's current pay rate paid to employees. Retirees have the option of receiving the payout immediately or receiving it as an annuity over 60 months. Active employees could elect to receive a payout of 60% of their frozen sick dollars beginning in July 2001. As of June 30, 2021, there was $48,838 accrued for the frozen sick leave bank.

After July 1, 1984, sick leave is allowed to accumulate up to 12 days per year. At the end of the year, 25% of any unused sick leave is rolled over to the employee's casual leave bank and the balance of 75% of the unused sick leave is added to the employee's sick leave storage bank for future use. The days accumulated in the bank after July 1, 1984 are not payable upon termination or retirement. Certain Fire Department employees are eligible to roll 75% of their unused sick leave, with the balance added to their sick leave storage bank.

Note 7. Compensated Absences (Continued)

Certain employees can elect either to be paid overtime compensation or to accrue the hours as compensatory time, defined as additional time off from regular hours. Employees are required to be paid for these services upon termination of employment. Maximum hours eligible to be used later as compensatory time are limited by law and labor contracts. Governmental funds do not recognize these accumulations as expenditures until paid. As of June 30, 2021, there was $1,658,638 accrued for unused compensatory time, which includes unused sick leave and frozen sick leave bank.

Employees are also eligible to receive pay-outs of a portion of unused casual leave. The accrued casual pay is reported as compensated absences in the applicable fund which includes $118,326 in governmental funds, as the liabilities are considered matured and are expected to be liquidated with expendable available financial resources, and $247 in an enterprise fund. Frozen sick leave, vacation pay and compensatory time liabilities are accrued when incurred in the government-wide and proprietary fund statements and reported as a liability.

Note 8. Long-Term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2021:

	June 30, 2020	Additions	Reductions	June 30, 2021	Due Within One Year
Governmental activities:					
General obligation bonds	$ 85,980,000	$ 20,150,000	$ 15,045,000	$ 91,085,000	$ 8,960,000
Loans and notes (direct borrowing)	5,862,152	1,155,453	1,104,093	5,913,512	1,120,424
Capital lease	-	3,964,965	202,035	3,762,930	401,242
Compensated absences	4,970,231	3,860,748	3,821,769	5,009,210	3,247,849
Total OPEB liability	19,076,867	-	634,660	18,442,207	-
Net pension liability—IPERS	11,435,190	1,875,564	-	13,310,754	-
Net pension liability—MFPRSI	36,614,772	7,024,214	-	43,638,986	-
Subtotal	163,939,212	38,030,944	20,807,557	181,162,599	13,729,515
Unamortized discounts	(172,379)	-	(7,715)	(164,664)	-
Bond premium	1,469,171	557,496	414,492	1,612,175	-
Total long-term liabilities, governmental activities	$ 165,236,004	$ 38,588,440	$ 21,214,334	$ 182,610,110	$ 13,729,515
Business-type activities:					
General obligation bonds	$ 14,365,000	$ 2,830,000	$ 4,880,000	$ 12,315,000	$ 1,965,000
State revolving fund capital loans (direct borrowing)	2,030,495	15,800,709	427,473	17,403,731	1,217,240
Compensated absences	296,959	321,736	332,811	285,884	246,684
Total OPEB liability	2,954,732	-	132,389	2,822,343	-
Net pension liability—IPERS	2,826,664	491,248	-	3,317,912	-
Subtotal	22,473,850	19,443,693	5,772,673	36,144,870	3,428,924
Unamortized discounts	(61,630)	-	(2,328)	(59,302)	-
Bond premium	238,306	26,954	28,991	236,269	-
Total long-term liabilities, business-type activities	$ 22,650,526	$ 19,470,647	$ 5,799,336	$ 36,321,837	$ 3,428,924

Compensated absences and net pension and OPEB liabilities attributable to governmental activities are generally liquidated by the General Fund.

Note 8. Long-Term Liabilities (Continued)

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the City. Bonds are generally issued for the purpose of financing the acquisition and construction of major capital facilities or infrastructure.

Debt indentures require that certain covenants relating to the maintenance and efficiency of the operating system, the rate structure, restrictions on borrowings, leasing or disposition of assets and minimum insurance coverage be adhered to. These covenants are: (a) the interest on the tax-exempt bonds are to be excludable from gross income for federal income tax purposes, (b) the annual report must be submitted within 270 days after year-end, and (c) the City must give notice of significant events including those events causing delinquency of payment, bond calls, defeasances of bonds, or rating changes of bonds no later than ten business days after the event.

On June 22, 2021, the City issued $14,370,000 in tax-exempt General Obligation Bonds, Series 2021A, maturing June 1, 2022, through June 1, 2036, at a stated interest rate of 2 percent. This issue included a portion that refunded the balance outstanding of $2,885,000 of the Series 2012A bonds and $2,920,000 of the Series 2013A bonds. Total debt service requirements were reduced by $116,271, resulting in an economic gain of $112,312 or 3.893% for the 2012A bonds. Total debt service requirements were reduced by $195,971, resulting in an economic gain of $188,159, or 6.444% for the 2013A bonds.

The City also issued $8,610,000 in taxable General Obligation Bonds, Series 2021B, maturing June 1, 2022, through June 1, 2036, at stated interest rates ranging from 0.2 percent to 2.2 percent. The taxable issue included a portion that refunded the balance outstanding of $3,525,000 of the Series 2013B bonds. Total debt service requirements for this issue were reduced by $303,770, which resulted in an economic gain of $290,556, or 8.243 percent.

Reasons for issuances, outside of the portion that refunded existing debt, were to finance a variety of capital improvements, including Convention Center renovations and other facility improvements, construction of the Shaulis Road project, construction of the replacement bridges on Park Avenue and 11th Streets, sidewalks and trails, traffic safety improvements, as well as equipment and technology needs, leisure facilities, demolition of blighted properties and economic development purposes.

Note 8. Long-Term Liabilities (Continued)

The City's outstanding general obligation long-term debt is as follows:

Issue Date	Purpose	Interest Rates	Outstanding June 30, 2021
Publicly issued long-term debt:			
June 2014	Tax-exempt–capital improvements/general	2.00 - 3.12	$ 3,810,000
June 2014	Taxable	1.00 - 4.00	3,205,000
June 2014	Refunding	2.00	570,000
June 2015	Tax-exempt–capital improvements/general	3.00 - 3.50	7,875,000
June 2015	Taxable	1.50 - 4.00	995,000
June 2016	Tax-exempt–capital improvements/general	2.00 - 2.25	5,025,000
June 2016	Taxable	0.80 - 3.10	1,285,000
June 2016	Taxable	0.90 - 3.40	7,465,000
June 2017	Tax-exempt–capital improvements/general	3.00	5,755,000
June 2017	Taxable	1.35 - 3.35	2,755,000
June 2017	Taxable–urban renewal	2.75 - 3.50	6,725,000
June 2018	Tax-exempt–capital improvements/general	3.00	7,240,000
June 2018	Taxable	2.50 - 3.50	780,000
June 2019	Tax-exempt–capital improvements/general	3.00	5,620,000
June 2019	Taxable	2.73	2,640,000
October 2019	Refunding	2.00	1,955,000
October 2019	Taxable refunding	1.56	2,640,000
June 2020	Tax-exempt–capital improvements/general	2.00	6,605,000
June 2020	Taxable	1.52	7,475,000
June 2021	Tax-exempt-capital improvements/general; refunding	2.00	14,370,000
June 2021	Taxable-capital improvements general; refunding	1.56	8,610,000
			$ 103,400,000

Note 8. Long-Term Liabilities (Continued)

Annual debt service on general obligation and revenue bonds as of June 30, 2021 are as follows:

	GO Debt Service General Obligation Bonds	
	Principal	Interest
Years ending June 30:		
2022	$ 8,960,000	$ 2,220,181
2023	8,430,000	2,040,719
2024	8,665,000	1,848,485
2025	8,215,000	1,656,399
2026	8,710,000	4,118,670
2027–2031	35,445,000	4,388,742
2032–2036	12,660,000	919,246
	$ 91,085,000	$ 17,192,442

	Sanitary Sewer Enterprise General Obligation Bonds	
	Principal	Interest
Years ending June 30:		
2022	$ 1,965,000	$ 272,520
2023	1,930,000	233,666
2024	1,485,000	193,596
2025	1,805,000	153,821
2026	1,485,000	115,734
2027–2031	3,645,000	217,249
2032–2033	-	2,400
	$ 12,315,000	$ 1,188,986

Loans and notes: The City has entered into development agreements including rebates of property taxes paid by other parties to the agreements. Most agreements include a set percentage of taxes paid for a specified number of years. The following agreements require a guaranteed amount of principal plus interest to be paid to the developer. As of June 30, 2021, the outstanding balance of these loans was $5,913,512.

- Deer Creek Development, LLC, original loan amount of $1,896,017 plus interest at 7% through March 31, 2011 then at 4.75%, compounded semiannually. In fiscal year 2014, there were additions to the agreement of $6,130. Payable at $300,000 in fiscal year 2011 and semiannual payments of $100,000 are due beginning November 2011 until principal plus interest have been paid. The loan balance was $967,012 at June 30, 2021.
- North Crossing Development, LLC, original loan amount of $7,000,000 plus interest at 1.81% through September 1, 2025. Payable in annual payments of $1,000,000 are due beginning August 29, 2019 until principal plus interest have been paid. The loan balance was $3,831,049 at June 30, 2021.
- Fusion Investments, LLC, original loan amount of $1,155,453 plus interest at 0.56%. Payable in annual payments of $40,000 are due beginning in fiscal year 2021, not to exceed a total of $1,200,000. The loan balance was $1,115,451 at June 30, 2021.

Note 8. Long-Term Liabilities (Continued)

Other loans and notes: Other governmental activity loans and notes mature as follows:

	Governmental Activities	
	Principal	Interest
Years ending June 30:		
2022	$ 1,120,424	$ 146,634
2023	1,144,938	122,565
2024	1,170,045	97,767
2025	1,195,869	72,323
2026	357,927	66,898
2027-2031	924,309	16,319
	$ 5,913,512	$ 522,506

State revolving fund capital notes: During fiscal years 2018 and 2019, the City entered into two agreements with the Iowa Finance Authority for Clean Water Revolving Loans with an approved loan amount totaling $3,677,000. During fiscal year 2021, the City entered into three additional agreements with a total approved loan amount of $25,452,000. During fiscal year 2021, the City made draws on these loans of $15,800,709. As of June 30, 2021, the notes had an outstanding balance of $17,403,731. The notes bear interest at 1.75%, with annual principal and interest payments through 2041.

These notes mature as follows:

	Business-type activities	
	Principal	Interest
Years ending June 30:		
2022	$ 1,217,240	$ 487,762
2023	1,246,000	528,075
2024	1,270,000	503,338
2025	1,296,000	478,123
2026	1,320,000	452,393
2027-2031	7,007,000	1,858,175
2032-2036	3,705,491	477,469
2037-2040	342,000	14,080
	$ 17,403,731	$ 4,799,415

Discretely presented component unit:

	Balance December 31, 2019	Additions	Deletions	Balance December 31, 2020	Due Within One Year
Compensated absences	$ 60,883	$ 64,162	$ 60,883	$ 64,162	$ 64,162

Note 8. Long-Term Liabilities (Continued)

Capital lease: On April 12, 2021, the City entered into a 10-year capital lease agreement for police equipment, including body cameras and tasers. The lease bears interest at 0.56% and annual payments of principal and interest are due through the expiration of the lease term in April 2031. The following schedule reflects the future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2021:

	Governmental Activities Capital Lease
Fiscal year ending:	
2022	$ 422,918
2023	419,938
2024	419,938
2025	419,938
2026	438,578
2027-2013	1,754,312
Total minimum lease payments	3,875,622
Less amount representing interest	(112,692)
	$ 3,762,930

Note 9. Operating Leases

Effective July 1, 1999, the City's sanitary sewer operations entered into a five-year agreement for the management of biosolid by-products produced at the Wastewater Treatment Facility. The agreement included the lease of a storage facility. This lease was extended on October 14, 2019 for another five-year period, at a monthly rental of $4,900. Rental expense for all material operating leases was $149,900 for the year ended June 30, 2021.

Cedar Valley SportsPlex: The Cedar Valley SportsPlex, a 125,000 square foot recreational facility that includes indoor soccer fields, gyms, a leisure pool, fitness facility, running track and multi-purpose activity spaces, opened in January 2014. The facility is a joint project of the City and the Waterloo Development Corporation. The Waterloo Development Corporation raised the funds, through a combination of private donations and grants from the Black Hawk County Gaming Association, to construct the $23 million facility. The City acquired the property where the facility is located and signed a lease purchase agreement to operate the facility for $100 per year. The lease purchase agreement gave the City the option to take ownership of the facility at the end of the lease term or to cease operating the facility at that time. In August 2014, the lease agreement was amended to remove that option, so the property will automatically transfer to the City at the end of the lease term. The Waterloo Development Corporation signed an agreement with the City which guarantees that the fundraising for construction will be completed. Because there was an automatic transfer of the assets at the end of the term of the agreement, and that future lease payments to the Waterloo Development Corporation are nominal, the City has no capital contribution to report for the year ended June 30, 2021, and no capital lease liability as of June 30, 2021.

The Leisure Services department of the General Fund is operating the facility with the intent for it to be self-supporting.

Note 10. Retirement Systems

The City contributes to two employee retirement systems, the Iowa Public Employees Retirement System (IPERS) and the Municipal Fire and Police Retirement System of Iowa (MFPRSI). IPERS is administered by the State of Iowa. MFPRSI is governed by a nine-member Board of Trustees. Though separate and apart from state government, the Board is authorized by the state legislature, which also establishes by statue the pension and disability benefits and the System's funding mechanism. All full-time employees must participate in either IPERS or MFPRSI. Below is a summary of amounts reported by the City as of and for the year ended June 30, 2021:

	IPERS	MFPRSI	Total
Net pension liability	$ 16,628,664	$ 43,638,986	$ 60,267,650
Deferred outflow of resources	3,764,062	13,261,770	17,025,832
Deferred inflow of resources	779,379	877,843	1,657,222
Pension expense	717,579	3,410,425	4,128,004

Iowa Public Employees' Retirement System:

Plan description: Employees of the City are provided with pensions through the Iowa Public Employees Retirement System (IPERS)—a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Benefits provided: IPERS provides retirement, disability and death benefits. Retirement benefits are determined based on the employee's highest five-year average salary and a multiplier based on the years of service. Employees are eligible for full retirement age 65; at age 62 with at least 20 years of covered employment or when the years of service plus the employee's age equals or exceeds 88. Four years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits are calculated based on the actuarial present value of the employee's accrued benefit at the time of death or a calculation based on the employee's contributions, highest covered annual wage and years of service.

Contributions: Per Iowa Code Section 97B.4(4)(d) the required contribution rate is determined by the IPERS actuary as the rate necessary to fully fund the benefits as defined by Iowa Code Chapter 97B. Employees are required to contribute 6.29% of their annual pay. The City contractually required contribution rate for the year ended June 30, 2021, was 9.44% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the City were $1,792,019 for the year ended June 30, 2021.

Pension liabilities, pension expense, and deferred inflow and outflows of resources related to pensions: At June 30, 2021, the City reported a liability of $16,628,664 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2020, the City's proportion was 0.238378%, a decrease of .007913% from the City's proportion at June 30, 2020.

Note 10. Retirement Systems (Continued)

For the year ended June 30, 2021, the City recognized pension expense of $717,579. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 18,370	$ (394,142)
Changes of assumptions	853,544	-
Net difference between projected and actual earnings on pension plan investments	934,795	-
Changes in proportion and differences between City contributions and proportionate share of contributions	165,334	(385,237)
Total deferred amounts to be recognized in pension expense in future periods	1,972,043	(779,379)
City contributions subsequent to the measurement date	1,792,019	-
Total deferred amounts related to pensions	$ 3,764,062	$ (779,379)

$1,792,019 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The deferred outflows and deferred inflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. The other deferred inflows and outflows will be recognized in pension expense using the average expected remaining service lives of all IPERS members. The average is determined by taking the calculated total future service years of the Plan divided by the number of the people in the Plan including retirees.

Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Years ended June 30:	
2022	$ 155,934
2023	295,536
2024	292,319
2025	487,928
2026	(39,053)
	$ 1,192,664

Note 10. Retirement Systems (Continued)

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2020)	2.60% per annum
Rates of salary increases (effective June 30, 2020)	3.25% to 16.25%, average, including inflation. Rates vary by membership group.
Long-term effective investment rate of return (effective June 30, 2020)	7.00%, compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2020)	3.25%, per annum, based on 2.60% inflation and 0.65% real wage inflation.

Mortality rates were based on the RP-2014 Employee and Health Annuitant Tables with MP 2017 generational economic adjustments.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an assumption study dated March 24, 2017 and demographic assumption study dated June 28, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core-plus fixed income	27.0%	1.71%
Domestic equity	22.0	5.60
Global smart beta equity	3.0	5.82
International equity	15.0	6.08
Private equity	11.0	10.31
Private real assets	7.5	4.76
Public real assets	7.0	2.81
Public credit	3.5	3.32
Private credit	3.0	3.01
Cash	1.0	(0.21)
	100.0%	

Note 10. Retirement Systems (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from cities will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00 %)	1% Increase (8.00 %)
City's proportionate share of the net pension liability	$ 27,726,894	$ 16,628,664	$ 7,322,968

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report; which can be located at www.ipers.org.

Municipal Fire and Police Retirement System of Iowa

Plan description: MFPRSI membership is mandatory for fire fighters and police officers covered by the provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPRSI. MFPRSI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite #201, West Des Moines, Iowa 50266 or at www.mfprsi.org.

MFPRSI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension benefits: Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of service, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% of the member's average final compensation. Additional benefits are available to members who perform more than 22 years of service (2% for each additional year of service, up to a maximum of 8 years). Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50% surviving spouse benefit.

Note 10. Retirement Systems (Continued)

Active members, at least 55 years of age, with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4, or 5 year DROP period. By electing to participate in DROP the member is signing a contract indicating the member will retire at the end of the selected DROP period. During the DROP period the member's retirement benefit is frozen and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52% of the member's retirement benefit at the member's earliest date eligible and 100% if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan.

Disability and death benefits: Disability coverage is broken down into two types, accidental and ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60% of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50% of the member's average final compensation, for those with 5 or more years of service, or the member's service retirement benefit calculation amount, and 25% of average final compensation for those with less than 5 years of service.

Death benefits are similar to disability benefits. Benefits for accidental death are 50% of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40% of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50% of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased (escalated) annually in accordance with Chapter 411.6 of the Code of Iowa which states a standard formula for the increases.

The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a $100,000 lump-sum payment.

Contributions: Member contribution rates are set by state statute. In accordance with Chapter 411 of the Code of Iowa as modified by act of the 1994 General Assembly, to establish compliance with the Federal Older Workers Benefit Protections Act, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2021.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1% of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa the employer's contribution rate cannot be less than 17% of earnable compensation. The City's contribution rate was 25.31% for the year ended June 30, 2021.

The City's contributions to MFPRSI for the year ended June 30, 2021 were $4,528,152.

Note 10. Retirement Systems (Continued)

If approved by the state legislature, state appropriation may further reduce the employer's contribution rate, but not below the minimum statutory contribution rate of 17% of earnable compensation. The State of Iowa therefore is considered to be a nonemployer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67—*Financial Reporting for Pension Plans*, (GASB 67).

There were no state appropriations to MFPRSI during their fiscal year ended June 30, 2021.

Net pension liabilities, pension expense, and deferred inflows and outflows of resources related to pensions: At June 30, 2021, the City reported a liability of $43,638,986 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. At June 30, 2020, the City's proportion was 5.471285%, a decrease of 0.11086% from the City's proportion at June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of $3,410,425. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,199,834	$ (237,050)
Changes of assumptions	1,080,988	(52,065)
Net difference between projected and actual earnings on pension plan investments	6,419,812	-
Changes in proportion and differences between City contributions and proportionate share of contributions	32,983	(588,728)
Total deferred amounts to be recognized in pension expense in future periods	8,733,617	(877,843)
City contributions subsequent to the measurement date	4,528,153	-
Total deferred amounts related to pensions	$ 13,261,770	$ (877,843)

Note 10. Retirement Systems (Continued)

$4,528,153 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The deferred outflows and deferred inflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. The other deferred inflows and outflows will be recognized in pension expense using the average expected remaining service lives of all MFPRSI members. The average is determined by taking the calculated total future service years of the Plan divided by the number of the people in the Plan including retirees. Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Years ended June 30:	
2022	$ 1,727,682
2023	2,458,162
2024	2,198,809
2025	1,477,244
2026	(6,123)
	$ 7,855,774

Actuarial assumptions: The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75% to 15.11%, average, including inflation.
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2007 to June 30, 2017.

Mortality rates were based on RP 2014 Blue Collar Combined Healthy table with males set-forward zero years, females set-forward two year and disabled set-forward three year (males only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates (i.e., expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Note 10. Retirement Systems (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Large cap		5.50%
Small cap		5.80
International large cap		7.30
Core plus fixed income		3.30
Emerging markets		9.00
Emerging market debt		6.30
Master limited partnerships		9.00
Core Investments	40.00%	
Private Equity/Debt	15.00	9.00
Private core real estate		6.00
Private non-core real estate		8.00
Real Estate	10.00	
Tactial Asset Allocation	35.00	6.40
	100.00%	

Discount rate: The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions will be made at 9.40% of covered payroll and the City contributions will be made at rates equal to the difference between actuarially determined rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the city's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate.

	1% Decrease (6.50%)	Discount Rate (7.50 %)	1% Increase (8.50 %)
City's proportionate share of the net pension liability	$ 66,933,711	$ 43,638,986	$ 24,343,548

Component unit: Waterloo Water Works contributes to the Waterloo Water Works Pension Plan (WWW Plan) and the Iowa Public Employees' Retirement System (IPERS).

Note 10. Retirement Systems (Continued)

Waterloo Water Works Pension Plan:

Plan description: The Waterloo Water Works Pension Plan is a single-employer defined benefit plan administered by the Pension Committee of Waterloo Water Works. The WWW Plan provides retirement benefits to plan members and beneficiaries. No new WWW Plan members were allowed after December 31, 2007. The WWW Plan does not issue a stand-alone financial report. The actuarial report on the Plan is held at the Waterloo Water Work's office.

The following brief description is provided for general informational purposes only. Refer to the WWW Plan documents for more information.

Pension benefits: Retirement benefits are calculated using the highest three consecutive years of pensionable earnings during the last ten years of employment. The accrued benefit is determined to be 60% of average compensation, reduced if years of service is less than thirty years. Normal retirement age is 65. Married members may receive a benefit for life; however, members are required by law to receive a reduced qualified joint and survivor benefit, unless formally elected otherwise. In no event shall pensionable earnings exceed the limitation specified in Section 401(a)(17) of the Internal Revenue Code. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the Committee.

As of December 31, the following members were covered by the WWW Plan:

Inactive plan members and beneficiaries currently receiving benefits	36
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	11
Total members	48

***Contributions*:** The contribution requirements of the Plan members (employees) and Waterloo Water Works are established and may be amended by Waterloo Water Works. Mandatory contributions to the WWW Plan by WWW Plan members are equal to the IPERS rate effective January 1 of the previous year, 6.29% for the year ending December 31, 2020. Prior to 2010, WWW Plan member contributions were not required and Waterloo Water Works made all the required contributions. Beginning January 1, 2010, WWW Plan members were required to contribute one-third of the full contribution rate of 4.1% and Waterloo Water Works paid the rest of the required contribution. As of January 1, 2011, WWW Plan members were required to contribute two-thirds of the full contribution rate of 4.3% and beginning January 1, 2012, WWW Plan members were required to contribute all of the mandatory contributions. The Waterloo Water Works Board of Trustees has approved Waterloo Water Works contributions to the Plan in excess of the amount determined annually by the actuary in an effort to eliminate over time the net pension liability as computed by the actuary.

Note 10. Retirement Systems (Continued)

Net pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions: At December 31, 2020, the Water Works' recognized pension expense of $98,041. At December 31, 2020, the Water Works' reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (97,416)
Changes of assumptions	157,616	-
Net difference between projected and actual earnings on pension plan investments	-	(919,464)
Total deferred amounts related to pensions	$ 157,616	$ (1,016,880)

Amounts reported as deferred outflows of resources and deferred inflows or resources will be recognized in pension expense as follows:

Years ending December 31:	
2021	$ (188,104)
2022	(170,465)
2023	(363,734)
2024	(136,961)
Total	$ (859,264)

Actuarial assumptions: The Waterloo Water Works' net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	2.50% per annum
Rates of salary increases	3.00% per annum
Long-term investment rate of return	7.00%, compounded annually, net of investment expenses.

Note 10. Retirement Systems (Continued)

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2019 through December 31, 2019. In addition, mortality rates were based on 2020 IRS Combined Mortality Table as appropriate.

The long-term expected rate of return on WWW Plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the WWW Plan's target asset allocation as of December 31, 2020 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Asset Class:		
Cash and fixed income	28%	0.045%
Equity large cap	56	4.50
Equity mid cap	9	4.70
Equity small cap	7	4.70
Real estate	-	3.75
Total	100%	

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that WWW Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the differences between actuarially determined contribution rates and the member rate. Professional judgement on future contributions has been applied in those cases where contribution patterns deviate from the actuarially determined rates. Based on those assumptions the WWW Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit.

***Sensitivity of the net pension liability to changes in the discount rate*:** The following presents the net pension liability calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability (asset)	$ 1,488,064	$ 678,763	$ (21,923)

Note 10. Retirement Systems (Continued)

Changes in Waterloo Water Works' net pension liability: Changes in the Waterloo Water Works' net pension liability for the year ended December 31, 2019 were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance, beginning of year	$ 9,037,366	$ 7,319,079	$ 1,718,287
Changes for the year:			
Service cost	55,720	-	55,720
Interest	645,354	-	645,354
Difference between expected and actual experience	(194,832)	-	(194,832)
Changes in assumptions	315,233	-	315,233
Contributions, employer	-	591,000	(591,000)
Contributions, member	-	48,602	(48,602)
Net investment income	-	1,221,397	(1,221,397)
Benefit payments including refunds of employee contributions	(677,004)	(677,004)	-
Balance, end of year	$ 9,181,837	$ 8,503,074	$ 678,763

Payables to the Waterloo Water Works' Plan: All required Waterloo Water Works contributions and required employee contributions which had been withheld from employee wages were remitted to the WWW Plan by December 31, 2020.

IPERS—Waterloo Water Works:

Plan Description: IPERS membership is mandatory for employees of Waterloo Water Works, except for those covered by another retirement system. Employees of Waterloo Water Works are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive, P.O. Box 9117, Des Moines, IA 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general information purposes only. Refer to the plan documents for more information.

Note 10. Retirement Systems (Continued)

Pension benefits: A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications must be met on the member's first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a regular member's monthly IPERS benefit includes:

- A multiplier (based on years of service).
- The member's highest five-year average salary. (For members with service before June 30, 2012, the highest of three-year average salary as of that date will be used if it is greater than the highest five-year average salary).

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012, the reduction is 0.50% for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1, 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and death benefits: A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions: Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to one percentage point. IPERS' Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2020, pursuant to the required rate, regular members contributed 6.29% of covered payroll and Waterloo Water Works contributed 9.44% of covered payroll for a total rate of 15.73%.

Note 10. Retirement Systems (Continued)

The Waterloo Water Works' contributions to IPERS for the year ended December 31, 2020 were $153,186.

As December 31, 2020, the Waterloo Water Works' liability for its proportionate share of the net pension liability totaled $1,220,674. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Water Works' proportion of the net pension liability was based on the Water Works' share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2020, the Water Works' collective proportion was 0.017377%, which was an increase of 0.000940% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Water Works recognized pension expense of $71,365. At December 31, 2020, the Water Works reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,348	$ (28,933)
Changes of assumptions	62,657	-
Net difference between projected and actual earnings on IPERS' investments	68,622	-
Changes in proportion and differences between Water Works contributions and proportionate share of contributions	98,547	(18,034)
Total deferred amounts to be recognized in pension expense in future periods	231,174	(46,967)
Water Works contributions subsequent to the measurement date	84,470	-
Total deferred amounts related to pensions	$ 315,644	$ (46,967)

Deferred outflows of resources related to pensions of $84,470 represent the amount Waterloo Water Works contributed subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ended December 31:	
2021	$ 47,203
2022	46,862
2023	34,462
2024	49,723
2025	5,957
	$ 184,207

There were no nonemployer contributing entities at IPERS.

Note 10. Retirement Systems (Continued)

Actuarial assumptions: The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:
The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience study dated June 28, 2018.

Rate of inflation (effective June 30, 2020)	2.60% per annum
Rates of salary increases (effective June 30, 2020)	3.25% to 16.25%, average, including inflation. Rates vary by membership group.
Long-term effective investment rate of return (effective June 30, 2020)	7.00%, compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2020)	3.25%, per annum, based on 2.60% inflation and 0.65% real wage inflation.

Mortality rates were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core-plus fixed income	27.0%	1.71%
Domestic equity	22.0	5.60
Global smart beta equity	3.0	5.82
International equity	15.0	6.08
Private equity	11.0	10.31
Private real assets	7.5	4.76
Public real assets	7.0	2.81
Public credit	3.5	3.32
Private credit	3.0	3.01
Cash	1.0	(0.21)
	100.0%	

Note 10. Retirement Systems (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from Waterloo Water Works will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Waterloo Water Works' proportionate share of the net pension liability to changes in the discount rate: The following presents the Waterloo Water Works' proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Waterloo Water Works' proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Water Work's proportionate share of the net pension liability	$ 2,035,370	$ 1,220,674	$ 537,563

IPERS' Fiduciary net position: Detailed information about the IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to the pension plan: At December 31, 2020, Waterloo Water Works reported payables to IPERS of $18,515 for legally required Waterloo Water Works' contributions and $12,337 for legally required Waterloo Water Works' contributions which had been withheld from employee wages but not yet remitted to IPERS.

Note 11. Deficit Fund Balances

Funds with deficit balances as of June 30, 2021 were as follows:

Nonmajor governmental:	
Special revenue:	
Grants	$ 1,353,868
Capital projects,	
Capital Improvements	5,480,868

The deficit of the above funds are expected to be eliminated through future transfers from other funds, grant proceeds or bond proceeds.

Note 12. Commitments

Construction: The City is involved in construction of capital assets, mainly streets, riverfront improvements and Brownfields reconstruction. Much of the construction is partially funded through federal, state and local grants and donations. City participation in the programs is generally funded through proceeds of debt issues and local option taxes. As of June 30, 2021, the City was committed to approximately $42.2 million of construction contracts.

Property tax rebates: The City has entered into a number of development agreements with various businesses located in City tax increment financing districts. The agreements generally offer rebates of portions of taxes paid for up to 10 years, depending on each individual agreement. The amount of the rebates are a percentage of the actual taxes paid by the business. Rebates are reported at the time property taxes are received. See Note 19 for additional information.

Loan guarantee: The City has guaranteed a bank loan of Cedar Skyline Corporation d/b/a Main Street Waterloo, a not-for-profit corporation. Main Street Waterloo and the City are not part of the same reporting entity. In 1999, Main Street Waterloo entered into a loan agreement with a financial institution, which was amended in 2006, 2010, 2016 and 2021. The note matures monthly through August 17, 2025. When the loan was entered into, the City voted to extend a nonexchange financial guarantee on the Main Street Waterloo loan. In the event that Main Street Waterloo is unable to repay the loan, the City would be required to make the payment, with no requirements for Main Street Waterloo to repay the City if the City has to pay any amount on the loan. As of June 30, 2021, the loan balance was $172,630. Based on City management's assessment of the qualitative factors and historical data, the City has not recorded a liability for this nonexchange financial guarantee.

Note 13. Other Postemployment Benefits

***Plan description*:** The City's defined benefit OPEB plan, a single-employer health care plan provides OPEB for all active and retired employees and their eligible dependents. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a stand-alone financial report.

Benefits provided: Individuals who are employed by the City are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. As required by state law, employees who retire from service with the City prior to age 65 are eligible for coverage in the plan. Police and fire employees must have completed four years of service, be age 55 and vested in the Municipal Fire and Police Retirement System. All other employees must have completed four years of service (seven years of service after July 1, 2012), be age 55 and be vested in IPERS to participate in the plan. Retirees are allowed to be covered by the plan until they are Medicare eligible at 65. Spouses of retirees are eligible to be covered on the plan for an additional eight ears or until they reach age 65.

Contributions: The current funding policy of the City is to pay health claims as they occur. Contributions are required for both retiree and dependent coverage. Retirees are required to pay the current premium equivalent amounts less a contribution subsidy provided by the City for those employees hired prior to July 1, 1990.

The contribution subsidy available to retirees and their eligible dependents is determined by years of service and the date of retirement. The subsidy is available until a retiree reaches age 65. Once the retiree reaches age 65, the dependent may continue coverage at a 100% subsidy, grading down 20% each year thereafter. This benefit is available only to those hired before July 1, 1990. The percentage of the monthly contribution that the City subsidizes is detailed in the table on the next page.

Note 13. Other Postemployment Benefits (Continued)

Criteria	Employer Subsidy Percentage
Retire prior to September 1, 1990:	
All employees	100%
Retire on or after September 1, 1990:	
Hired prior to July 1, 1990:	
28+ continuous years of service	100
20-27 continuous years of service	80
15-19 continuous years of service	60
10-14 continuous years of service	40
< 10 continuous years of service	-
Hired on or after July 1, 1990:	
All employees	-

The current full premium equivalent amounts as of June 30, 2021 are shown below:

	PPO	Dental
Single	$ 615	$ 40
Subscriber and spouse	1,560	100

Disabled retirees follow a contribution schedule that is slightly different from regular retirees. Work related incidents allow disabled retirees and their dependents a 100% subsidy until age 65. Nonwork related incidents allow a 75% subsidy until age 65. Once the retiree reaches age 65, dependents of disabled retirees receive a 75% subsidy, grading down 20% each year thereafter.

Employees covered by benefit terms: At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	100
Active employees, fully eligible for benefits	25
Active employees, not fully eligible for benefits	504
	629

Note 13. Other Postemployment Benefits (Continued)

Total OPEB liability: The City's total OPEB liability of $21,264,550 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Actuarial methods and assumptions: The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0% per annum
Salary increases	3.25% per annum
Discount rate	2.21% as of July 1, 2020 and 2.16% as of June 30, 2021
Health care cost trend rates:	
Premedicare medical and Rx benefits	6.0% reduced 0.5% per annum to ultimate of 4.5%
Medicare benefits	5.0% reduced 0.5% per annum to ultimate of 4.5%
Stop loss fees	6.0% reduced 0.5% per annum to ultimate of 4.5%
Administrative fees	4.5% reduced 0.5% per annum to ultimate of 4.5%
Mortality rates	PUB-2010 morality table with generational scale MP-2019

The discount rate was based on Bond Buyer 20-Bond GO index.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study used in the MFPRSI Actuarial Valuation Report as of July 1, 2019 and IPERS Actuarial Valuation as of June 30, 2019.

Changes in the total OPEB liability

	Total OPEB Liability
Balance as of June 30, 2020	$ 22,031,599
Changes for the year:	
Service cost	735,571
Interest	479,230
Changes in assumptions or other inputs	183,252
Contributions and payments made	(2,165,102)
Net changes	(767,049)
Balance as of June 30, 2021	$ 21,264,550

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the City, as well as what the City's approximate total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Total OPEB liability	$ 23,402,000	$ 21,264,550	$ 19,420,000

Note 13. Other Postemployment Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Health Care Current Trend	1% Increase
Total OPEB liability	$ 19,913,000	$ 21,264,550	$ 22,749,000

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended June 30, 2021, the City recognized OPEB benefit of $652,784. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between actual and expected experience	$ 1,582,703	$ -
Changes of assumptions or other inputs	793,196	(212,923)
	$ 2,375,899	$ (212,923)

Amounts reported as the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense over the average future service to retirement of plan participants as follows:

Years ending June 30:	
2022	$ 297,517
2023	297,517
2024	297,517
2025	297,517
2026	297,517
Thereafter	675,391
	$ 2,162,976

Note 14. Employee Health Care Plan

The City provides health care, including dental, vision and prescription coverages, to its employees and certain former employees through a self-funded health insurance plan. Administration is provided by contracted providers. The City accounts for the plan in the General Fund, City Clerk and Finance Department, Health/Life Insurance Activity. Other funds, departments and activities are assessed for costs based on current and former employees within the activity. General Fund costs of these activities are funded by an employee benefits levy in the Trust and Agency Fund. The City is allowed to levy amounts needed to provide benefits.

The City purchases stop-loss insurance, $100,000 specific and 125% aggregate of expected claims.

Note 14. Employee Health Care Plan (Continued)

The City's estimated unpaid claims as of June 30 and its needed reserves for claim fluctuation were determined by an actuarial study performed as of June 30. All outstanding claims are considered matured and expected to be paid in fiscal year 2021, with current available financial resources, and accordingly, a liability payable from restricted resources is reported within the General Fund. Changes and balances are as follows:

	2021	2020
Estimated unpaid claims, beginning of year	$ 929,908	$ 1,050,406
Estimated claims incurred	11,607,771	10,560,167
Claims payments	(11,701,732)	(10,680,665)
Estimated unpaid claims, end of year	$ 835,947	$ 929,908

Note 15. Worker's Compensation Plan

The City provides worker's compensation benefits through a self-funded plan. Administration is provided by a contracted provider. The City accounts for the plan in the General Fund, City Clerk and Finance Department, Self-Funded Worker's Compensation Activity. Costs are funded by an employee benefits levy in the Trust and Agency Fund. The City is allowed to levy amounts needed to provide benefits.

The City's estimated unpaid claims as of June 30 are based on projected costs of future payments for injuries incurred prior to June 30, 2021, and is recorded as a liability in the government-wide statement of net position. $73,194 is considered matured and is recorded in the General Fund and governmental activities with accrued liabilities. Changes and balances are as follows:

	2021	2020
Estimated unpaid claims, beginning of year	$ 585,665	$ 550,508
Estimated claims incurred	1,504,831	977,761
Claims payments	(1,377,975)	(942,604)
Estimated unpaid claims, end of year	$ 712,521	$ 585,665

Note 16. Joint Ventures and Jointly Governed Organizations

The City is a participating member of several organizations including the Black Hawk County Criminal Justice Information System (CJIS), the Consolidated Dispatch Center (Center), the Black Hawk County Solid Waste Management Commission (SWMC) and the Metropolitan Transit Authority (MET). In addition, the City pays its share of costs for CJIS, including debt service, pays its share of costs of the Center, pays landfill fees to SWMC and levies and collects property taxes from Black Hawk County and remits them to MET ($2,207,193 during the year ended June 30, 2021). Also, during the year ended June 30, 2021, the Sanitation Fund received an operating grant of $273,624 from SWMC. This grant was used to offset recycling costs.

The Center's financial information is reported within the Black Hawk County annual financial report. CJIS, SWMC and MET issue their own annual reports. Reports are available on the Iowa Auditor of State's website http://auditor.iowa.gov/reports.

The City has no equity position in any of the organizations.

Note 17. Industrial Development Revenue Bonds

The City has issued a total of $160,401,000 of industrial development revenue bonds under the provisions of Chapter 419 of the Code of Iowa. The amount outstanding as of June 30, 2021 is not reported to the City by either the debtors or creditors. Therefore, outstanding balances are unknown. The bonds and related interest are payable solely from revenue of applicable projects. Bond principal and interest do not constitute liabilities of the City.

Note 18. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance and self-funded worker's compensation. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City assumes the risks of loss of both mobile vehicles and equipment, except for certain pieces of equipment, such are fire and forestry equipment, with large per-unit costs which are insured against loss subject to deductibles.

As of June 30, 2021, the City has assigned $1,884,359 of its General Fund, fund balance for insurable risks retained.

Note 19. Tax Abatements

GASB Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement that has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

City tax abatements: The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Chapters 15A and 403 of the Code of Iowa. For these types of projects, the City enters into agreements with developers which require the City, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount. No other commitments were made by the City as part of these agreements.

For the year ended June 30, 2021, the City abated $2,480,959 of property tax under the urban renewal and economic development projects.

Note 20. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The details for the City's fund balances are as follows:

Fund balances:	General	Trust and Agency	Tax Increment Financing	Road Use Tax	Nonmajor Governmental	Total
Nonspendable:						
Inventories	$ 817,273	$ -	$ -	$ 281,977	$ -	$ 1,099,250
Prepaids	80,883	-	-	-	31,445	112,328
Total nonspendable	898,156	-	-	281,977	31,445	1,211,578
Restricted:						
Debt service	-	-	4,457,619	-	-	4,457,619
Self-funded health insurance	1,713,845	1,844,110	-	-	-	3,557,955
Tourism promotion	2,011,806	-	-	-	-	2,011,806
Public access television	228,668	-	-	-	-	228,668
Housing	65,949	-	-	-	5,006,610	5,072,559
Donor specified	1,006,109	-	-	-	-	1,006,109
Employee benefits	-	664,976	-	-	-	664,976
Library	-	-	-	-	482,339	482,339
Street and right-of-way maintenance	1,574	-	-	12,394,939	-	12,396,513
Improvements	-	-	-	-	35,795,167	35,795,167
Total restricted	5,027,951	2,509,086	4,457,619	12,394,939	41,284,116	65,673,711
Assigned:						
Insurance	1,884,359	-	-	-	-	1,884,359
Other postemployment benefits	1,040,792	-	-	-	-	1,040,792
Improvements	-	-	-	-	2,175,849	2,175,849
Other	1,048,718	-	669,915	-	93,661	1,812,294
Use of fund balance for future budget	3,897,505	-	-	-	-	3,897,505
Total assigned	7,871,374	-	669,915	-	2,269,510	10,810,799
Unassigned	12,736,746	-	-	-	(6,956,351)	5,780,395
Total fund balances	$ 26,534,227	$ 2,509,086	$ 5,127,534	$ 12,676,916	$ 36,628,720	$ 83,476,483

Note 21. New GASB Statements and Pending Pronouncements

As of June 30, 2021, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities.* This Statement changed the City's previously reported agency fund to a custodial fund. As a result, a statement of changes in fiduciary net position was added to the basic financial statements for the year ending June 30, 2021 and the method of accounting for this fund was changed to full accrual.

This City also adopted GASB Statement No. 98, which changed the name of the City's annual report from the Comprehensive Annual Financial Report to the Annual Comprehensive Financial Report (ACFR).

The GASB has issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 87, *Leases,* issued June 2017, will be effective for the City beginning with its fiscal year ending June 30, 2022, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

- GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for reporting periods beginning after December 15, 2021. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements,* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement (1) defines an SBITA; (2) establishes that an SBITA results in a right-to-us subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including the implementation costs of an SBITA; and (4) requires note disclosure regarding an SBITA. This statement will be effective for the City with its year ending June 30, 2023.

Note 21. New GASB Statements and Pending Pronouncements (Continued)

- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This statement will also enhance the relevance, consistency and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. Another objective of this statement is to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not
- have a governing board and the primary government performs the duties that a governing board typically would perform. This statement will be effective for the City with its year ended June 30, 2022.

The City's management has not yet determined the effect these Statements will have on the City's financial statements, which may have a material effect on the financial statements.

Note 22. Subsequent Events

Subsequent to June 30, 2021, the City entered into a development agreement with Lost Island Themepark, Inc. for the development of the Lost Worlds Theme Park, including the City's commitment to make a grant to the company in the amount of $14 million and road improvements to Shualis Road. The agreement also requires the payment of tax rebates at 50% of certain property taxes paid for a period of 20 years to the developer. The company will transfer 56 acres of land to the City under the agreement.

The City issued $14,200,000 taxable general obligation bonds January 4, 2022, at stated interest rates ranging from 2% to 2.6%, maturing over 20 years to fund the grant to the developer.

City of Waterloo, Iowa

Required Supplementary Information
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Last 10 Fiscal Years
(Dollar amounts in thousands)

	2021	2020	2019	2018
Total OPEB liability				
Service cost	**$ 735,571**	$ 719,666	$ 697,815	$ 671,816
Interest	**479,230**	698,071	774,392	804,928
Changes of assumptions or other inputs	**183,252**	2,428,145	474,740	(379,447)
Benefit payments	**(2,165,102)**	(2,079,011)	(1,989,054)	(1,835,828)
Net change in total OPEB liability	**(767,049)**	1,766,871	(42,107)	(738,531)
Total OPEB liability—beginning	**22,031,599**	20,264,728	20,306,835	21,045,366
Total OPEB liability—ending	**$ 21,264,550**	$ 22,031,599	$ 20,264,728	$ 20,306,835
Covered payroll	**$ 34,676,000**	$ 33,584,175	$ 32,673,000	$ 31,567,648
Total OPEB liability as a percentage of covered payroll	**61%**	66%	62%	64%

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2021	**2.16% per annum**
2020	2.21% per annum
2019	3.50% per annum
2018	3.87% per annum
2017	3.58% per annum

In 2018, amounts reflect a 0.5-percentage-point decrease in the health care cost trend rates from the prior year and adjustments to assumptions regarding spousal coverage to better reflect actual plan experience.

In 2019, there was no changes to the benefit terms.

Note: GASB Statement No. 75 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

City of Waterloo, Iowa

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Iowa Public Employees' Retirement System

	2021	2020
Measurement date	**June 30, 2020**	June 30, 2019
City's proportion of the net pension liability	**0.2383780%**	0.2446470%
City's proportionate share of the net pension liability	**$ 16,628,664**	$ 14,261,854
City's covered payroll	**$ 18,786,254**	$ 18,743,655
City's proportionate share of the net pension liability as a percentage of its covered payroll	**88.52%**	76.09%
Plan fiduciary net position as a percentage of the total pension liability	**82.90%**	85.45%

Note: GASB Statement No. 68 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available. The amounts presented each year are as of the City's measurement date.

See notes to required supplementary information.

2019	2018	2017	2016	2015
June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.2406008%	0.2379165%	0.2438592%	0.2452672%	0.2415504%
$ 15,225,810	$ 15,848,247	$ 15,346,827	$ 12,117,384	$ 9,579,663
$ 18,074,184	$ 17,759,314	$ 17,523,333	$ 16,800,363	18816626
84.24%	89.24%	87.58%	72.13%	50.91%
83.62%	82.21%	81.82%	85.19%	87.61%

City of Waterloo, Iowa

Required Supplementary Information
Schedule of City Contributions
Iowa Public Employees' Retirement System

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contributions Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Fiscal year ending:					
2021	**$ 1,792,019**	**$ 1,792,019**	-	**$ 18,983,244**	**9.44%**
2020	1,773,422	1,773,422	-	18,786,254	9.44
2019	1,769,401	1,769,401	-	18,743,655	9.44
2018	1,614,023	1,614,023	-	18,074,184	8.93
2017	1,585,908	1,585,908	-	17,759,314	8.93
2016	1,564,955	1,564,955	-	17,523,333	8.93
2015	1,500,510	1,500,510	-	16,800,363	8.93
2014	1,420,507	1,420,507	-	15,816,626	8.98
2013	1,358,920	1,358,920	-	N/A	N/A
2012	1,250,399	1,250,399	-	N/A	N/A

N/A - information was not available

Note: The amounts reported in this schedule are as of the City's fiscal year-end.

See notes to required supplementary information.

Note 1. Changes of benefit terms

There are no significant changes in benefit terms.

Note 2. Changes of assumptions

The 2018 valuation implemented the following refinements as a result of an experience study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

City of Waterloo, Iowa

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Municipal Fire and Police Retirement System of Iowa

	2021	2020
Measurement date	**June 30, 2020**	June 30, 2019
City's proportion of the net pension liability	**5.471285%**	5.582145%
City's proportionate share of the net pension liability	**$ 43,638,986**	$ 36,614,772
City's covered payroll	**$ 17,382,462**	$ 16,897,902
City's proportionate share of the net pension liability as a percentage of its covered payroll	**251.05%**	216.68%
Plan fiduciary net position as a percentage of the total pension liability	**76.47%**	79.94%

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available. The amounts presented each year are as of the City's measurement date.

See notes to required supplementary information.

2019	2018	2017	2016	2015
June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
5.600213%	5.703286%	5.688362%	5.724535%	5.720520%
$ 33,343,863	$ 33,448,350	$ 46,723,287	$ 36,408,843	$ 26,777,406
$ 16,277,606	$ 16,060,279	$ 15,365,321	$ 15,012,366	$ 14,608,497
204.85%	208.27%	304.08%	242.53%	183.30%
81.07%	80.60%	78.20%	83.04%	86.27%

City of Waterloo, Iowa

Required Supplementary Information
Schedule of City Contributions
Municipal Fire and Police Retirement System of Iowa

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contributions Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Fiscal year ending:					
2021	**$ 4,528,153**	**$ 4,528,153**	-	**$ 17,890,764**	**25.31%**
2020	4,243,059	4,243,059	-	17,382,462	24.41
2019	4,396,834	4,396,834	-	16,897,902	26.02
2018	4,180,091	4,180,091	-	16,277,606	25.68
2017	4,186,850	4,186,850	-	16,060,279	26.07
2016	4,280,766	4,280,766	-	15,365,321	27.86
2015	4,565,261	4,565,261	-	15,012,366	30.41
2014	4,418,650	4,418,650	-	14,608,497	30.25
2013	3,844,363	3,844,363	-	N/A	N/A
2012	3,522,615	3,522,615	-	N/A	N/A

N/A - information was not available

Note: The amounts reported in this schedule are as of the City's fiscal year-end.

See notes to required supplementary information.

Note 1. Changes of Benefit Terms

There were no significant changes of benefit terms.

Note 2. Changes of Assumptions

The 2018 valuation changed postretirement mortality rates were based on the RP-2014 Blue Collar Healthy Annuitant Table with males set forward zero years, females set forward two years and disabled individuals set forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The 2017 valuation added five years projection to future mortality improvement scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (male only rates), with no projection of future mortality improvement.

The 2015 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 1/12 of the 1971 Group Annuity Mortality Table and 11/12 of the 1994 Group Annuity Mortality Table.

The 2014 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 2/12 of the 1971 Group Annuity Mortality Table and 10/12 of the 1994 Group Annuity Mortality Table.

City of Waterloo, Iowa

Budgetary Comparison Schedule
Budget and Actual (Modified Cash Basis)—All Governmental Funds and Proprietary Funds
Required Supplementary Information
Year Ended June 30, 2021

	Budgeted Amounts	
	Original	Final
Receipts and other financing sources:		
Receipts:		
Property taxes	$ 42,422,199	$ 42,422,199
Tax increment financing	9,388,510	9,388,510
Other City taxes	18,277,691	20,398,441
Licenses and permits	1,434,585	1,434,585
Use of money and property	1,864,528	1,998,872
Intergovernmental	31,324,100	39,450,773
Charges for services	32,993,040	34,285,576
Special assessments	250,000	250,000
Miscellaneous	8,175,752	8,603,760
Total receipts	146,130,405	158,232,716
Other financing sources:		
Transfer from other funds	18,940,514	24,860,514
Issuance of long-term debt	37,200,000	47,060,000
Proceeds from sale of capital assets	-	-
Total other financing sources	56,140,514	71,920,514
Total receipts and other financing sources	202,270,919	230,153,230
Disbursements and other financing uses:		
Governmental-type activities:		
Public safety	35,548,857	37,259,429
Public works	34,111,524	43,639,069
Health and social services	323,760	323,760
Culture and recreation	12,013,361	12,237,173
Community and economic development	18,072,846	22,619,040
General government	10,776,650	11,432,986
Debt service	13,157,973	22,737,973
Capital projects	28,644,365	34,641,834
Business-type activities	47,556,812	49,456,812
Total disbursements	200,206,148	234,348,076
Other financing uses, transfers to other funds	18,940,514	24,860,514
Total disbursements and other financing uses	219,146,662	259,208,590
Receipts and other financing sources over (under) disbursements and other financing uses	(16,875,743)	(29,055,360)
Balances, beginning of year	96,198,146	96,198,146
Balances, end of year	$ 79,322,403	$ 67,142,786

See note to required supplementary information.

Actual Amounts Budgetary Basis	Variance With Final Budget
$ 42,990,863	$ 568,664
10,101,233	712,723
20,360,825	(37,616)
1,415,152	(19,433)
1,607,671	(391,201)
42,743,701	3,292,928
32,809,348	(1,476,228)
215,170	(34,830)
9,641,481	1,037,721
161,885,444	3,652,728
19,853,415	(5,007,099)
39,237,899	(7,822,101)
341,462	341,462
59,432,776	(12,487,738)
221,318,220	(8,835,010)
35,865,343	1,394,086
37,202,342	6,436,727
284,836	38,924
10,066,047	2,171,126
13,723,687	8,895,353
10,450,936	982,050
22,615,474	122,499
26,171,846	8,469,988
33,872,642	15,584,170
190,253,153	44,094,923
19,853,415	5,007,099
210,106,568	49,102,022
11,211,652	40,267,012
109,293,283	96,198,146
$ 120,504,935	$ 136,465,158

City of Waterloo, Iowa

Note to Required Supplementary Information—Budgetary Reporting
Year Ended June 30, 2021

In accordance with the Code of Iowa, the City Council annually adopts a budget on a modified cash basis following required public notice and hearing for all funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon 10 major classes of disbursements known as functions, not by fund or fund type. These 10 functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, business-type and nonprogram. Although the budget document presents function disbursements by fund type, the legal level of control is at the aggregated function level, not at the fund or fund type level. During the year, two budget amendments were adopted which increased budgeted expenditures by $40,061,928. The budget amendments are reflected in the final budgeted amount.

The City uses the same modified cash basis of accounting for budgetary reporting as is used for its internal financial records. Under this basis, cash transactions are modified by certain receivables and payables and by certain noncash revenue and expenditures. In addition, many transactions which could be recorded in and reported by the Sanitary Sewer Enterprise Fund are recorded in and reported by governmental funds.

City of Waterloo, Iowa

Schedule of Comparison
Funds Statements (GAAP Basis) to Budgetary (Modified Cash) Basis
Required Supplementary Information
Year Ended June 30, 2021

	Governmental Fund Types GAAP Basis Actual Amounts	Enterprise Fund Types GAAP Basis Actual Amounts	Total Funds
Revenue/Receipts:			
Property taxes and TIF revenue	$ 52,877,346	$ -	$ 52,877,346
Other taxes	20,765,591	-	20,765,591
Licenses and permits	1,392,173	-	1,392,173
Use of money and property	1,393,667	10,999	1,404,666
Intergovernmental	25,735,011	274,551	26,009,562
Charges for fees and service	10,073,458	22,394,809	32,468,267
Interfund charges for services	2,416,493	-	2,416,493
Special assessments	169,139	-	169,139
Miscellaneous	3,940,108	477,471	4,417,579
Total revenue/receipts	118,762,986	23,157,830	141,920,816
Expenditures and expenses/disbursements:			
Public safety	35,398,811	-	35,398,811
Public works	28,042,204	-	28,042,204
Health and social services	286,771	-	286,771
Culture and recreation	10,310,829	-	10,310,829
Community and economic development	14,554,888	-	14,554,888
General government	10,540,061	-	10,540,061
Debt service	12,512,748	-	12,512,748
Capital projects	34,953,743	-	34,953,743
Business-type activities	-	17,409,413	17,409,413
Total expenditures and expenses/ disbursements	146,600,055	17,409,413	164,009,468
Net	(27,837,069)	5,748,417	(22,088,652)
Other financing sources (uses):			
Transfers in	13,925,382	-	13,925,382
Transfers out	(13,925,382)	-	(13,925,382)
Bond premium	557,496	-	557,496
Proceeds from sale of capital assets	336,362	-	336,362
Payment to escrow from refunding bonds	(6,472,000)	-	(6,472,000)
Issuance of capital lease and other long-term debt	5,120,418	-	5,120,418
Proceeds from insurance	1,986,893	-	1,986,893
Issuance of refunding bonds	6,360,000	-	6,360,000
Issuance of long-term debt	13,790,000	-	13,790,000
Total other financing sources (uses)	21,679,169	-	21,679,169
Change in fund balance/net position	(6,157,900)	5,748,417	(409,483)
Balance, beginning of year	89,634,383	101,448,289	191,082,672
Balance, end of year	$ 83,476,483	$ 107,196,706	$ 190,673,189

Budgetary Basis Exceptions	Property Tax Collected for and Remitted to MET, Grout and Water Works	Other GAAP Conversion Adjustments	Budgetary Basis
$ -	$ 2,207,193	$ (1,992,443)	$ 53,092,096
-	-	(404,766)	20,360,825
-	-	22,979	1,415,152
-	-	203,005	1,607,671
-	-	16,734,139	42,743,701
-	-	341,081	32,809,348
-	-	(2,416,493)	-
-	-	46,031	215,170
-	-	5,223,902	9,641,481
-	2,207,193	17,757,435	161,885,444
-	-	466,532	35,865,343
-	2,207,193	6,952,945	37,202,342
-	-	(1,935)	284,836
-	-	(244,782)	10,066,047
-	-	(831,201)	13,723,687
-	-	(89,125)	10,450,936
-	-	10,102,726	22,615,474
-	-	(8,781,897)	26,171,846
-	-	16,463,229	33,872,642
-	2,207,193	24,036,492	190,253,153
-	-	(6,279,057)	(28,367,709)
-	-	5,928,033	19,853,415
-	-	(5,928,033)	(19,853,415)
-	-	(557,496)	-
-	-	5,100	341,462
-	-	6,472,000	-
-	-	(5,120,418)	-
-	-	(1,986,893)	-
-	-	(6,360,000)	-
-	-	25,447,899	39,237,899
-	-	17,900,192	39,579,361
-	-	11,621,135	11,211,652
-	-	(81,789,389)	109,293,283
$ -	$ -	$ (70,168,254)	$ 120,504,935

City of Waterloo, Iowa

Required Supplementary Information
Schedule of Employer Contributions for Waterloo Water Works Pension Plan
Last Ten Fiscal Years

	2020	2019	2018	2017
Actuarially determined contribution	**$ 587,599**	$ 563,701	$ 529,242	$ 505,125
Contributions in relation to actuarially determined contribution	**639,602**	615,910	577,408	565,374
Contribution deficiency (excess)	**(52,003)**	(52,209)	(48,166)	(60,249)
Covered payroll	**$ 810,194**	$ 979,376	$ 943,430	$ 1,047,371
Contributions as a percentage of covered payroll	**78.9%**	62.9%	61.2%	54.0%

2016	2015	2014	2013	2012	2011
$ 489,448	$ 475,911	$ 481,861	$ 480,199	$ 423,689	$ 383,404
550,161	540,043	570,419	538,658	473,114	445,212
(60,713)	(64,132)	(88,558)	(58,459)	(49,425)	(61,808)
$ 1,004,723	$ 1,045,603	$ 1,064,651	$ 1,100,185	$ 1,105,893	$ 1,248,200
54.8%	51.6%	53.6%	49.0%	42.8%	35.7%

City of Waterloo, Iowa

Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios for Waterloo Water Works Pension Plan

	2021	2020	2019
Total pension liability			
Service cost	**$ 55,720**	$ 42,951	$ 46,090
Interest	**645,354**	672,982	665,421
Difference between expected and actual experience	**(194,832)**	(36,258)	76,594
Changes in assumptions	**315,233**	325,945	(72,427)
Benefit payments including refunds	**(677,004)**	(675,155)	(560,887)
Change in total pension liability	**144,471**	330,465	154,791
Total pension liability, beginning of year	**9,037,366**	8,706,901	8,552,110
Total pension liability, end of year	**9,181,837**	9,037,366	8,706,901
Plan fiduciary net position			
Contributions, employer	**591,000**	563,701	529,242
Contributions, member	**48,602**	52,209	48,166
Net investment income	**1,221,397**	1,594,221	(466,923)
Benefit payments including refunds	**(677,004)**	(675,155)	(560,887)
Change in plan fiduciary net position	**1,183,995**	1,534,976	(450,402)
Plan fiduciary net position, beginning of year	**7,319,079**	5,784,103	6,234,505
Plan fiduciary net position, end of year	**8,503,074**	7,319,079	5,784,103
Net pension liability, end of year	**$ 678,763**	$ 1,718,287	$ 2,922,798
Plan fiduciary net position as a % of total pension liability	**92.6%**	81.0%	66.4%
Covered payroll	**$ 744,456**	$ 810,194	$ 979,376
Net pension liability as a % of covered payroll	**91.2%**	212.1%	298.4%

Additional years will be added going forward as information becomes available.

2018	2017	2016
$ 45,849	$ 53,886	$ 53,008
640,457	616,847	607,558
(45,362)	164,103	(28,037)
225,356	13,141	12,600
(548,118)	(541,494)	(518,306)
318,182	306,483	126,823
8,233,928	7,927,445	7,800,622
8,552,110	8,233,928	7,927,445
507,287	489,448	481,000
58,087	60,713	59,043
821,539	281,674	(157,690)
(548,118)	(541,494)	(518,306)
838,795	290,341	(135,953)
5,395,710	5,105,369	5,241,322
6,234,505	5,395,710	5,105,369
$ 2,317,605	$ 2,838,218	$ 2,822,076
72.9%	65.5%	64.4%
$ 943,430	$ 1,047,371	$ 1,004,723
245.7%	271.0%	280.9%

City of Waterloo, Iowa

Notes to Required Supplementary Information for Waterloo Water Works Pension Plan
For the Year Ended December 31, 2020

Note 1: Valuation Date: Actuarially determined contributions rates are calculated as of December 31 of the current fiscal year.

Note 2: Methods and assumptions used to determine contribution rates.

Actuarial cost method	Entry age cost method
Amortization method	Level dollar
Remaining amortization period	20 years
Asset valuation method	Market value of assets
Inflation	2.50%
Annual pay increases	3.00%
Investment rate of return	7.0%
Retirement age	100% at age 62
Mortality rates	2020 Dataset mortality

City of Waterloo, Iowa

Required Supplementary Information
IPERS Schedule of the Waterloo Water Works' Proportionate Share of the Net Pension Liability

Measurement Date June 30,	**2020**	2019
Water Work's proportion of the net pension liability	**0.017377%**	0.016437%
Water Work's total proportionate share of the net pension liability	**$ 1,220,674**	$ 951,791
Water Work's covered payroll	**$ 1,267,605**	$ 1,270,103
Water Work's proportionate share of the net pension liability as a percentage of its covered payroll	**96%**	75%
IPERS' net position as a percentage of the total pension liability	**81.87%**	85.45%

Additional years will be added going forward as information becomes available.

2018	2017	2016	2015	2014
0.016820%	0.015549%	0.014805%	0.014220%	0.012797%
$ 1,064,406	$ 1,035,776	$ 923,262	$ 706,956	$ 524,011
$ 1,251,971	$ 1,079,261	$ 1,018,040	$ 885,398	$ 791,254
85%	96%	91%	80%	61%
83.62%	82.21%	81.82%	85.19%	87.61%

City of Waterloo, Iowa

Required Supplementary Information
IPERS Schedule of Waterloo Water Works Contributions

	2020	2019	2018	2017
Statutorily required contribution	**$ 153,186**	$ 119,662	$ 116,656	$ 111,801
Contributions in relation to the Statutorily required contribution	**(153,186)**	(119,662)	(116,656)	(111,801)
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
Water Work's covered payroll	**$ 1,622,730**	$ 1,267,605	$ 1,270,103	$ 1,251,971
Contributions as a percentage of covered payroll	**9.44%**	9.44%	9.18%	8.93%

2016	2015	2014	2013	2012	2011
$ 96,378	$ 90,911	$ 79,066	$ 70,659	$ 56,189	$ 43,676
(96,378)	(90,911)	(79,066)	(70,659)	(56,189)	(43,676)
$ -	$ -	$ -	$ -	$ -	$ -
$ 1,079,261	$ 1,018,040	$ 885,398	$ 791,254	$ 648,085	$ 541,214
8.93%	8.93%	8.93%	8.93%	8.67%	8.07%

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department
General Fund
Year Ended June 30, 2021

Public safety function	
Mayor	
Blackhawk emergency management agency	
Contractual services	$ 95,815
Total activity and department	95,815
Police department	
Police operations	
Compensation and benefits	13,317,179
Contractual services	1,098,821
Commodities	196,206
Capital outlay	3,964,965
Debt service	202,035
Total activity	18,779,206
Police computer services	
Contractual services	98,229
Commodities	118,224
Total activity	216,453
Police grants	
Compensation and benefits	556,742
Contractual services	10,375
Commodities	66,452
Capital outlay	33,470
Total activity	667,039
Law enforcement programs	
Compensation and benefits	46,499
Contractual services	431,755
Commodities	333,250
Total activity	811,504
Police tobacco enforcement	
Compensation and benefits	3,612
Total activity	3,612
Public safety administration	
Contractual services	5,000
Total activity	5,000
Total Department	20,482,814

City of Waterloo, Iowa

Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Year Ended June 30, 2021

Fire Department	
Fire protection	
Compensation and benefits	9,170,939
Contractual services	544,934
Commodities	96,820
Total activity	9,812,693
Fire ambulance	
Compensation and benefits	1,832,261
Contractual services	809,272
Commodities	180,173
Capital outlay	287,905
Total activity	3,109,611
Fire restricted programs	
Compensation and benefits	2,859
Commodities	8,925
Capital outlay	42,903
Total activity	54,687
Hazmat regional training center	
Compensation and benefits	143,258
Contractual services	22,150
Commodities	606
Total activity	166,014
Fire federal CDC grant	
Compensation and benefits	107,474
Contractual services	21,826
Total activity	129,300
Total Department	13,272,305
Building inspection department	
Building & housing safety	
Compensation and benefits	1,062,572
Contractual services	143,250
Commodities	42,076
Total activity and department	1,247,898

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Central Garage	
Fire - garage parts & service	
Compensation and benefits	93,172
Contractual services	5,112
Commodities	64,425
Total activity	162,709
Ambulance - Garage Parts & Services	
Commodities	24,440
Total activity	24,440
Total Department	187,149
Public safety function totals	
Compensation and benefits	26,336,567
Contractual services	3,286,539
Commodities	1,131,597
Capital Outlay	4,329,243
Debt service	202,035
Function total	$ 35,285,981
Public works function	
City engineer	
Sidewalk repair/construction	
Commodities	$ 880
Capital outlay	331,756
Total activity and department	332,636
Traffic Operations	
Parking Maintenance	
Compensation and benefits	12,078
Total activity and department	12,078
Central Garage	
Central Garage	
Compensation and benefits	815,264
Contractual services	19,783
Commodities	103,826
Total activity	938,873
Garage-motor pool service	
Commodities	519,369
Total activity	519,369
Total Department	1,458,242

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Airport Commission	
Airport Administration	
Compensation and benefits	652,495
Contractual services	323,635
Commodities	70,313
Total activity	1,046,443
Airport Administration	
Contractual services	14,500
Total activity	14,500
Total Department	1,060,943
Building Inspection	
Parking Operations	
Contractual services	307,529
Commodities	29,480
Total activity and department	337,009
Public works function totals	
Compensation and benefits	1,479,837
Contractual services	665,447
Commodities	723,868
Capital Outlay	331,756
Function Total	$ 3,200,908
Health and social services function	
Human rights commission	
Human rights	
Compensation and benefits	244,048
Contractual services	10,705
Commodities	955
Total activity	255,708
EEOC Contract	
Compensation and benefits	10,000
Contractual services	17,179
Commodities	701
Capital outlay	3,183
Total activity	31,063
Total Department	286,771
Health and social services function totals	
Compensation and benefits	254,048
Contractual services	27,884
Commodities	1,656
Capital Outlay	3,183
Function Total	$ 286,771

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Culture and recreation function	
Mayor	
Fairview cemetery association	
Contractual services	$ 50,000
Total activity and department	50,000
Cultural/Arts Commission	
Youth Pavilion	
Compensation and benefits	306,606
Contractual services	37,745
Commodities	7,746
Total activity	352,097
Center for the arts	
Compensation and benefits	555,804
Contractual services	61,502
Commodities	31,117
Total activity	648,423
River Loop event facilities	
Compensation and benefits	126
Contractual services	9,356
Commodities	2,000
Total activity	11,482
Cultural/arts grants & projects	
Compensation and benefits	14,980
Contractual services	57,982
Total activity	72,962
Total department	1,084,964
Library	
Library services	
Compensation and benefits	1,354,618
Contractual services	156,331
Commodities	247,798
Total activity	1,758,747
Library Enrich	
Compensation and benefits	6,585
Commodities	3,846
Total activity	10,431

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Library Access Plus	
Commodities	2,985
Total activity	2,985
Library grants & projects	
Contractual services	13,950
Commodities	11,717
Capital outlay	70,538
Total activity	96,205
Library gift & memorial	
Contractual services	20,399
Commodities	16,745
Total activity	37,144
Iowa library services	
Commodities	4,011
Total activity	4,011
County library system	
Compensation and benefits	64,486
Commodities	2,273
Total activity	66,759
County open access	
Contractual services	2,506
Total activity	2,506
Total department	1,978,788
Leisure services	
Leisure services - parks	
Compensation and benefits	1,842,945
Contractual services	246,197
Commodities	188,569
Total activity	2,277,711
Leisure services projects	
Compensation and benefits	8,731
Contractual services	27,237
Commodities	39,292
Capital outlay	122,623
Total activity	197,883
Downtown area maintenance	
Compensation and benefits	300,766
Contractual services	41,532
Commodities	19,910
Total activity	362,208

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Golf courses	
Compensation and benefits	849,429
Contractual services	119,319
Commodities	131,702
Total activity	1,100,450
Golf course improvements	
Contractual services	679
Total activity	679
SportsPlex	
Compensation and benefits	759,384
Contractual services	297,738
Commodities	136,983
Total activity	1,194,105
Sports & youth services	
Compensation and benefits	471,716
Contractual services	36,982
Commodities	107,629
Total activity	616,327
Young arena	
Compensation and benefits	466,382
Contractual services	191,089
Commodities	68,384
Total activity	725,855
Total department	6,475,218
Culture and recreation function totals	
Compensation and benefits	7,002,558
Contractual services	1,370,544
Commodities	1,022,707
Capital Outlay	193,161
Function total	$ 9,588,970

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Community and economic development function	
Mayor	
Iowa Northland Council of Governments	
Contractual services	$ 34,887
Total activity	34,887
Tourism promotion	
Contractual services	66,767
Total activity	66,767
Tourism promotion - discretionary	
Contractual services	13,619
Total activity	13,619
Waterloo Convention Center - operations	
Contractual services	790,221
Commodities	34,400
Total activity	824,621
Waterloo Convention & Visitors Bureau	
Contractual services	493,279
Total activity	493,279
Total department	1,433,173
Planning & zoning	
Planning & zoning	
Compensation and benefits	677,593
Contractual services	13,978
Commodities	3,209
Total activity	694,780
City property management	
Contractual services	107,400
Total activity	107,400
Economic development	
Compensation and benefits	108,371
Total activity	108,371
Special projects	
Capital outlay	137,500
Total activity	137,500
Total department	1,048,051

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Building Inspections		
Five Sullivans Convention Center - maintenance		
Contractual services		6,308
Total activity and department		6,308
Community and economic development totals		
Compensation and benefits		785,964
Contractual services		1,526,459
Commodities		37,609
Capital Outlay		137,500
Function total	$	2,487,532
General Government function		
Mayor		
Mayor's office		
Compensation and benefits	$	296,017
Contractual services		67,085
Commodities		1,218
Total activity		364,320

Mayor Restricted Projects.	
Contractual services	34,484
Commodities	3,132
Total activity	37,616
Administrative SVCS/MIS	
Compensation and benefits	240,110
Contractual services	138,322
Commodities	46,712
Total activity	425,144
Communications	
Contractual services	2,391
Total activity	2,391
Total department	829,471
City Council	
City Council	
Compensation and benefits	74,313
Contractual services	3,160
Total activity and department	77,473
City Clerk and Finance	
Electronic media	
Compensation and benefits	155,446
Contractual services	260
Commodities	5,489
Total activity	161,195
City Clerk & Finance	
Compensation and benefits	894,980
Contractual services	135,735
Commodities	119,775
Total activity	1,150,490
Liability insurance	
Compensation and benefits	93,891
Contractual services	1,613,529
Total activity	1,707,420
Life/disability insurance	
Compensation and benefits	2,640
Total activity	2,640
Self-funded health insurance	
Contractual services	3,721,561
Commodities	207
Total activity	3,721,768
Self funded workers	
Contractual services	1,423,516
Total activity	1,423,516

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Printing	
Contractual services	11,857
Total activity	11,857
Total department	8,178,886
City Attorney	
City Attorney	
Compensation and benefits	185,736
Contractual services	94,041
Commodities	6,615
Total activity and department	286,392
Human resources	
Employee assistance program	
Contractual services	13,338
Total activity	13,338
Human resources	
Compensation and benefits	417,777
Contractual services	49,002
Commodities	2,132
Total activity	468,911
Safety and wellness	
Commodities	12,794
Total activity	12,794
Total department	495,043
Building inspection	
Facilities maintenance	
Compensation and benefits	366,940
Contractual services	179,830
Commodities	37,048
Total activity	583,818
Facilities restricted project	
Commodities	1,423
Total activity	1,423
Veterans Memorial Hall	
Contractual services	6,855
Total activity	6,855
Total department	592,096
General government totals	
Compensation and benefits	2,727,850
Contractual services	7,494,966
Commodities	236,545
Function total	$ 10,459,361

City of Waterloo, Iowa

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue	Capital Projects	General Obligation Debt Service	Total
Assets				
Cash and cash equivalents	$ 14,272,801	$ 26,959,765	$ 711,814	$ 41,944,380
Receivables:				
Customer accounts	14,407	-	-	14,407
Property taxes:				
Delinquent	9,500	-	100,468	109,968
Succeeding year	613,322	-	7,392,925	8,006,247
Accrued interest	9,562	60	3	9,625
Due from other governments:				
Federal	2,190,770	-	-	2,190,770
Iowa	4,906,487	-	-	4,906,487
Other	128,298	177,746	73,665	379,709
Inventories and prepaids	31,445	-	-	31,445
Restricted assets, cash and cash equivalents	3,354,399	-	256,090	3,610,489
Advances to other funds	21,423	-	-	21,423
Total assets	$ 25,552,414	$ 27,137,571	$ 8,534,965	$ 61,224,950
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	$ 2,259,781	$ 1,125,527	$ 37,079	$ 3,422,387
Retainages payable	390,883	690,814	-	1,081,697
Accrued liabilities	130,133	-	-	130,133
Due to other funds	1,745,846	5,258,835	-	7,004,681
Compensated absences	9,707	-	-	9,707
Payable from restricted assets	45,030	-	-	45,030
Unearned revenue	601,291	-	-	601,291
Total liabilities	5,182,671	7,075,176	37,079	12,294,926
Deferred inflows of resources:				
Unavailable revenue—property taxes	622,822	-	7,493,393	8,116,215
Unavailable revenue—local option sales tax	2,105,523	-	-	2,105,523
Unavailable revenue—intergovernmental and other	1,901,820	177,746	-	2,079,566
Total deferred inflows of resources	4,630,165	177,746	7,493,393	12,301,304
Fund Balances:				
Nonspendable	31,445	-	-	31,445
Restricted	14,847,766	25,431,857	1,004,493	41,284,116
Assigned	2,269,510	-	-	2,269,510
Unassigned	(1,409,143)	(5,547,208)	-	(6,956,351)
Total fund balances	15,739,578	19,884,649	1,004,493	36,628,720
Total liabilities, deferred inflows of resources and fund balances	$ 25,552,414	$ 27,137,571	$ 8,534,965	$ 61,224,950

City of Waterloo, Iowa

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue	Capital Projects	Debt Service	Total
Revenues:				
Property taxes	$ 642,334	$ -	$ 7,375,359	$ 8,017,693
Other taxes	11,980,555	-	233,182	12,213,737
Investment income	22,014	16,557	7,259	45,830
Rent	190,114	-	44,000	234,114
Intergovernmental	12,415,809	-	-	12,415,809
Charges for services	331,113	-	-	331,113
Miscellaneous	2,322	1,600,263	214,969	1,817,554
Total revenues	25,584,261	1,616,820	7,874,769	35,075,850
Expenditures:				
Current:				
Public works	16,983,413	-	-	16,983,413
Culture and recreation	792,397	-	-	792,397
Community and economic development	8,084,155	757,500	-	8,841,655
General government	37,148	30,210	-	67,358
Debt service:				
Principal	-	914,575	8,573,000	9,487,575
Interest expense	-	245,899	2,337,239	2,583,138
Capital outlay	53,523	20,966,085	-	21,019,608
Total expenditures	25,950,636	22,914,269	10,910,239	59,775,144
Revenues over (under) expenditures	(366,375)	(21,297,449)	(3,035,470)	(24,699,294)
Other financing sources (uses):				
Transfers in	-	2,297,972	3,008,343	5,306,315
Transfers out	(99,820)	-	-	(99,820)
Bond premium	-	315,894	241,602	557,496
Payment to escrow from refunding bonds	-	-	(6,472,000)	(6,472,000)
Issuance of refunding bonds	-	-	6,360,000	6,360,000
Issuance of long-term debt	-	13,790,000	-	13,790,000
Total other financing sources (uses)	(99,820)	16,403,866	3,137,945	19,441,991
Net change in fund balance	(466,195)	(4,893,583)	102,475	(5,257,303)
Fund balance, beginning of year	16,205,773	24,778,232	902,018	41,886,023
Fund balance, end of year	$ 15,739,578	$ 19,884,649	$ 1,004,493	$ 36,628,720

City of Waterloo, Iowa

Nonmajor Special Revenue Funds
June 30, 2021

Special Revenue Funds account for the proceeds of specific revenue sources that are legally or contractually restricted for particular purposes. The proceeds are segregated into individual funds to ensure that expenditures are made exclusively for qualified purposes, as follows:

Local Option Tax Fund: This fund is used to account for resources provided from a 1% sales tax approved by the citizens of Waterloo which is restricted for the construction, reconstruction and repair of City streets.

Library Tax Levy Fund: This fund is used to account for property taxes levied, as passed by local referendum, to be used to increase the hours of operation of the Waterloo Public Library.

Community Development Block Grant Fund: This fund accounts for revenue received under the Community Development Block Grant federal entitlement.

Housing Programs Fund: This fund is used to account for resources received to provide housing assistance, primarily Federal Section 8 and Ridgeway Towers.

Grants Fund: This fund is used to account for resources received for various federal and Iowa funded projects which are not accounted for elsewhere and are restricted to specific programs.

Federal Aviation Agency Projects Fund: This fund is used to account for resources from the Federal Aviation Agency and Passenger Facility Charges restricted for airport development.

Iowa Reinvestment District Fund: This fund is used to account for resources received from the State of Iowa to reinvest sales tax monies to improve the quality of life for the City of Waterloo's citizens and substantially benefit the community, region and state.

City of Waterloo, Iowa

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021

	Local Option Sales Tax	Library Tax Levy	Community Development Block Grant
Assets			
Cash and cash equivalents	$ 11,002,424	$ 595,506	$ 110,021
Receivables:			
Customer accounts	-	-	-
Property taxes:			
Delinquent	-	9,500	-
Succeeding year	-	613,322	-
Accrued interest	45	3	9,501
Due from other governments:			
Federal	-	-	309,600
Iowa	3,017,958	-	-
Other	121,538	6,760	-
Inventories and prepaids	-	-	-
Restricted cash and cash equivalents	-	-	-
Advances to other funds	13,598	7,825	-
Total assets	$ 14,155,563	$ 1,232,916	$ 429,122
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)			
Liabilities:			
Accounts payable	$ 930,443	$ -	$ 52,143
Retainages payable	235,929	-	7,524
Accrued liabilities	44,249	31,852	27,418
Due to other funds	-	-	141,001
Compensated absences	-	2,242	3,627
Payable from restricted assets	-	-	-
Unearned revenue	-	-	-
Total liabilities	1,210,621	34,094	231,713
Deferred inflows of resources:			
Unavailable revenue - property taxes	-	622,822	-
Unavailable revenue - local option sales tax	2,105,523	-	-
Unavailable revenue - intergovernmental	-	-	8,646
Total deferred inflows of resources	2,105,523	622,822	8,646
Fund balances (deficit):			
Nonspendable	-	-	-
Restricted	8,665,127	482,339	188,763
Assigned	2,174,292	93,661	-
Unassigned	-	-	-
Total fund balances (deficit)	10,839,419	576,000	188,763
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 14,155,563	$ 1,232,916	$ 429,122

Special Revenue				
Housing Programs	Grants	Federal Aviation Agency Projects	Iowa Reinvestment District	Total
$ 2,525,759	$ -	$ -	$ 39,091	$ 14,272,801
14,407	-	-	-	14,407
-	-	-	-	9,500
-	-	-	-	613,322
13	-	-	-	9,562
788	20,431	1,859,951	-	2,190,770
-	1,829,107	12,403	47,019	4,906,487
-	-	-	-	128,298
31,445	-	-	-	31,445
2,953,553	55,275	345,571	-	3,354,399
-	-	-	-	21,423
$ 5,525,965	$ 1,904,813	$ 2,217,925	$ 86,110	$ 25,552,414
$ 75,626	$ 424,743	$ 776,826	$ -	$ 2,259,781
-	58,637	88,793	-	390,883
26,614	-	-	-	130,133
-	661,274	943,571	-	1,745,846
3,838	-	-	-	9,707
45,030	-	-	-	45,030
336,802	264,489	-	-	601,291
487,910	1,409,143	1,809,190	-	5,182,671
-	-	-	-	622,822
-	-	-	-	2,105,523
-	1,849,538	12,403	31,233	1,901,820
-	1,849,538	12,403	31,233	4,630,165
31,445	-	-	-	31,445
5,006,610	55,275	396,332	53,320	14,847,766
-	-	-	1,557	2,269,510
-	(1,409,143)	-	-	(1,409,143)
5,038,055	(1,353,868)	396,332	54,877	15,739,578
$ 5,525,965	$ 1,904,813	$ 2,217,925	$ 86,110	$ 25,552,414

City of Waterloo, Iowa

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Nonmajor Special Revenue Funds
Year Ended June 30, 2021

	Local Option Sales Tax	Library Tax Levy	Community Development Block Grant
Revenues:			
Property taxes	$ -	$ 642,334	$ -
Other taxes	11,957,710	22,845	-
Investment income	19,883	915	-
Rent	-	-	-
Intergovernmental	-	-	2,153,636
Charges for services	25,722	-	228,246
Miscellaneous	-	-	-
Total revenues	12,003,315	666,094	2,381,882
Expenditures:			
Current:			
Public works	12,586,712	-	-
Culture and recreation	-	608,698	-
Community and economic development	-	-	2,128,209
General government	-	-	-
Capital outlay	-	-	-
Total expenditures	12,586,712	608,698	2,128,209
Excess of revenues over expenditures	(583,397)	57,396	253,673
Other financing uses, transfers out	-	-	-
Total other financing uses	-	-	-
Change in fund balances (deficit)	(583,397)	57,396	253,673
Fund balances (deficit), beginning of year	11,422,816	518,604	(64,910)
Fund balances (deficit), end of year	$ 10,839,419	$ 576,000	$ 188,763

Special Revenue				
Housing Programs	Grants	Federal Aviation Agency Projects	Iowa Reinvestment District	Total
$ -	$ -	$ -	$ -	$ 642,334
-	-	-	-	11,980,555
560	-	505	151	22,014
190,114	-	-	-	190,114
5,899,791	1,546,996	2,744,678	70,708	12,415,809
48,304	-	28,841	-	331,113
2,322	-	-	-	2,322
6,141,091	1,546,996	2,774,024	70,859	25,584,261
-	2,282,629	2,114,072	-	16,983,413
-	183,699	-	-	792,397
5,891,901	64,045	-	-	8,084,155
-	-	37,060	88	37,148
53,523	-	-	-	53,523
5,945,424	2,530,373	2,151,132	88	25,950,636
195,667	(983,377)	622,892	70,771	(366,375)
-	-	-	(99,820)	(99,820)
-	-	-	(99,820)	(99,820)
195,667	(983,377)	622,892	(29,049)	(466,195)
4,842,388	(370,491)	(226,560)	83,926	16,205,773
$ 5,038,055	$ (1,353,868)	$ 396,332	$ 54,877	$ 15,739,578

City of Waterloo, Iowa

Capital Projects Funds
June 30, 2021

Capital Projects Funds account for the City's financial resources used for the acquisition or construction of major nonproprietary capital facilities. The City of Waterloo has capital projects funds as follows:

June 2016 GO Bonds Fund: This fund is used to account for proceeds from the 2016 general obligation bond sale until expended for the restricted purposes.

June 2017 GO Bonds Fund: This fund is used to account for proceeds from the 2017 general obligation bond sale until expended for the restricted purposes.

June 2018 GO Bonds Fund: This fund is used to account for proceeds from the 2018 general obligation bond sale until expended for the restricted purposes.

June 2019 GO Bonds Fund: This fund is used to account for proceeds from the 2019 general obligation bond sale until expended for the restricted purposes.

June 2020 GO Bonds Fund: This fund is used to account for proceeds from the 2020 general obligation bond sale until expended for the restricted purposes.

Capital Improvements Funds: This fund is used to account for the use of resources on governmental capital projects not accounted for in other capital projects funds and are restricted for specific projects.

City of Waterloo, Iowa

Combining Balance Sheet
Capital Projects Funds
June 30, 2021

	June 2017 GO Bonds	June 2018 GO Bonds	June 2019 GO Bonds
Assets			
Cash and cash equivalents	$ 584,704	$ 1,564,578	$ 4,933,338
Receivables, other	-	-	-
Accrued interest	2	4	12
Total assets	$ 584,706	$ 1,564,582	$ 4,933,350
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)			
Liabilities:			
Accounts payable	$ 23,789	$ 57,282	$ 158,336
Retainages payable	10,195	205,991	15,119
Due to other funds	-	-	-
Total liabilities	33,984	263,273	173,455
Deferred inflows of resources, unavailable revenue—other	-	-	-
Fund balances (deficit):			
Restricted	550,722	1,301,309	4,759,895
Unassigned	-	-	-
Total fund balances (deficit)	550,722	1,301,309	4,759,895
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 584,706	$ 1,564,582	$ 4,933,350

June 2020 GO Bonds	June 2021 GO Bonds	Capital Improvements	Total
$ 6,406,580	$ 13,404,225	$ 66,340	$ 26,959,765
-	-	177,746	177,746
15	27	-	60
$ 6,406,595	$ 13,404,252	$ 244,086	$ 27,137,571
$ 253,715	$ 507,710	$ 124,695	$ 1,125,527
32,001	263,830	163,678	690,814
-	-	5,258,835	5,258,835
285,716	771,540	5,547,208	7,075,176
-	-	177,746	177,746
6,120,879	12,632,712	66,340	25,431,857
-	-	(5,547,208)	(5,547,208)
6,120,879	12,632,712	(5,480,868)	19,884,649
$ 6,406,595	$ 13,404,252	$ 244,086	$ 27,137,571

City of Waterloo, Iowa

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Capital Projects Funds
Year Ended June 30, 2021

	June 2016 GO Bonds	June 2017 GO Bonds	June 2018 GO Bonds
Revenues:			
Investment income	$ 222	$ 904	$ 2,599
Miscellaneous	-	-	-
Total revenues	222	904	2,599
Expenditures:			
Community and economic development	-	-	-
General government	-	47	28
Debt service:			
Principal	-	-	-
Interest expense	-	3,500	-
Capital outlay	710,573	1,029,506	3,033,059
Total expenditures	710,573	1,033,053	3,033,087
Revenues under expenditures	(710,351)	(1,032,149)	(3,030,488)
Other financing sources:			
Transfers in	-	-	-
Bond premium	-	-	-
Issuance of long-term debt	-	-	-
Total other financing sources	-	-	-
Net change in fund balances (deficit)	(710,351)	(1,032,149)	(3,030,488)
Fund balances (deficit), beginning of year	710,351	1,582,871	4,331,797
Fund balances (deficit), end of year	$ -	$ 550,722	$ 1,301,309

June 2019 GO Bonds	June 2020 GO Bonds	June 2021 GO Bonds	Capital Improvements	Total
$ 5,371	$ 7,434	$ 27	$ -	$ 16,557
-	-	-	1,600,263	1,600,263
5,371	7,434	27	1,600,263	1,616,820
-	757,500	-	-	757,500
78	230	75	29,752	30,210
-	-	-	914,575	914,575
-	16	156,958	85,425	245,899
2,849,552	6,264,218	1,316,176	5,763,001	20,966,085
2,849,630	7,021,964	1,473,209	6,792,753	22,914,269
(2,844,259)	(7,014,530)	(1,473,182)	(5,192,490)	(21,297,449)
-	-	-	2,297,972	2,297,972
-	-	315,894	-	315,894
-	-	13,790,000	-	13,790,000
-	-	14,105,894	2,297,972	16,403,866
(2,844,259)	(7,014,530)	12,632,712	(2,894,518)	(4,893,583)
7,604,154	13,135,409	-	(2,586,350)	24,778,232
$ 4,759,895	$ 6,120,879	$ 12,632,712	$ (5,480,868)	$ 19,884,649

City of Waterloo, Iowa
Statistical Section

This part of the City of Waterloo's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 130

Revenue Capacity
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. 135

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 139

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 144

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs. 146

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Waterloo, Iowa
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	$ 250,819,314	$ 264,695,106	$ 273,871,470	$ 307,415,275	$ 316,701,068	$ 306,360,558	$ 313,405,227	$ 320,748,412	$ 338,162,674	$ 357,396,168
Restricted	31,552,558	30,823,956	30,579,471	30,438,501	20,032,995	55,182,022	52,436,491	53,863,633	44,923,907	39,925,625
Unrestricted	9,694,131	7,214,587	8,998,045	(31,681,588)	(23,683,497)	(31,089,693)	(40,527,523)	(43,479,555)	(45,440,432)	(46,515,207)
Total governmental activities net position	$ 292,066,003	$ 302,733,649	$ 313,448,986	$ 306,172,188	$ 313,050,566	$ 330,452,887	$ 325,314,195	$ 331,132,490	$ 337,646,149	$ 350,806,586
Business-type activities										
Net investment in capital assets	$ 71,243,134	$ 74,508,694	$ 79,920,865	$ 78,270,214	$ 79,522,665	$ 79,180,253	$ 82,504,631	$ 81,369,121	$ 87,857,186	$ 92,076,757
Restricted	1,655,694	1,383,659	1,310,099	727,235	672,515	672,515	672,515	47,826	19,491	138,467
Unrestricted	14,659,699	14,202,857	11,445,832	11,638,646	12,025,408	14,478,547	9,375,653	14,702,034	13,571,612	14,981,482
Total business-type activities net position	$ 87,558,527	$ 90,095,210	$ 92,676,796	$ 90,636,095	$ 92,220,588	$ 94,331,315	$ 92,552,799	$ 96,118,981	$ 101,448,289	$ 107,196,706
Primary government										
Net investment in capital assets	$ 322,062,448	$ 339,203,800	$ 353,792,335	$ 385,685,489	$ 396,223,733	$ 385,540,811	$ 395,909,858	$ 402,117,533	$ 426,019,860	$ 449,472,925
Restricted	33,208,252	32,207,615	31,889,570	31,165,736	20,705,510	55,854,537	53,109,006	53,911,459	44,943,398	40,064,092
Unrestricted	24,353,830	21,417,444	20,443,877	(20,042,942)	(11,658,089)	(16,611,146)	(31,151,870)	(28,777,521)	(31,868,820)	(31,533,725)
Total primary government net position	$ 379,624,530	$ 392,828,859	$ 406,125,782	$ 396,808,283	$ 405,271,154	$ 424,784,202	$ 417,866,994	$ 427,251,471	$ 439,094,438	$ 458,003,292

City of Waterloo, Iowa
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Page 1 of 2)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
Public safety	$ 30,037,249	$ 31,913,280	$ 31,773,269	$ 25,988,767	$ 34,120,160	$ 33,735,948	$ 20,828,929	$ 33,071,755	$ 38,539,492	$ 39,844,040
Public works	23,297,561	24,938,888	28,911,525	29,570,277	29,670,192	35,579,527	34,150,050	27,415,746	27,453,883	31,393,797
Health and social services	278,589	299,282	368,173	325,607	295,088	381,203	369,832	279,470	265,757	281,594
Culture and recreation	10,515,120	10,491,266	11,315,704	11,676,287	11,950,688	15,012,599	12,667,184	12,573,777	11,297,723	11,878,940
Community and economic development	16,138,333	14,129,616	12,910,299	13,190,672	13,753,669	12,860,289	17,417,572	11,593,102	11,778,352	12,518,489
General government	4,219,355	3,714,993	2,749,672	4,869,696	5,247,593	10,421,434	10,174,531	9,049,085	9,792,001	10,644,609
Interest on long-term debt	2,459,710	2,680,614	2,349,054	2,208,744	2,048,517	2,175,284	2,385,499	2,452,792	2,413,402	2,212,316
Total governmental activities expenses	86,945,917	88,167,939	90,377,696	87,830,050	97,085,907	110,166,284	97,993,597	96,435,727	101,540,610	108,773,785
Business-type activities:										
Sanitary sewer	9,730,465	10,033,041	9,811,929	12,518,569	14,018,836	13,635,403	13,107,645	12,254,389	12,287,197	12,110,438
Sanitation	3,680,500	3,640,314	3,215,663	3,612,307	3,921,263	4,050,778	4,166,465	4,196,226	4,963,445	5,272,312
Total business-type activities expenses	13,410,965	13,673,355	13,027,592	16,130,876	17,940,099	17,686,181	17,274,110	16,450,615	17,250,642	17,382,750
Total primary government expenses	$ 100,356,882	$ 101,841,294	$ 103,405,288	$ 103,960,926	$ 115,026,006	$ 127,852,465	$ 115,267,707	$ 112,886,342	$ 118,791,252	$ 126,156,535
Program Revenue										
Governmental activities:										
Charges for services:										
Public safety	$ 3,602,246	$ 3,683,489	$ 3,800,273	$ 4,018,731	$ 4,325,957	$ 4,231,224	$ 4,410,854	$ 4,460,965	$ 7,036,405	$ 6,120,115
Public works	2,224,870	2,192,414	2,802,925	2,498,057	1,284,289	2,474,497	3,641,744	2,451,369	2,337,247	2,448,785
Culture and recreation	2,592,204	2,492,426	3,010,899	3,361,891	3,645,647	3,538,243	3,503,643	3,370,198	3,213,303	3,897,666
Other activities	1,268,316	1,489,631	1,531,761	1,667,019	769,733	1,574,497	1,284,986	1,438,591	1,351,116	2,684,498
Operating grants and contributions	16,603,449	14,967,188	11,938,221	11,335,064	18,581,010	13,138,910	11,617,786	12,380,601	12,158,925	16,409,982
Capital grants and contributions	10,720,735	9,364,734	12,668,122	39,116,737	9,065,137	35,704,168	12,757,084	8,651,622	7,151,415	10,923,191
Total governmental activities program revenue	37,011,820	34,189,882	35,752,201	61,997,499	37,671,773	60,661,539	37,216,097	32,753,346	33,248,411	42,484,237
Business-type activities:										
Charges for services:										
Sanitary sewer	13,147,754	12,285,502	12,845,301	12,661,602	14,277,752	15,235,503	13,208,176	14,802,101	16,657,811	16,797,429
Sanitation	3,572,238	3,615,787	3,609,500	3,585,270	3,650,271	3,820,281	3,738,070	3,747,590	5,044,236	5,835,299
Operating grants and contributions:										
Sanitary sewer	54,041	-	-	24,236	1,892	206,145	37,055	-	2,005	1,001
Sanitation	215,584	273,869	272,755	274,324	273,624	290,513	273,624	273,624	273,857	273,550
Capital grants and contributions:										
Sanitary sewer	82,443	-	-	-	1,271,776	192,977	145,656	310,250	356,837	204,889
Sanitation	560	13,585	-	-	-	-	-	-	-	-
Total business-type activities program revenue	17,072,620	16,188,743	16,727,556	16,545,432	19,475,315	19,745,419	17,402,581	19,133,565	22,334,746	23,112,168
Total primary government program revenue	$ 54,084,440	$ 50,378,625	$ 52,479,757	$ 78,542,931	$ 57,147,088	$ 80,406,958	$ 54,618,678	$ 51,886,911	$ 55,583,157	$ 65,596,405
Net (Expense)/Revenue										
Governmental activities	$ (49,934,097)	$ (53,978,057)	$ (54,625,495)	$ (25,832,551)	$ (59,414,134)	$ (49,504,745)	$ (60,777,500)	$ (63,682,381)	$ (68,292,199)	$ (66,289,548)
Business-type activities	3,661,655	2,515,388	3,699,964	414,556	1,535,216	2,059,238	128,471	2,682,950	5,084,104	5,729,418
Total primary government net expense	$ (46,272,442)	$ (51,462,669)	$ (50,925,531)	$ (25,417,995)	$ (57,878,918)	$ (47,445,507)	$ (60,649,029)	$ (60,999,431)	$ (63,208,095)	$ (60,560,130)

City of Waterloo, Iowa
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Page 2 of 2)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	$ 42,822,680	$ 45,536,650	$ 44,585,915	$ 45,514,979	$ 46,327,997	$ 46,530,686	$ 47,404,667	$ 47,722,089	$ 49,332,480	$ 52,877,346
Other taxes	14,844,322	15,142,297	16,745,434	17,471,721	17,554,079	17,260,380	17,239,619	18,757,207	19,039,780	20,577,471
Investment earnings	54,485	45,578	117,515	180,123	187,046	339,895	842,018	1,468,222	978,205	124,727
Miscellaneous	3,315,471	3,925,918	2,748,468	1,108,633	2,034,957	2,741,240	4,592,600	2,186,481	5,455,393	5,870,441
Gain on sale of assets	-	-	-	-	188,433	34,865	-	-	-	-
Transfers	(44,167)	(4,740)	-	(2,035)	-	-	-	(633,323)	-	-
Total governmental activities	60,992,791	64,645,703	64,197,332	64,273,421	66,292,512	66,907,066	70,078,904	69,500,676	74,805,858	79,449,985
Business-type activities:										
Investment earnings	18,612	16,555	25,122	39,714	49,277	51,489	104,439	246,059	205,504	10,999
Gain (loss) on sale of assets	-	-	-	1,711	-	-	46,298	3,850	39,700	8,000
Transfers	44,167	4,740	-	2,035	-	-	-	633,323	-	-
Total business-type activities	62,779	21,295	25,122	43,460	49,277	51,489	150,737	883,232	245,204	18,999
Total primary government	$ 61,055,570	$ 64,666,998	$ 64,222,454	$ 64,316,881	$ 66,341,789	$ 66,958,555	$ 70,229,641	$ 70,383,908	$ 75,051,062	$ 79,468,984
Changes in Net Position										
Governmental activities	$ 11,058,694	$ 10,667,646	$ 10,715,337	$ 38,440,870	$ 6,878,378	$ 17,402,321	$ 9,301,404	$ 5,818,295	$ 6,513,659	$ 13,160,437
Business-type activities	3,724,434	2,536,683	2,581,586	458,016	1,584,493	2,110,727	279,208	3,566,182	5,329,308	5,748,417
Total primary government	$ 14,783,128	$ 13,204,329	$ 13,296,923	$ 38,898,886	$ 8,462,871	$ 19,513,048	$ 9,580,612	$ 9,384,477	$ 11,842,967	$ 18,908,854

City of Waterloo, Iowa
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ 326,276	$ 322,077	$ 392,741	$ 323,781	$ 267,413	$ 197,324	$ 528,775	$ 392,145	$ 584,290	$ 898,156
Restricted	3,438,392	5,497,065	8,667,499	9,109,347	10,390,434	8,565,653	7,839,825	6,384,873	5,888,663	5,027,951
Committed	-	-	36,595	-	-	-	33,004	154,511	229,791	-
Assigned	4,802,837	5,318,721	4,430,460	4,848,307	5,007,033	5,410,593	5,902,856	5,465,413	5,633,149	7,871,374
Unassigned	9,644,699	8,907,668	10,184,876	10,224,959	9,836,132	9,546,862	9,479,091	10,277,115	11,188,047	12,736,746
Total general fund	$ 18,212,204	$ 20,045,531	$ 23,712,171	$ 24,506,394	$ 25,501,012	$ 23,720,432	$ 23,783,551	$ 22,674,057	$ 23,523,940	$ 26,534,227
All Other Governmental Funds										
Nonspendable	$ 297,516	$ 233,192	$ 466,165	$ 298,880	$ 290,117	$ 261,770	$ 131,211	$ 219,283	$ 140,959	$ 313,422
Restricted	42,286,946	42,907,706	28,709,385	38,887,421	47,673,892	75,498,203	66,401,834	73,478,029	66,733,675	60,645,760
Assigned	2,332,997	2,370,221	80,148	2,396,279	2,424,601	2,458,279	2,549,694	2,763,872	2,910,389	2,939,425
Unassigned	(7,161,884)	(4,608,778)	(1,929,863)	(5,711,850)	(4,495,025)	(3,347,626)	(3,091,717)	(3,681,465)	(3,674,580)	(6,956,351)
Total all other governmental funds	$ 37,755,575	$ 40,902,341	$ 27,325,835	$ 35,870,730	$ 45,893,585	$ 74,870,626	$ 65,991,022	$ 72,779,719	$ 66,110,443	$ 56,942,256

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, implemented in fiscal year 2011.

City of Waterloo, Iowa
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue										
Property taxes	$ 42,864,091	$ 45,485,229	$ 44,623,905	$ 45,440,607	$ 46,259,411	$ 46,530,686	$ 47,404,667	$ 47,720,396	$ 48,086,079	$ 52,877,346
Other taxes	15,460,718	14,683,459	16,946,689	17,599,304	17,309,079	17,541,380	17,239,619	18,764,207	18,227,575	20,765,591
Licenses and permits	1,119,886	1,128,513	1,350,599	1,413,739	1,491,131	1,543,716	1,364,662	1,454,547	1,466,645	1,392,173
Investment income	54,485	45,578	117,515	183,938	187,047	339,895	842,018	1,468,222	978,205	124,727
Rent*	1,186,419	1,191,376	1,263,682	1,293,559	1,235,525	1,257,433	1,219,786	1,273,336	1,350,265	1,268,940
Intergovernmental	25,596,988	27,797,797	23,425,271	28,647,425	26,670,622	43,647,665	20,141,757	24,374,718	19,595,972	25,735,011
Charges for services*	6,748,285	6,512,462	6,894,308	7,371,370	8,142,707	8,025,850	8,088,333	7,923,398	10,018,667	10,073,458
Interfund charges for service	1,935,000	1,935,000	1,935,000	1,935,000	1,935,000	2,185,000	2,255,000	2,180,000	2,180,000	2,416,493
Special assessments	93,870	124,467	139,408	127,266	138,434	133,943	176,382	201,637	126,258	169,139
Miscellaneous	3,702,763	4,503,173	3,425,567	2,760,949	2,032,729	1,765,900	3,249,040	2,776,159	3,689,350	3,940,108
Total revenue	98,762,505	103,407,054	100,121,944	106,773,157	105,401,685	122,971,468	101,981,264	108,136,620	105,719,016	118,762,986
Expenditures										
Current:										
Public safety	29,272,717	30,517,147	30,865,364	30,588,630	31,380,988	30,518,380	30,733,487	32,108,023	34,004,492	35,398,811
Public works	25,565,737	26,286,055	29,009,814	34,515,685	26,664,570	19,526,031	22,895,182	14,212,521	22,136,849	28,042,204
Health and social services	346,952	370,275	365,847	407,060	375,769	379,958	365,193	276,922	270,460	286,771
Culture and recreation	9,396,914	9,134,554	9,835,758	10,633,238	10,837,983	10,616,332	10,580,629	10,353,767	9,906,832	10,310,829
Community and economic development	13,794,104	13,555,391	12,966,402	11,783,311	13,483,447	12,265,460	10,508,576	11,442,804	12,583,363	14,554,888
General government	4,956,104	3,980,405	2,468,932	5,459,817	5,671,640	10,042,300	8,894,390	8,483,284	9,627,947	10,540,061
Debt service										
Principal	8,623,207	8,708,554	8,886,944	9,659,890	11,314,503	9,698,561	11,336,261	10,379,792	14,523,780	9,879,128
Interest and fees	2,536,705	2,377,108	2,300,105	2,023,366	2,169,997	2,268,663	2,514,761	2,502,968	2,661,551	2,633,620
Capital outlay	14,140,916	9,646,195	14,033,868	11,855,746	12,835,209	19,625,850	23,921,255	23,189,451	25,658,879	34,953,743
Total expenditures	108,633,356	104,575,684	110,733,034	116,926,743	114,734,106	114,941,535	121,749,734	112,949,532	131,374,153	146,600,055
Revenue over (under) expenditures	(9,870,851)	(1,168,630)	(10,611,090)	(10,153,586)	(9,332,421)	8,029,933	(19,768,470)	(4,812,912)	(25,655,137)	(27,837,069)
Other financing sources (uses)										
Transfers in	14,206,860	12,765,878	11,006,208	10,276,970	14,882,427	11,857,853	13,154,342	11,910,365	14,897,791	13,925,382
Transfers out	(14,206,860)	(12,765,878)	(11,006,208)	(10,276,970)	(14,882,427)	(11,857,853)	(13,154,342)	(11,910,365)	(14,897,791)	(13,925,382)
Insurance proceeds	19,968	173,397	356,454	1,400	766,470	1,624,380	1,112,624	-	1,659,358	1,986,893
Proceeds from sale of assets	-	71,014	47,937	(6,168)	335,618	95,564	206,006	171,426	56,088	336,362
Refunding bonds issued	4,200,000	2,630,000	8,670,000	-	-	-	1,425,000	-	-	6,472,000
Payment to refunded bond escrow agent	-	(6,744,723)	(8,806,014)	-	-	(2,040,000)	-	-	-	(6,472,000)
Proceeds from debt issued	6,740,000	9,900,348	11,595,000	8,000,000	19,140,000	19,210,000	8,090,000	10,000,000	17,675,000	18,798,418
Bond discounts and premiums	269,088	118,687	205,713	129,606	107,806	276,585	118,355	320,689	445,298	557,496
Total other financing sources (uses)	11,229,056	6,148,723	12,069,090	8,124,838	20,349,894	19,166,529	10,951,985	10,492,115	19,835,744	21,679,169
Net change in fund balances	$ 1,358,205	$ 4,980,093	$ 1,458,000	$ (2,028,748)	$ 11,017,473	$ 27,196,462	$ (8,816,485)	$ 5,679,203	$ (5,819,393)	$ (6,157,900)
Debt service as a percentage of noncapital expenditures	11.8%	13.2%	12.3%	13.2%	13.2%	12.6%	14.2%	14.4%	16.3%	12.4%

City of Waterloo, Iowa
Assessed and Taxable Value of Property
Last Ten Fiscal Years

Assessment Date January 1,	For Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	TIF Property	Other Property	Less: Military Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Total Assessed Value	Total Taxable Value as a Percentage of Assessed Value
2010	2012	1,166,201,221	781,318,790	100,090,080	150,383,839	111,996,683	7,253,351	2,302,737,262	18.53335	3,747,030,046	61.45%
2011	2013	1,251,445,651	813,065,056	121,443,090	179,551,015	111,367,841	6,985,742	2,469,886,911	18.20505	3,738,165,467	66.07%
2012	2014	1,316,533,993	800,057,810	122,324,860	183,333,664	111,068,231	6,742,623	2,526,575,935	17.49319	3,762,106,346	67.16%
2013	2015	1,303,730,888	717,175,119	112,118,499	207,637,570	112,027,732	6,558,362	2,446,131,446	17.95159	3,629,362,635	67.40%
2014	2016	1,347,497,993	662,021,833	105,004,150	214,993,747	110,527,435	6,267,608	2,433,777,550	17.76370	3,656,417,436	66.56%
2015	2017	1,383,126,415	620,075,361	104,318,361	229,899,157	151,573,034	6,008,327	2,482,984,001	17.60522	3,770,142,165	65.86%
2016	2018	1,426,734,942	626,685,915	102,735,087	230,753,488	141,987,418	5,774,986	2,523,121,864	17.60000	3,797,591,542	66.44%
2017	2019	1,400,102,962	614,016,517	101,985,208	263,287,703	158,466,327	5,436,059	2,532,422,658	17.45595	3,858,553,457	65.63%
2018	2020	1,447,591,365	654,112,386	102,437,652	267,969,299	153,414,284	4,932,861	2,620,592,125	17.54799	3,945,324,830	66.42%
2019	2021	1,439,257,464	648,885,677	105,155,528	284,405,439	145,359,250	4,675,374	2,618,387,984	18.44026	4,043,161,870	64.76%

Source: Black Hawk County Auditor.

Notes: (1) Does not include tax-exempt property. Tax rates are per $1,000 of assessed value.
(2) Property tax on machinery and equipment was phased out during the period FYE2001 through FYE2003.
(3) A new category for multi-residential property was created by the state beginning in FYE2017. These valules are included in the "Other Property" category
(4) A rollback from assessed to taxable valuation was implemented for commerical and industrial property beinning in FYE2017. The facto was 5% for FYE2017 and

City of Waterloo, Iowa
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

				Overlapping Rates							
	City of Waterloo			Black Hawk County			Schools				Total Direct & Overlapping Rates
Fiscal Year	Operating Millage	Debt Service	Total City Millage	Operating Millage	Debt Service	Total County Millage	Operating Millage	Debt Service	Total School Millage	Other	
2012	15.16068	3.37267	18.53335	5.92415	0.67322	6.59737	15.28141	1.00000	16.28141	1.28109	42.69322
2013	15.03346	3.17159	18.20505	5.59849	0.64144	6.23993	14.80265	1.00000	15.80265	1.33770	41.58533
2014	14.39276	3.10043	17.49319	5.39234	0.62882	6.02116	13.12135	2.60683	15.72818	1.36950	40.61203
2015	14.74920	3.20239	17.95159	5.52447	0.59472	6.11919	13.28631	2.68895	15.97526	1.35851	41.40455
2016	14.50433	3.25937	17.76370	5.43985	1.30832	6.74817	12.92607	2.69825	15.62432	1.34988	41.48607
2017	14.44418	3.16104	17.60522	5.48507	0.96070	6.44577	12.72660	2.67340	15.40000	1.33315	40.78414
2018	14.48927	3.11073	17.60000	5.60805	0.80702	6.41507	12.33034	2.65121	14.98155	1.33495	40.33157
2019	14.46767	2.98828	17.45595	5.96158	0.73145	6.69303	11.96864	2.60324	14.57188	1.36344	40.08430
2020	14.79204	2.75595	17.54799	5.72918	0.57445	6.30363	11.63832	2.56862	14.20694	1.43491	39.49347
2021	15.68435	2.75591	18.44026	5.94328	0.39297	6.33625	11.63405	2.57289	14.20694	1.47747	40.46092

Source: Black Hawk County Auditor.

City of Waterloo, Iowa
Principal Taxpayers
Current Year and Nine Years Ago

Employer	2021 Assessed Value 1/1/2019	2021 Rank	2021 Percentage of Total Assessed Value	2012 Assessed Value 1/1/2010	2012 Rank	2012 Percentage of Total Assessed Value
MidAmerican Energy	$ 78,315,653	1	1.94%	$ 133,305,953	1	3.56%
Deere and Company	50,559,222	2	1.25%	28,300,210	4	0.76%
IOC Black Hawk County, Inc.	48,954,195	3	1.21%	73,670,230	2	1.97%
Con Agra k/n/a Hunt Wesson, Inc.	31,500,000	4	0.78%	26,580,220	5	0.71%
Ferguson Enterprises, Inc.	18,636,903	5	0.46%	24,732,360	6	0.66%
FDP WTC LLC	16,711,938	6	0.41%			
VGM Management, Inc.	16,594,492	7	0.41%			
Tyson Fresh Meats (formerly IBP, Inc.)	15,992,295	8	0.40%	17,306,720	7	0.46%
Bertch Cabinet Manufacturing, Inc.	14,318,676	9	0.35%	15,607,970	8	0
Walmart	12,011,454	10	0.30%			
Crossroads Realty LLC	-		--	39,530,390	3	1.05%
Howard Allen Investments	--		--	15,590,980	9	0.42%
Qwest Corporation (formerly US West)	--		--	13,138,639	10	0.35%
	--		--			
Total	$ 303,594,828		7.51%	$ 387,763,672		10.36%

Source: Official Bond Statements prepared by Speer Financial, Inc.

City of Waterloo, Iowa
Property Tax Levies and Collections
Last Ten Fiscal Years

Assessment Date January 1,	Fiscal Year Ended June 30,	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
2010	2012	38,703,447	38,469,916	99.40%	20,895	38,490,811	99.45%
2011	2013	40,620,062	40,275,404	99.15%	18,966	40,294,370	99.20%
2011	2013	40,620,062	40,275,404	99.15%	18,966	40,294,370	99.20%
2013	2015	39,200,603	38,901,557	99.24%	(362,370) *	38,539,187	98.31%
2014	2016	38,480,720	38,405,051	99.80%	(176,170) *	38,228,881	99.35%
2014	2016	38,480,720	38,405,051	99.80%	(176,170) *	38,228,881	99.35%
2016	2018	39,613,829	39,602,704	99.97%	8,658	39,611,362	99.99%
2017	2019	38,984,631	38,980,335	99.99%	21,994	39,002,329	100.05%
2018	2020	40,639,192	40,122,621	98.73%	34,427	40,157,048	98.81%
2019	2021	42,422,199	42,700,728	100.66%	290,135	42,990,863 ^	101.34%

Source: Black Hawk County Auditor's office.

Current year tax collections can exceed the total tax levy in certain instances, such as when property valuation adjustments are made after the tax levy certifications are completed. Information regarding changes to levies and the years that delinquent payments are attributable is not available to the City.

^ Due to the COVID-19 pandemic, the Governor of Iowa extended the due date for tax collections for the year ended June 30, 2020 to July 2020, resuling in higher delinquent tax collections for the year ended June 30, 2021.

* A number of property valuation appeals for the valuation at the January 1, 2011 assessment date were settled during the fiscal years ended June 30, 2014, 2015 and 2016 which resulted in refunds owed for prior taxes paid on those properties. Black Hawk County netted those refunds from delinquent taxes paid to the City, resulting in negative delinquent tax collections.

City of Waterloo, Iowa
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				Business-Type Activities						
Fiscal Year	General Obligation Bonds	General Obligation Capital Loan Notes	Capital Leases	Other Debt	General Obligation Bonds	Revenue Bonds	Capital Leases	Other Debt	Total Primary Government	Percentage of Personal Income*	Per Capita*
2012	68,651,784	--	--	2,111,193	20,870,997	4,727,951	--	--	96,361,925	3.82%	1,411
2013	65,966,220	--	--	2,524,312	24,400,407	3,119,608	--	--	96,010,547	3.58%	1,404
2014	69,226,920	--	--	2,281,997	22,253,712	1,914,460	--	--	95,677,089	3.38%	1,399
2015	67,833,111	--	--	2,061,307	25,804,346	719,286	--	--	96,418,050	3.37%	1,409
2016	75,897,719	--	--	1,934,063	23,198,824	142,604	--	--	101,173,210	3.59%	1,479
2017	83,682,844	--	--	1,788,702	21,692,273	-	--	--	107,163,819	3.78%	1,566
2018	81,969,301	--	--	8,019,724	19,136,397	1,534,000	--	--	110,659,422	3.81%	1,598
2019	82,879,508	--	--	6,905,931	16,583,131	2,091,522	--	--	108,460,092	3.65%	1,586
2020	87,276,792	--	--	5,862,152	14,541,676	2,030,495	--	--	109,711,115	3.40%	1,604
2021	92,697,175	--	3,762,929	5,913,513	12,512,539	17,403,732	--	--	132,289,888	3.92%	1,934

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

* Personal income and population data can be found in the Schedule of Demographic and Economic Statistics. These ratios are calculated using personal income and population for the prior calendar year.

City of Waterloo, Iowa
Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Total Assessed Value of Property	Percentage of Assessed Value of Property	Per Capita*
2012	89,522,781	3,747,030,046	2.39%	1,309
2013	90,366,627	3,738,165,467	2.42%	1,321
2014	91,480,632	3,762,106,346	2.43%	1,337
2015	93,637,457	3,629,362,635	2.58%	1,369
2016	99,096,543	3,656,417,436	2.71%	1,449
2017	105,375,117	3,770,142,165	2.79%	1,540
2018	101,105,698	3,797,591,542	2.66%	1,478
2019	99,462,639	3,858,553,457	2.58%	1,454
2020	101,818,468	3,945,324,830	2.58%	1,488
2021	105,209,714	4,043,161,870	2.60%	1,538

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

* Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Waterloo, Iowa
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable To City*	Estimated Share of Overlapping Debt
City of Waterloo direct debt	$ 102,373,617	100.00%	$ 102,373,617
Overlapping:			
Black Hawk County	$ 22,350,000	42.99%	9,608,265
Hawkeye Community College	11,560,000	24.30%	2,809,080
Subtotal, overlapping debt	$ 33,910,000		$ 12,417,345
Total direct and overlapping debt	$ 136,283,617		$ 114,790,962

Source: Black Hawk County Auditor

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Waterloo. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

*The percentage of overlapping debt applicable is estimated using net taxable property values. Applicable percentages were estimated by determining the portion of the County's net value that is within the government's boundaries and dividing it by the County's total value.

Source: Black Hawk County Auditor

City of Waterloo
Legal Debt Margin Information
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	$ 187,351,502	$ 186,908,273	$ 188,105,317	$ 181,167,349	$ 182,820,872	$ 188,507,108	$ 189,879,577	$ 192,927,673	$ 197,266,242	$ 202,158,094
Total net debt applicable to limit	91,633,974	92,890,939	93,762,629	95,698,764	101,030,606	107,163,819	109,125,422	106,368,570	107,680,620	114,700,920
Legal debt margin	$ 95,717,528	$ 94,017,334	$ 94,342,688	$ 85,468,585	$ 81,790,266	$ 81,343,289	$ 80,754,155	$ 86,559,103	$ 89,585,622	$ 87,457,174
Total net debt applicable to the limit as a percentage of debt limit	48.91%	49.70%	49.02%	49.44%	49.44%	56.85%	55.26%	55.13%	54.59%	56.74%

Legal Debt Margin Calculation for Fiscal Year 2021:

Estimated actual valuation (assessed) as of January 1, 2019	$ 4,043,161,870
Debt limit (5% of total estimated actual valuation)	202,158,094
Debt applicable to debt limit:	
General obligation bonds	105,024,478
Capital leases	5,913,513
General obligation capital loan notes	3,762,929
Total net debt applicable to limit	114,700,920
Legal debt margin	$ 87,457,174

Note: Under the State of Iowa Constitution, the city's outstanding general obligation debt should not exceed 5% of total assessed property value.

City of Waterloo, Iowa
Sewer Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Less: Applicable Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements	Coverage
2012	13,217,083	6,450,294	6,766,789	1,655,847	4.0866
2013	12,312,670	6,803,784	5,508,886	1,659,883	3.3188
2014	12,863,347	8,069,660	4,793,687	1,259,403	3.8063
2015	12,716,670	9,894,071	2,822,599	1,233,703	2.2879
2016	14,261,375	11,319,925	2,941,450	592,413	4.9652
2017	15,229,015	11,307,231	3,921,784	144,200	29.2810
2018	13,362,514	9,263,755	4,098,759	66,469	61.6642
2019	15,003,350	8,433,566	6,569,784	193,738	33.9107
2020	16,835,257	8,462,090	8,373,167	230,600	36.3104
2021	16,811,009	8,563,164	8,247,845	505,522	16.3155

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Gross revenue includes both operating and non-operating revenue. Operating expenses do not include interest, depreciation or amortization of bond issue costs.

City of Waterloo, Iowa
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population[1]	Personal Income	Per Capita Personal Income[2]	Median Age[1]	Unemployment Rate[3]	School Enrollment[4]
2011	68,406	2,524,386,618	36,903	35.9	7.1%	10,103
2012	68,406	2,681,173,170	39,195	35.9	6.5%	10,239
2013	68,406	2,827,835,634	41,339	35.7	5.6%	10,483
2014	68,406	2,857,250,214	41,769	35.5	6.5%	10,611
2015	68,406	2,817,779,952	41,192	35.8	5.4%	10,445
2016	68,406	2,837,344,068	41,478	36.2	4.8%	10,357
2017	68,406	2,871,842,930	42,186	36.5	4.7%	10,401
2018	68,406	2,967,454,000	43,452	36.6	2.6%	10,297
2019	68,406	3,226,287,180	47,623	37.0	3.7%	10,380
2020	67,314	3,374,759,000	50,126	36.8	6.6%	10,196

N/A = Not available.

Sources:
[1] 2000 and 2010 U.S. Census
[2] U.S. Department of Commerce, Bureau of Economic Analysis
[3] Iowa Workforce Development
[4] Waterloo Community Schools

City of Waterloo, Iowa
Principal Area Employers
Current Year and Nine Years Ago

	2021			2012		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Deere & Company	5,600	1	17.18%	5,600	1	15.73%
Tyson Fresh Meats	2,950	2	9.05%	2,500	3	7.02%
Mercy One (formerly Wheaton Franciscan)	2,655	3	8.14%	2,680	2	7.53%
Waterloo Community Schools	1,730	4	5.31%	1,560	6	4.38%
University of Northern Iowa	1,650	5	5.06%	1,850	5	5.20%
Unity Point Health (formerly Allen Hospital)	1,500	6	4.60%	2,080	4	5.84%
Hy-Vee	1,200	7	3.68%	1,130	8	3.17%
Target Regional Distribution	1,070	8	3.28%	850	9	2.39%
VGM Group	1,055	9	3.24%	--	--	--
Western Home Communities	960	10	2.94%	--	--	--
Area Education Agency 267	-	-	-	1,150	7	3.23%
GMAC Mortgage Corp.	--	--	--	805	10	2.26%
Total	20,370		62.48%	20,205		56.75%

Source: Official Bond Statements from Speer Financial, Inc.

City of Waterloo, Iowa
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police	138.0	131.0	130.0	130.0	130.0	130.0	129.0	129.0	129.0	127.0
Fire	112.5	109.5	108.5	106.5	109.5	107.5	104.5	108.5	106.5	106.0
Building Inspection	12.5	12.5	12.5	13.5	13.5	13.0	11.0	12.0	17.0	17.0
Public Works										
City Engineer	20.0	20.0	20.0	20.0	20.0	20.0	21.0	21.0	18.0	19.0
Traffic	12.0	15.0	16.0	16.0	14.0	15.0	14.0	15.0	15.5	15.5
Central Garage	9.0	9.0	10.0	10.0	9.0	9.0	9.0	7.0	8.0	9.0
Street	38.0	36.0	34.0	37.0	35.0	36.0	35.0	38.0	38.0	36.0
Airport	6.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Health & Social Services										
Human Rights	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Culture & Recreation										
Cultural & Arts	14.5	13.0	11.0	13.0	12.0	13.0	10.0	10.0	12.0	12.0
Library	24.5	25.0	25.0	24.5	24.0	23.5	22.5	22.0	22.0	21.0
Leisure Services	39.0	36.0	40.0	43.0	42.0	41.0	43.0	42.0	40.0	38.0
Community & Economic Development										
Community Planning & Development	24.0	22.0	23.0	23.0	22.0	21.0	22.0	22.0	19.0	18.0
General Government										
Mayor's Office	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Info Tech	2.0	1.0	1.0	1.0	2.0	4.0	5.0	4.0	5.0	5.0
City Clerk & Finance	13.0	14.0	14.0	12.0	12.0	9.0	10.0	10.0	10.0	10.0
City Attorney/Code Enforcement	1.5	1.5	1.5	1.5	6.0	6.0	6.0	6.0	6.0	6.0
Human Resources	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Facilities Maintenance	3.0	3.0	4.0	4.0	4.0	4.0	5.0	4.0	4.0	4.0
Waste Management Services										
Sewer	35.0	33.9	41.0	39.0	40.0	39.0	36.0	38.0	38.0	38.0
Sanitation	14.0	17.1	13.0	17.0	13.0	13.0	13.0	11.0	13.0	14.0
Total	525.5	511.5	517.5	524.0	521.0	518.0	510.0	513.5	515.0	509.5

Source: City Human Resources Department records.

City of Waterloo, Iowa
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Page 1 of 2)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety									
Police *									
Traffic accidents	1,598	1,839	1,726	1,607	1,633	1,441	1,527	1,235	1,184
Cases	11,344	11,298	11,111	10,110	9,683	8,930	9,103	8,028	7,298
Citations	6,448	6,989	5,060	4,917	3,947	3,748	4,195	3,681	2,424
Calls for service	75,626	77,161	67,717	61,944	60,652	50,773	50,986	47,979	37,752
Total arrests	4,984	4,931	4,728	4,004	3,874	3,444	3,496	2,777	2,351
Fire									
Fire responses	4,622	5,011	5,129	5,232	5,638	5,542	5,623	5,233	5,301
Ambulance responses	6,997	6,729	6,830	6,650	7,036	8,720	9,180	8,956	9,833
Building Inspection									
Construction permits issued	8,682	9,969	10,327	10,620	9,704	8,483	7,124	7,011	7,062
Construction value of permits	$ 91,192,766	$ 101,677,108	$ 100,224,478	$ 127,513,038	$ 108,699,337	$ 104,700,306	$ 142,264,758	$ 161,102,459	$ 140,629,305
Public Works									
Engineering									
Street reconstruction (miles)	3.08	3.15	1.59	2.61	3.35	3.08	3.30	2.81	2.50
Street resurfacing (miles)	14.05	12.21	18.63	12.53	0.64	1.66	2.60	3.34	2.10
Street Department									
Tons of salt used for streets	5,700.00	5,162.00	4,217.00	3,024.00	3,307.00	5,699.72	4,000.00	2,500.00	2,273.00
Man hours for road maintenance	67,345	66,650	67,320	79,357	66,924	68,644	38,485	47,104	30,452
Airport									
Commercial Enplanements	19,897	21,573	26,170	27,325	25,534	22,836	23,446	15,055	7,859
Aircraft take-offs and landings	20,589	19,109	19,550	21,037	18,585	18,943	20,072	19,006	19,946
Based aircraft	104	104	74	75	75	75	81	70	70
Health & Social Services									
Human Rights									
Civil Rights complaints									
New cases opened	106	64	66	50	57	49	58	41	31
Cases closed	59	43	100	50	69	72	85	68	47
Active cases at year-end	154	177	143	142	129	105	83	52	40
Culture & Recreation									
Leisure Services									
SportsPlex Members	N/A	2,594	4,450	4,965	5,095	5,243	6,167	5,456	5,751
Young Arena facility usage									
Event Visitors	118,639	119,903	100,064	100,913	103,547	105,938	104,635	81,507	38,606
Recreational Visitors	174,780	186,384	189,121	189,586	183,749	180,545	167,900	124,700	40,099
Sports - youth programs	5,451	5,571	5,623	5,689	5,573	5,434	5,413	4,238	4,374
Sports - adult programs	1,588	1,598	1,617	1,543	1,497	1,412	1,384	954	1,112
Pool attendance @	39,611	37,603	33,866	34,733	28,861	22,065	9,980	15,734	24,113
Golf rounds	81,218	75,737	74,891	76,137	69,989	60,640	52,076	56,192	74,449
Annual flowers grown for parks	23,304	-	-	-	-	-	-		-
Public Library									
Total Circulation	405,341	422,204	470,786	446,467	365,656	299,035	295,877	500,974	146,010
Total Library Visits #	263,261.00	271,603.00	278,431.00	253,929.00	262,073.00	250,804.00	181,867.00	92,342.00	37,579.00
Waterloo Center for the Arts									
In House Visitors	125,958.00	118,970.00	128,140.00	122,334.00	157,628.00	189,153.00	191,675.00	120,000.00	48,500.00
Events, meetings, and programs	1,563.00	1,074.00	1,103.00	1,003.00	1,261.00	1,513.00	1,757.00	1,100.00	633.00

City of Waterloo, Iowa
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Page 2 of 2)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021
Community & Economic Development									
Planning and Zoning									
Planning commission agenda items	72	91	100	86	63	70	59	47	73
CURA applications received **	24	30	41	31	35	25	28	22	13
CURA improvements value	$ 2,776,663	$ 11,368,905	$ 7,856,518	$ 13,451,612	$ 13,439,875	$ 3,793,731	$ 3,037,684	$ 5,367,551	$ 8,610,759
CLURA applications received***	19	58	69	41	74	46	39	46	45
CLURA improvments value	$ 4,385,349	$ 14,418,617	$ 15,057,131	$ 8,849,239	$ 17,426,350	$ 11,090,817	$ 11,533,082	$ 13,682,420	$ 14,222,172
Community Development									
Down payment assistance	10	3	4	8	7	-	-		3
Home buyer education	-	-	-	-	-	-	-		-
Owner-occupied homes rehabilitated	31	42	26	24	24	25	33	31	35
Emergency repairs (including roofs)	49	37	33	34	32	21	25	30	39
Demolitions (residential & commercial)	18	21	-	13	-	1	2	-	-
Housing									
Vouchers used	1,005	931	937	975	1,017	1,010	1,020	1,061	1,042
Public housing units	50	50	50	50	50	50	50	50	49
Family self sufficiency participants	47	36	31	34	28	26	23	20	21
Sewer									
Sewer system customers	25,393	26,102	25,584	26,498	26,522	25,235	26,732	26,790	26,501

Source: Various city departments
* Statistics for Police Department are for the calendar year ending within the fiscal year shown.
** Consolidated Urban Revitalization Area.
*** City Limits Urban Revitalization Area Started FY12
# Door counter was broken for several months, so not all visitors could be counted.
@ One pool could not be opened in the spring of 2019 due to needed repairs

City of Waterloo, Iowa
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety									
Police									
Stations	1	1	1	1	1	1	1	1	1
Fire*									
Stations	7	7	7	7	7	7	7	7	7
Trucks and special vehicles	31	29	29	30	33 **	35	31	31	31
Public Works									
Miles of streets - paved	364	364	364	360	360	361	362	363	363
Miles of streets - unpaved	72	72	72	68	68	68	68	73	73
Street lights	1,800	1,807	1,807	1,807	1,807	1,847	1,847	2,582	2,503
Traffic Signals	200	197	198	198	199	200	202	200	206
Airport runway lengths:									
Runway 12/30	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400
Runway 18/36	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002
Runway 6/24	5,403	5,403	5,403	5,403	5,403	5,403	5,403	CLOSED	CLOSED
Culture & Recreation									
City recreation areas	3	3	**3**	**3**	3	**3**	**3**	**3**	**3**
City parks	48	48	48	48	48	48	48	48	48
Golf courses	3	3	3	3	3	3	3	3	3
Swimming pools	2	2	2	2	2	2	2	2	2
Softball diamonds	23	23	23	23	20	20	20	20	20
Baseball diamonds	6	6	6	6	6	6	6	6	6
Baseball stadium	1	1	1	1	1	1	1	1	1
Softball complexes	2	2	2	2	2	2	2	2	2
Tennis courts	27	27	27	27	27	27	27	27	27
Ice arena	1	1	1	1	1	1	1	1	1
Soccer complex	1	1	1	1	1	1	1	1	1
Exposition plaza	1	1	1	1	1	1	1	1	1
Skatepark	1	1	1	1	1	1	1	1	1
Dog park	1	1	1	1	1	1	1	1	1
Amphitheater	1	1	1	1	1	1	1	1	1
Splash Park	1	1	1	1	1	1	1	1	1
SPORTSPLEX	0	0	1	1	1	1	1	1	1
Center for the Arts collection size	4,352	4,682	5,102	5,498	5,647	6,001	6,475	6,738	7,122
Library collection size **	161,462	164,486	138,540	138,305	124,649	112,777	112,777	107,583	112,620
Sewer									
Miles of sanitary sewer	356	357	358	368	372	373	374	376	378

Source: Various city departments
* Added boats
** Collection size increased due to providing additional electronic service

APPENDIX B

DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

APPENDIX C

DRAFT FORM OF BOND COUNSEL OPINION



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DRAFT

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Waterloo, State of Iowa (the "Issuer"), relating to the issuance of General Obligation Bonds, Series 2022B, by said City, dated _____, 2022, in the denomination of $5,000 or multiples thereof, in the aggregate amount of $_____ (the "Bonds").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing issuance of the Bonds (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and issue the Bonds.

2. The Bonds are valid and binding general obligations of the Issuer.

3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

02041165-1\11310-149

AHLERS COONEY
ATTORNEYS

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DRAFT

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Waterloo, State of Iowa (the "Issuer"), relating to the issuance of Taxable General Obligation Bonds, Series 2022C, by said City, dated _____, 2022, in the denomination of $5,000 or multiples thereof, in the aggregate amount of $_____ (the "Bonds").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing issuance of the Bonds (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and issue the Bonds.

2. The Bonds are valid and binding general obligations of the Issuer.

3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.

4. The interest on the Bonds is not excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended. THE HOLDERS OF THE BONDS SHOULD TREAT THE INTEREST THEREON AS SUBJECT TO FEDERAL INCOME TAXATION. We express no other opinion regarding any other federal or state income tax consequences caused by the receipt or accrual of interest on the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

Wishard & Baily – 1888, Guernsey & Baily – 1893, Baily & Stipp – 1901, Stipp, Perry, Bannister & Starzinger – 1914, Bannister, Carpenter, Ahlers & Cooney – 1950, Ahlers, Cooney, Dorweiler, Allbee, Haynie & Smith – 1974, Ahlers, Cooney, Dorweiler, Haynie, Smith & Allbee, P.C. – 1990

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

02041169-1\11310-150

APPENDIX D

DRAFT CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Waterloo, State of Iowa (the "Issuer"), in connection with the issuance of $_____ General Obligation Bonds, Series 2022B and $_____ Taxable General Obligation Bonds, Series 2022C (the "Bonds") dated _____, 2022. The Bonds are being issued pursuant to a Resolution of the Issuer approved on _____, 2022 (the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate; Interpretation. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5). This Disclosure Certificate shall be governed by, construed and interpreted in accordance with the Rule, and, to the extent not in conflict with the Rule, the laws of the State. Nothing herein shall be interpreted to require more than required by the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Iowa are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with S.E.C. Rule 15c2-12.

"Holders" shall mean the registered holders of the Bonds, as recorded in the registration books of the Registrar.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1300 I Street NW, Suite 1000, Washington, DC 20005.

"National Repository" shall mean the MSRB's Electronic Municipal Market Access website, a/k/a "EMMA" (emma.msrb.org).

"Official Statement" shall mean the Issuer's Official Statement for the Bonds, dated _____, 2022.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission (S.E.C.) under the Securities Exchange Act of 1934, and any guidance and procedures thereunder published by the S.E.C., as the same may be amended from time to time.

"State" shall mean the State of Iowa.

Section 3. Provision of Annual Financial Information.

a) The Issuer shall, or shall cause the Dissemination Agent to, not later than two hundred seventy (270) days after the end of the Issuer's fiscal year (presently June 30th), commencing with information for the 2021/2022 fiscal year, provide to the National Repository an Annual Financial Information filing consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Financial Information filing must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Financial Information filing may be submitted as a single document or as separate documents comprising a package. The Annual Financial Information filing may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Financial Information filing and later than the date required above for the filing of the Annual Financial Information if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

b) If the Issuer is unable to provide to the National Repository the Annual Financial Information by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board, if any, in substantially the forms attached as Exhibit A-1 and A-2.

c) The Dissemination Agent shall:

i. each year file Annual Financial Information with the National Repository; and

ii. (if the Dissemination Agent is other than the Issuer), file a report with the Issuer certifying that the Annual Financial Information has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

Section 4. Content of Annual Financial Information. The Issuer's Annual Financial Information filing shall contain or incorporate by reference the following:

a) The last available audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer's audited financial statements for the preceding years are not available by the time Annual Financial Information is required to be filed pursuant to Section 3(a), the Annual Financial Information filing shall contain unaudited financial statements of the type included in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Financial Information when they become available.

b) A table, schedule or other information prepared as of the end of the preceding fiscal year, of the type contained in the final Official Statement under the caption "Socioeconomic Information - Retail Sales", "Local Option Sales Tax", "Property Tax Information", "Debt Information", and "Financial Information." Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been filed with the National Repository. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

a) Pursuant to the provisions of this Section, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than 10 Business Days after the day of the occurrence of the event:

i. Principal and interest payment delinquencies;

ii. Non-payment related defaults, if material;

iii. Unscheduled draws on debt service reserves reflecting financial difficulties;

iv. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;

v. Substitution of credit or liquidity providers, or their failure to perform;

vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Bonds, or material events affecting the tax-exempt status of the Bonds;

vii. Modifications to rights of Holders of the Bonds, if material;

viii. Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;

ix. Defeasances of the Bonds;

x. Release, substitution, or sale of property securing repayment of the Bonds, if material;

xi. Rating changes on the Bonds;

xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;

xiii. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

xv. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

xvi. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

b) Whenever the Issuer obtains the knowledge of the occurrence of a Listed Event, the Issuer shall determine if the occurrence is subject to notice only if material, and if so shall as soon as possible determine if such event would be material under applicable federal securities laws.

c) If the Issuer determines that knowledge of the occurrence of a Listed Event is not subject to materiality, or determines such occurrence is subject to materiality and would be material under applicable federal securities laws, the Issuer shall promptly, but not later than 10 Business Days after the occurrence of the event, file a notice of such occurrence with the Municipal Securities Rulemaking Board through the filing with the National Repository.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate with respect to each Series of Bonds shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds of that Series or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

a) If the amendment or waiver relates to the provisions of Section 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Financial Information filing, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Financial Information filing for the year in which the change is made will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Financial Information filing or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information filing or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Information filing or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Rescission Rights. The Issuer hereby reserves the right to rescind this Disclosure Certificate without the consent of the Holders in the event the Rule is repealed by the S.E.C. or is ruled invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of the Rule, the Issuer hereby reserves the right to rescind those provisions of this Disclosure Certificate that were required by those parts of the Rule that are so repealed or invalidated.

Date: _____ day of _____, 2022.

CITY OF WATERLOO, STATE OF IOWA

By: _____
Quentin M. Hart, Mayor

ATTEST:

By: _____
Kelley Felchle, City Clerk

EXHIBIT A-1

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Waterloo, Iowa.

Name of Bond Issue: $_____ General Obligation Bonds, Series 2022B

Dated Date of Issue: _____, 2022

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Bonds. The Issuer anticipates that the Annual Financial Information will be filed by _____.

Dated: _____ day of _____, 20___.

CITY OF WATERLOO, STATE OF IOWA

By: _____
Its: _____

EXHIBIT A-2

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Waterloo, Iowa.

Name of Bond Issue: $_____ Taxable General Obligation Bonds, Series 2022C

Dated Date of Issue: _____, 2022

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Bonds. The Issuer anticipates that the Annual Financial Information will be filed by _____.

Dated: _____ day of _____, 20___.

CITY OF WATERLOO, STATE OF IOWA

By: _____
Its: _____

OFFICIAL BID FORM – TAX-EXEMPT BONDS

City of Waterloo
715 Mulberry Street
Waterloo, IA 50703

May 18, 2022
Speer Financial, Inc.
Facsimile: (319) 291-8628

City Council:

For the $5,685,000* General Obligation Bonds, Series 2022B (the "Tax-Exempt Bonds"), of the City of Waterloo, Black Hawk County, Iowa (the "City"), as described in the annexed Official Terms of Offering, which is expressly made a part of this bid, we will pay you $_____ (no less than $5,639,520). The Tax-Exempt Bonds are to bear interest at the following respective rates (each a multiple of 1/8 or 1/100 of 1%) for the Tax-Exempt Bonds of each designated maturity.

AMOUNTS* AND MATURITIES – JUNE 1

$315,000	2023	_____%	$355,000	2028	_____%	$510,000	2033	_____%
115,000	2024	_____%	365,000	2029	_____%	520,000	2034	_____%
100,000	2025	_____%	475,000	2030	_____%	535,000	2035	_____%
100,000	2026	_____%	485,000	2031	_____%	505,000	2036	_____%
345,000	2027	_____%	500,000	2032	_____%	460,000	2037	_____%

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

In submitting this bid, we represent that (i) this bid constitutes a firm offer to purchase the Tax-Exempt Bonds, and (ii) we have an established industry reputation for underwriting new issuances of municipal bonds and notes.

The Tax-Exempt Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa. The City will pay for the legal opinion. **The Purchaser agrees to** pay the fee charged by the CUSIP Service Bureau and will accept the Tax-Exempt Bonds with the CUSIP numbers as entered on the Tax-Exempt Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Terms of Offering for the Tax-Exempt Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the City in the amount of the Deposit under the terms provided in the Official Terms of Offering for the Tax-Exempt Bonds.

Attached hereto is a list of members of our account on whose behalf this bid is made.

Form of Deposit (Check One)

Prior to Bid Opening:
Certified/Cashier's Check [ ]
Wire Transfer [ ]

Within TWO Hours of Bid Opening:
Wire Transfer [ ]

Amount: $113,700

Account Manager Information

Underwriter/Bank _____

Address _____

Authorized Rep _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

We have purchased insurance from:

Name of Insurer
(Please fill in)

_____

Premium: _____

Maturities: (Check One)

[__] _____**Years**

[__] All

The foregoing bid was accepted and the Tax-Exempt Bonds sold by resolution of the City on May 18, 2022, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Terms of Offering.

ATTEST:

CITY OF WATERLOO
BLACK HAWK COUNTY, IOWA

_____ *City Clerk*

_____ *Mayor*

----------NOT PART OF THE BID----------
(Calculation of true interest cost)

Gross Interest	$
Less Premium/Plus Discount	$
True Interest Cost	$
True Interest Rate	%

TOTAL BOND YEARS	53,152.83
AVERAGE LIFE	9.350 Years

OFFICIAL TERMS OF OFFERING

$5,685,000*
CITY OF WATERLOO
Black Hawk County, Iowa

General Obligation Bonds, Series 2022B

The City of Waterloo, Black Hawk County, Iowa, (the "City"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its $5,685,000* General Obligation Bonds, Series 2022B (the "Tax-Exempt Bonds"), on an all or none basis between 10:00 A.M. and 10:30 A.M., C.D.T., Wednesday, May 18, 2022. To bid electronically, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). The City will also receive sealed bids for the Tax-Exempt Bonds, on an all or none basis, at City Hall 715 Mulberry Street, Waterloo, Iowa, before 10:30 A.M., C.D.T., Wednesday, May 18, 2022. The City will also receive facsimile bids at (319) 291-8628 or (319) 291-4571 for the Tax-Exempt Bonds, on an all or none basis, before 10:30 A.M., C.D.T., Wednesday, May 18, 2022. Upon receipt, facsimile bids will be sealed and treated as sealed bids, and along with all other sealed bids will be publicly opened and, together with any electronic bids, read.

Award will be made or all bids rejected at a meeting of the City on that date. The City reserves the right to reject all bids, to reject any bid proposal not conforming to this Official Terms of Offering, and to waive any irregularity or informality with respect to any bid. Additionally, the City reserves the right to modify or amend this Official Terms of Offering; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Tax-Exempt Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News.*

The Tax-Exempt Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable, real property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.

**ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER DETERMINATION OF BEST BID.* *The aggregate principal amount of the Tax-Exempt Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the Winning Bidder. The City may increase or decrease each maturity in increments of $5,000, but the total amount to be issued will not exceed $5,685,000. Interest rates specified by the Winning Bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.*

The dollar amount of the purchase price proposed by the Winning Bidder will be changed if the aggregate principal amount of the Tax-Exempt Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Tax-Exempt Bonds will be made while maintaining, as closely as possible, the Winning Bidder's net compensation, calculated as a percentage of bond principal. The Winning Bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the Winning Bidder.

Establishment of Issue Price (10% Test May Apply if Competitive Sale Requirements are Not Satisfied)

(a) The winning bidder shall assist the City in establishing the issue price of the Tax-Exempt Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Tax-Exempt Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Terms of Offering, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Ahlers & Cooney, P.C. ("Bond Counsel"). All actions to be taken by the City under this Official Terms of Offering to establish the issue price of the Tax-Exempt Bonds may be taken on behalf of the City by the City's municipal advisor and any notice or report to be provided to the City may be provided to Speer Financial, Inc., Chicago, Illinois (*"Speer"*).

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Tax-Exempt Bonds) will apply to the initial sale of the Tax-Exempt Bonds (the "competitive sale requirements") because:

(i) the City shall disseminate this Official Terms of Offering to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
(ii) all bidders shall have an equal opportunity to bid;
(iii) the City may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
(iv) the City anticipates awarding the sale of the Tax-Exempt Bonds to the bidder who submits a firm offer to purchase the Tax-Exempt Bonds at the lowest true interest cost, as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Official Terms of Offering shall be considered a firm offer for the purchase of the Tax-Exempt Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. **The City will <u>not</u> require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Tax-Exempt Bonds as the issue price of that maturity, though the winning bidder may elect to apply the "hold the offering price rule" (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the "hold-the-offering-price rule" as described below, bidders should prepare their bids on the assumption that all of the maturities of the Tax-Exempt Bonds will be subject to the 10% test (as described below) in order to establish the issue price of the Tax-Exempt Bonds.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Tax-Exempt Bonds unless the winning bidder shall request that the "hold-the-offering-price rule" (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the "hold-the-offering-price rule" at or prior to the time the Tax-Exempt Bonds are awarded.

(i) If the winning bidder <u>does not</u> request that the "hold-the-offering-price rule" apply to determine the issue price of the Tax-Exempt Bonds, the following two paragraphs shall apply:

The City shall treat the first price at which 10% of a maturity of the Tax-Exempt Bonds (the "10% test") is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the Tax-Exempt Bonds satisfies the 10% test as of the date and time of the award of the Tax-Exempt Bonds.

Until the 10% test has been satisfied as to each maturity of the Tax-Exempt Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Tax-Exempt Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until all Tax-Exempt Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Tax-Exempt Bonds prior to closing, then the purchaser shall provide the City with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Tax-Exempt Bonds of such maturity.

(ii) If the winning bidder does request that the "hold-the-offering-price rule" apply to determine the issue price of the Tax-Exempt Bonds, the following three paragraphs shall apply:

The City may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Tax-Exempt Bonds is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Tax-Exempt Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the Tax-Exempt Bonds satisfies the 10% test as of the date and time of the award of the Tax-Exempt Bonds. The City shall promptly advise the winning bidder, at or before the time of award of the Tax-Exempt Bonds, which maturities of the Tax-Exempt Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to any maturity of the Tax-Exempt Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Tax-Exempt Bonds to the Public on or before the date of award at the offering price or prices (the *"initial offering price"*), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Tax-Exempt Bonds, that the Underwriters will neither offer nor sell unsold Tax-Exempt Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth business day after the Sale Date; or
(2) the date on which the Underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the Public at a price that is no higher than the initial offering price to the Public.

The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Tax-Exempt Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Tax-Exempt Bonds.

(d) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Tax-Exempt Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Tax-Exempt Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Tax-Exempt Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (a) report the prices at which it sells to the Public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until the close of the fifth business day following the date of the award.

(e) Sales of any Tax-Exempt Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Terms of Offering. Further, for purposes of this Official Terms of Offering:

(i) "Public" means any person other than an Underwriter or a Related Party,

(ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public including, specifically, the purchaser, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the Public),

(iii) a purchaser of any of the Tax-Exempt Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "Sale Date" means the date that the Tax-Exempt Bonds are awarded by the City to the winning bidder.

Establishment of Issue Price (Hold-the-Offering Price Rule May Apply if Competitive Sale Requirements are Not Satisfied)

The winning bidder shall assist the City in establishing the issue price of the Tax-Exempt Bonds and shall execute and deliver to the City at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Tax-Exempt Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Terms of Offering, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Official Terms of Offering to establish the issue price of the Tax-Exempt Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City s municipal advisor.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Tax-Exempt Bonds) will apply to the initial sale of the Tax-Exempt Bonds (the "competitive sale requirements") because:

(1) the City shall disseminate this Official Terms of Offering to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
(2) all bidders shall have an equal opportunity to bid;
(3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
(4) the City anticipates awarding the sale of the Tax-Exempt Bonds to the bidder who submits a firm offer to purchase the Tax-Exempt Bonds at the highest price (or lowest true interest cost), as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Official Terms of Offering shall be considered a firm offer for the purchase of the Tax-Exempt Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. The City may determine to treat (i) the first price at which 10% of a maturity of the Tax-Exempt Bonds (the "10% test") is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Tax-Exempt Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Tax-Exempt Bonds satisfies the 10% test as of the date and time of the award of the Tax-Exempt Bonds. The City shall promptly advise the winning bidder, at or before the time of award of the Tax-Exempt Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Tax-Exempt Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to any maturity of the Tax-Exempt Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Tax-Exempt Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Tax-Exempt Bonds.**

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Tax-Exempt Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Tax-Exempt Bonds, that the underwriters will neither offer nor sell unsold Tax-Exempt Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or
(2) the date on which the underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the City when the underwriters have sold 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Tax-Exempt Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Tax-Exempt Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until all Tax-Exempt Bonds of that maturity have been sold.

The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Tax-Exempt Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Tax-Exempt Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Tax-Exempt Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Terms of Offering. Further, for purposes of this Official Terms of Offering:

(1) "public" means any person other than an underwriter or a related party;
(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the public);
(3) a purchaser of any of the Tax-Exempt Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
(4) "sale date" means the date that the Tax-Exempt Bonds are awarded by the City to the winning bidder.

Tax-Exempt Bond Details

The Tax-Exempt Bonds will be in fully registered form in the denominations of $5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Tax-Exempt Bonds will be paid. Individual purchases will be in book-entry form only. Interest on each Tax-Exempt Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such Tax-Exempt Bond is registered at the close of business on the fifteenth day of the month next preceding an interest payment date on such bond. The principal of the Tax-Exempt Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in West Des Moines, Iowa. Semiannual interest is due June 1 and December 1 of each year, commencing December 1, 2022 and is payable by UMB Bank, n.a., West Des Moines, Iowa (the "Bond Registrar"). The Tax-Exempt Bonds are dated the date of delivery (expected to be on or about June 21, 2022).

AMOUNTS* AND MATURITIES – JUNE 1

$315,000 2023	$355,000 2028	$510,000 2033
115,000 2024	365,000 2029	520,000 2034
100,000 2025	475,000 2030	535,000 2035
100,000 2026	485,000 2031	505,000 2036
345,000 2027	500,000 2032	460,000 2037

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Tax-Exempt Bonds due June 1, 2023 - 2029, inclusive, are non-callable. The Tax-Exempt Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part and on any date on or after June 1, 2029, at a price of par and accrued interest. If less than all the Tax-Exempt Bonds are called, they shall be redeemed in any order of maturity as determined by the City and within any maturity by lot.

Method of Bidding Electronically

Notwithstanding the fact that the City permits receiving bids electronically using SpeerAuction, all bidders must have a signed, but uncompleted, Official Bid Form delivered to Speer Financial, Inc., Suite 608, 531 Commercial Street, Waterloo, Iowa, (319) 291-8628 facsimile, prior to the close of bidding to which a printout of the electronic bid will be attached and delivered to the City.

If bidding electronically, all-or-none bids must be submitted via the internet address www.SpeerAuction.com. The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bids.

To bid via the SpeerAuction webpage, bidders must first visit the SpeerAuction webpage where, if they have not previously registered with either SpeerAuction, Grant Street Group (the "Auction Administrator") or any other website administered by the Auction Administrator, they may register and then request admission to bid on the Tax-Exempt Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid electronically.

The "Rules" of the SpeerAuction bidding process may be viewed on the SpeerAuction webpage and are incorporated herein by reference. Bidders must comply with the Rules of SpeerAuction in addition to the requirements of the City's Official Terms of Offering. In the event the Rules of SpeerAuction and this Official Terms of Offering conflict, this Official Terms of Offering shall be controlling.

All electronic bids must be submitted on the SpeerAuction webpage. Electronic bidders may change and submit bids as many times as they choose during the sale period but may not delete a submitted bid. The last bid submitted by an electronic bidder before the deadline for receipt of bids will be compared to all other final bids to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid nor the status of their bid relative to other bids (e.g., whether their bid is a leading bid). The electronic bidder bears all risk of transmission failure. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.

Each bidder shall be solely responsible for making necessary arrangements to access SpeerAuction for purposes of submitting its internet bid in a timely manner and in compliance with the requirements of the Terms of Offering. The City is permitting bidders to use the services of the SpeerAuction solely as a communication mechanism to conduct the internet bidding and the SpeerAuction is not an agent of the City. Provisions of the Terms of Offering and Official Bid Form shall control in the event of conflict with information provided by the Internet Bid System.

Electronic Facsimile Bidding: Bids may be submitted via facsimile at (319) 291-8628 or (319) 291-4571. Electronic facsimile bids will be sealed and treated as sealed bids. Neither the City nor its agents will assume liability for the inability of the bidder to reach the above named fax numbers prior to the time of sale specified above. Transmissions received after the deadline will be rejected. Bidders electing to submit bids via facsimile transmission bear full and complete responsibility for the transmission of such bid. Neither the City nor its agents will assume responsibility for the inability of the bidder to reach the above specified fax number prior to the time of sale. Time of receipt shall be the time recorded by the person receiving the facsimile and shall be conclusive.

Bidding Parameters and Award of the Tax-Exempt Bonds

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed six percent (6%). All bids must be for all of the Tax-Exempt Bonds and must be for not less than $5,638,520.

Award of the Tax-Exempt Bonds: The Tax-Exempt Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Tax-Exempt Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Tax-Exempt Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage or if all such bids are not submitted electronically, the winning bid shall be determined by lot.

The Tax-Exempt Bonds will be awarded to the bidder complying with the terms of this Official Terms of Offering whose bid produces the lowest true interest cost rate to the City as determined by the City's Registered Municipal Advisor, which determination shall be conclusive and binding on all bidders; provided, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Electronic bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Tax-Exempt Bonds are changed, maintaining, as close as possible, the same dollar amount of profit per $1,000 bond as bid.

The true interest cost of each electronic bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the City's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or its Municipal Advisor will notify the bidder to whom the Tax-Exempt Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Tax-Exempt Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per Tax-Exempt Bond.

Good Faith Deposit and Other Matters

The winning bidder is required to a wire transfer from a solvent bank or trust company to the City's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Tax-Exempt Bonds to a winning bidder whose wire transfer is initiated but not received within such two hour time period provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Tax-Exempt Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: City of Waterloo, Black Hawk County, Iowa bid for
$5,685,000* General Obligation Bonds, Series 2022B

If the wire shall arrive in such account prior to the date and time of the sale of the Tax-Exempt Bonds. Contemporaneously with such wire transfer, the prospective purchaser shall send an email to biddingescrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such prospective purchaser is not awarded the Tax-Exempt Bonds. The City and any prospective purchaser who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful prospective purchaser; (ii) if the bid is accepted, the Deposit shall be forwarded to the City, (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the prospective purchaser; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

The City covenants and agrees to enter into a written agreement, certificate or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Tax-Exempt Bonds on or before the date of delivery of the Tax-Exempt Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Tax-Exempt Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Tax-Exempt Bonds.

The Tax-Exempt Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about June 21, 2022. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Tax-Exempt Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Tax-Exempt Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Tax-Exempt Bonds, as that term is defined in the Rule. By awarding the Tax-Exempt Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Tax-Exempt Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Tax-Exempt Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Tax-Exempt Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Tax-Exempt Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful purchaser agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Tax-Exempt Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The City will, at its expense, deliver the Tax-Exempt Bonds to the purchaser in New York, New York (or arrange for "FAST" delivery) through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Tax-Exempt Bonds: (1) the legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa, that the Tax-Exempt Bonds are lawful and enforceable obligations of the City in accordance with their terms; (2) the opinion of said attorneys that the interest on the Tax-Exempt Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Tax-Exempt Bonds; and (3) a no litigation certificate by the City.

The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b) (3) of the Internal Revenue Code of 1986, as amended.

Purchaser consents to the receipt of electronic transcripts and acknowledges the City's intended use of electronically executed documents. Iowa Code Chapter 554D establishes electronic signatures have the full weight and legal authority as manual signatures.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Tax-Exempt Bonds. Copies of such Official Statement or additional information may be obtained from Kelley Felchle, City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa 50703 or an electronic copy of this Official Statement is available from the www.speerfinancial.com website under "Official Statement Sales/Competitive Calendar" or from the Registered Municipal Advisor to the City, Speer Financial, Inc., 531 Commercial Street, Suite 608, Waterloo, Iowa 50701 (telephone (319) 291-2077), and 230 West Monroe Street, Suite 2630, Chicago, Illinois 60606 (telephone (312) 346-3700).

/s/ **KELLEY FELCHLE**
City Clerk
CITY OF WATERLOO
Black Hawk County, Iowa

EXHIBIT A

EXAMPLE ISSUE PRICE CERTIFICATE

USE FOR COMPETITIVE SALES – 3 BIDS RECEIVED

EXHIBIT A

$_____ General Obligation Bonds, Series 2022B of Waterloo, Iowa

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

1. ***Reasonably Expected Initial Offering Price***.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Purchaser are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Purchaser to purchase the Bonds.

(b) Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by Purchaser constituted a firm offer to purchase the Bonds.

2. ***Defined Terms***.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds May 18, 2022.

(d) *Underwriter* means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its agents with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By:_____

Name:_____

Dated: [ISSUE DATE]

SCHEDULE A

EXPECTED OFFERING PRICES

(*Attached*)

SCHEDULE B

COPY OF UNDERWRITER'S BID

(*Attached*)

USE FOR GENERAL RULE 10%- PUBLIC SALE

EXHIBIT A

$_____ General Obligation Bonds, Series 2022B of Waterloo, Iowa

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. ***Sale of the Bonds***. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms***.

(a) *Issuer* means the Waterloo, Iowa, a municipal corporation in the State of Iowa.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Underwriter* means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its agents with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., as Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[Signature Page Follows]

[UNDERWRITER]

By:_____

Name:_____

Dated: [ISSUE DATE]

SCHEDULE A

SALE PRICES

(*Attached*)

[USE IF SOME MATURITIES SUBJECT TO HOLD THE PRICE, OTHERS 10% RULE]

EXHIBIT A

$_____ General Obligation Bonds, Series 2022B of Waterloo, Iowa

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Notice of Sale and bid award, Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms***.

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Waterloo, Iowa, a municipal corporation in the State of Iowa.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is May 18, 2022.

(h) *Underwriter* means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its agents with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By:_____

Name:_____

Dated: [ISSUE DATE]

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(*Attached*)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

02042428-1\11310-149

OFFICIAL BID FORM – TAXABLE BONDS

City of Waterloo
715 Mulberry Street
Waterloo, IA 50703

May 18, 2022
Speer Financial, Inc.
Facsimile: (319) 291-8628

City Council:

For the $4,315,000* Taxable General Obligation Bonds, Series 2022C (the "Taxable Bonds"), of the City of Waterloo, Black Hawk County, Iowa (the "City"), as described in the annexed Official Terms of Offering, which is expressly made a part of this bid, we will pay you $_____ (no less than $4,280,480). The Taxable Bonds are to bear interest at the following respective rates (each a multiple of 1/8 or 1/100 of 1%) for the Taxable Bonds of each designated maturity.

AMOUNTS* AND MATURITIES – JUNE 1

$240,000	2023	_____%	$265,000	2028	_____%	$360,000	2033	_____%
100,000	2024	_____%	275,000	2029	_____%	370,000	2034	_____%
100,000	2025	_____%	285,000	2030	_____%	375,000	2035	_____%
100,000	2026	_____%	335,000	2031	_____%	495,000	2036	_____%
260,000	2027	_____%	350,000	2032	_____%	405,000	2037	_____%

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

The Taxable Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa. The City will pay for the legal opinion. **The Purchaser agrees to** pay the fee charged by the CUSIP Service Bureau and will accept the Taxable Bonds with the CUSIP numbers as entered on the Taxable Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Terms of Offering for the Taxable Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the City in the amount of the Deposit under the terms provided in the Official Terms of Offering for the Taxable Bonds.

Attached hereto is a list of members of our account on whose behalf this bid is made.

Form of Deposit (Check One)

Prior to Bid Opening:
Certified/Cashier's Check [ ]
Wire Transfer [ ]

Within TWO Hours of Bid Opening:
Wire Transfer [ ]

Amount: $86,300

Account Manager Information

Underwriter/Bank _____

Address _____

Authorized Rep _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

We have purchased insurance from:

Name of Insurer
(Please fill in)

_____

Premium: _____

Maturities: (Check One)

[__] _____**Years**

[__] All

The foregoing bid was accepted and the Taxable Bonds sold by resolution of the City on May 18, 2022, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Terms of Offering.

ATTEST:

CITY OF WATERLOO
BLACK HAWK COUNTY, IOWA

_____ *City Clerk*

_____ *Mayor*

----------NOT PART OF THE BID----------

(Calculation of true interest cost)

Gross Interest	$
Less Premium/Plus Discount	$
True Interest Cost	$
True Interest Rate	%

TOTAL BOND YEARS	36,619.39
AVERAGE LIFE	8.487 Years

OFFICIAL TERMS OF OFFERING

$4,315,000*
CITY OF WATERLOO
Black Hawk County, Iowa

Taxable General Obligation Bonds, Series 2022C

The City of Waterloo, Black Hawk County, Iowa, (the "City"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its $4,315,000* Taxable General Obligation Bonds, Series 2022C (the "Taxable Bonds"), on an all or none basis between 10:30 A.M. and 11:00 A.M., C.D.T., Wednesday, May 18, 2022. To bid electronically, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). The City will also receive sealed bids for the Taxable Bonds, on an all or none basis, at City Hall, 715 Mulberry Street, Waterloo, Iowa, before 11:00 A.M., C.D.T., Wednesday, May 18, 2022. The City will also receive facsimile bids at (319) 291-8628 or (319) 291-4571 for the Taxable Bonds, on an all or none basis, before 11:00 A.M., C.D.T., Wednesday, May 18, 2022. Upon receipt, facsimile bids will be sealed and treated as sealed bids, and along with all other sealed bids will be publicly opened and, together with any electronic bids, read.

Award will be made or all bids rejected at a meeting of the City on that date. The City reserves the right to reject all bids, to reject any bid proposal not conforming to this Official Terms of Offering, and to waive any irregularity or informality with respect to any bid. Additionally, the City reserves the right to modify or amend this Official Terms of Offering; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Taxable Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News.*

The Taxable Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.

**ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER DETERMINATION OF BEST BID.* *The aggregate principal amount of the Taxable Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the Winning Bidder. The City may increase or decrease each maturity in increments of $5,000, but the total amount to be issued will not exceed $4,315,000. Interest rates specified by the Winning Bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.*

The dollar amount of the purchase price proposed by the Winning Bidder will be changed if the aggregate principal amount of the Taxable Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Taxable Bonds will be made while maintaining, as closely as possible, the Winning Bidder's net compensation, calculated as a percentage of bond principal. The Winning Bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the Winning Bidder.

Taxable Bond Details

The Taxable Bonds will be in fully registered form in the denominations of $5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Taxable Bonds will be paid. Individual purchases will be in book-entry form only. Interest on each Taxable Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such Taxable Bond is registered at the close of business on the fifteenth day of the month next preceding an interest payment date on such bond. The principal of the Taxable Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in West Des Moines, Iowa. Semiannual interest is due June 1 and December 1 of each year, commencing December 1, 2022 and is payable by UMB Bank, n.a., West Des Moines, Iowa (the "Bond Registrar"). The Taxable Bonds are dated the date of delivery (expected to be on or about June 21, 2022).

AMOUNTS* AND MATURITIES – JUNE 1

$240,000 2023	$265,000 2028	$310,000 2033
235,000 2024	275,000 2029	320,000 2034
245,000 2025	285,000 2030	335,000 2035
250,000 2026	295,000 2031	345,000 2036
260,000 2027	300,000 2032	355,000 2037

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Taxable Bonds due June 1, 2023 - 2029, inclusive, are non-callable. The Taxable Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part and on any date on or after June 1, 2029, at a price of par and accrued interest. If less than all the Taxable Bonds are called, they shall be redeemed in any order of maturity as determined by the City and within any maturity by lot.

Method of Bidding Electronically

Notwithstanding the fact that the City permits receiving bids electronically using SpeerAuction, all bidders must have a signed, but uncompleted, Official Bid Form delivered to Speer Financial, Inc., Suite 608, 531 Commercial Street, Waterloo, Iowa, (319) 291-8628 facsimile, prior to the close of bidding to which a printout of the electronic bid will be attached and delivered to the City.

If bidding electronically, all-or-none bids must be submitted via the internet address www.SpeerAuction.com. The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bids.

To bid via the SpeerAuction webpage, bidders must first visit the SpeerAuction webpage where, if they have not previously registered with either SpeerAuction, Grant Street Group (the "Auction Administrator") or any other website administered by the Auction Administrator, they may register and then request admission to bid on the Taxable Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid electronically.

The "Rules" of the SpeerAuction bidding process may be viewed on the SpeerAuction webpage and are incorporated herein by reference. Bidders must comply with the Rules of SpeerAuction in addition to the requirements of the City's Official Terms of Offering. In the event the Rules of SpeerAuction and this Official Terms of Offering conflict, this Official Terms of Offering shall be controlling.

All electronic bids must be submitted on the SpeerAuction webpage. Electronic bidders may change and submit bids as many times as they choose during the sale period but may not delete a submitted bid. The last bid submitted by an electronic bidder before the deadline for receipt of bids will be compared to all other final bids to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid nor the status of their bid relative to other bids (e.g., whether their bid is a leading bid). The electronic bidder bears all risk of transmission failure. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.

Each bidder shall be solely responsible for making necessary arrangements to access SpeerAuction for purposes of submitting its internet bid in a timely manner and in compliance with the requirements of the Terms of Offering. The City is permitting bidders to use the services of the SpeerAuction solely as a communication mechanism to conduct the internet bidding and the SpeerAuction is not an agent of the City. Provisions of the Terms of Offering and Official Bid Form shall control in the event of conflict with information provided by the Internet Bid System.

Electronic Facsimile Bidding: Bids may be submitted via facsimile at (319) 291-8628 or (319) 291-4571. Electronic facsimile bids will be sealed and treated as sealed bids. Neither the City nor its agents will assume liability for the inability of the bidder to reach the above named fax numbers prior to the time of sale specified above. Transmissions received after the deadline will be rejected. Bidders electing to submit bids via facsimile transmission bear full and complete responsibility for the transmission of such bid. Neither the City nor its agents will assume responsibility for the inability of the bidder to reach the above specified fax number prior to the time of sale. Time of receipt shall be the time recorded by the person receiving the facsimile and shall be conclusive.

Bidding Parameters and Award of the Taxable Bonds

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed six percent (6%). All bids must be for all of the Taxable Bonds and must be for not less than $4,280,480.

Award of the Taxable Bonds: The Taxable Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Taxable Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Taxable Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage or if all such bids are not submitted electronically, the winning bid shall be determined by lot.

The Taxable Bonds will be awarded to the bidder complying with the terms of this Official Terms of Offering whose bid produces the lowest true interest cost rate to the City as determined by the City's Registered Municipal Advisor, which determination shall be conclusive and binding on all bidders; provided, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Electronic bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Taxable Bonds are changed, maintaining, as close as possible, the same dollar amount of profit per $1,000 bond as bid.

The true interest cost of each electronic bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the City's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or its Municipal Advisor will notify the bidder to whom the Taxable Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Taxable Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per Taxable Bond.

Good Faith Deposit and Other Matters

The winning bidder is required to a wire transfer from a solvent bank or trust company to the City's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Taxable Bonds to a winning bidder whose wire transfer is initiated but not received within such two hour time period provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Taxable Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: City of Waterloo, Black Hawk County, Iowa bid for
$4,315,000* Taxable General Obligation Bonds, Series 2022C

If the wire shall arrive in such account prior to the date and time of the sale of the Taxable Bonds. Contemporaneously with such wire transfer, the prospective purchaser shall send an email to biddingescrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such prospective purchaser is not awarded the Taxable Bonds. The City and any prospective purchaser who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful prospective purchaser; (ii) if the bid is accepted, the Deposit shall be forwarded to the City, (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the prospective purchaser; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

The City covenants and agrees to enter into a written agreement, certificate or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Taxable Bonds on or before the date of delivery of the Taxable Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Taxable Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Taxable Bonds.

The Taxable Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about January 4, 2022. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Taxable Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Taxable Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Taxable Bonds, as that term is defined in the Rule. By awarding the Taxable Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Taxable Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Taxable Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Taxable Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Taxable Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful purchaser agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Taxable Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The City will, at its expense, deliver the Taxable Bonds to the purchaser in New York, New York (or arrange for "FAST" delivery) through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Taxable Bonds: (1) the legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa, that the Taxable Bonds are lawful and enforceable obligations of the City in accordance with their terms; and (2) a no litigation certificate by the City.

Purchaser consents to the receipt of electronic transcripts and acknowledges the City's intended use of electronically executed documents. Iowa Code chapter 554D establishes electronic signatures have the full weight and legal authority as manual signatures.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Taxable Bonds. Copies of such Official Statement or additional information may be obtained from Kelley Felchle, City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa, 50703 or an electronic copy of this Official Statement is available from the www.speerfinancial.com website under "Official Statement Sales/Competitive Calendar" or from the Registered Municipal Advisor to the City, Speer Financial, Inc., 531 Commercial Street, Suite 608, Waterloo, Iowa 50701 (telephone (319) 291-2077), and 230 West Monroe Street, Suite 2630, Chicago, Illinois 60606 (telephone (312) 346-3700).

/s/ **KELLEY FELCHLE**
City Clerk
CITY OF WATERLOO
Black Hawk County, Iowa

CITY OF WATERLOO

Council Communication

Resolution directing the advertisement for sale of $4,315,000.00 Taxable General Obligation Bonds, Series 2022C, setting sale date as May 18, 2022, and approving electronic bidding procedures and the distribution of the Preliminary Official Statement for the sale.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

	Description	Type
	Council Comm Direct Bond Sale 2022C	Backup Material
	22BC Waterloo 5.685m GO TE__4.315m Tax OS v5 to client r.pdf	Backup Material

SUBJECT:	Resolution directing the advertisement for sale of $4,315,000.00 Taxable General Obligation Bonds, Series 2022C, setting sale date as May 18, 2022, and approving electronic bidding procedures and the distribution of the Preliminary Official Statement for the sale.
Submitted by:	Submitted By: Michelle Weidner, Chief Financial Officer
Summary Statement:	We are planning to sell $4,315,000 in new taxable general obligation bonds for a number of general purposes. Series 2022C interest will be taxable for federal and state income tax purposes. The par amounts for each series are subject to adjustment according to the terms of the offerings. Final sale amounts may be different depending on the bid prices received at the sale.
Neighborhood Impact:	The bonds will be sold to finance a variety of projects previously approved. A listing of the proposed approved projects is included with the public hearing items. The preliminary Official Statement is included for your review and approval.
Data/Analysis and Strategies:	The issuance of bonds commits the city to future repayment.
Implementation, Accountability, and Communication:	Repayment will be made from a variety of sources, including general property taxes and Tax Increment Financing revenue.
Expenditure Required/Source of Funds:	Principal and interest are required to be repaid.
Alternative:	The City could choose not to sell bonds and not proceed with the projects. This would reduce future debt service costs. However, other costs would increase. For example, a number of the planned projects are government mandates that could have financial ramifications if they are not completed. The City could choose not to sell the refunding bonds and continue to pay higher cumulative interest.

CITY OF WATERLOO, IOWA

CITY CLERK AND FINANCE DEPARTMENT

KELLEY FELCHLE • *City Clerk* MICHELLE WEIDNER, CPA • *Chief Financial Officer*

Mayor
QUENTIN HART

COUNCIL MEMBERS

JOHN CHILES
Ward 1

JONATHAN GRIEDER
Ward 2

NIA WILDER
Ward 3

JEROME AMOS, JR.
Ward 4

RAY REUSS
Ward 5

ROB NICHOLS
At-Large

DAVE BOESEN
At-Large

Council Communication
City Council Meeting: May 2, 2022
Prepared: April 19, 2022
Dept. Head Signature: Michelle Weidner, Chief Financial Officer

Number of Attachments: None

SUBJECT: FYE2022 Bond Issues - Direction to Advertise Sale of $5,685,000 General Obligation Bonds, Series 2022B and $4,315,000 Taxable General Obligation Bonds, Series 2022C.

Submitted by: Michelle Weidner, Chief Financial Officer

Recommended City Council Actions: Adopt a Resolution directing the advertisement for sale of $5,685,000 General Obligation Bonds, Series 2022B the sale of $4,315,000 Taxable General Obligation Bonds, Series 2022C; setting the sale date as May 18, 2022; approving electronic bidding procedures and the distribution of the Official Statement for the sales.

Summary Statement: We are planning to sell $5,685,000 in new tax-exempt general obligation bonds and $4,315,000 in new taxable general obligation bonds for a number of general purposes. Series 2022B will be tax-exempt for bondholders and Series 2022C will be taxable for bondholders.

The par amounts for each series are subject to adjustment according to the terms of the offerings. Final sale amounts may be different depending on the bid prices received at the sale.

Expenditure Required: Principal and interest are required to be repaid.

Source of Funds: Repayment will be made from a variety of sources, including general property taxes and Tax Increment Financing revenue.

Policy Issue: The issuance of bonds commits the city to future repayment.

Alternative: The City could choose not to sell bonds and not proceed with the projects. This would reduce future debt service costs. However, other costs would increase. For example, a number of planned projects are government mandates that could have financial ramifications if they are not completed. The City could choose not to sell the refunding bonds and continue to pay higher cumulative interest.

Background Information: the bonds will be sold to finance a variety of projects previously approved. A listing of the approved projects is included with the public hearing items. The preliminary Official Statement for the sales is included for your review and approval.

New Issue

Date of Sale: Wednesday, May 18, 2022 (*Alternative Bid Methods*)
Series 2022B Between 10:00 and 10:30 A.M., C.D.T. *(Closed SpeerAuction)*
Before 10:30 A.M., C.D.T. *(Sealed Bids)*
Series 2022C Between 10:30 and 11:00 A.M., C.D.T. *(Closed SpeerAuction)*
Before 11:00 A.M., C.D.T. *(Sealed Bids)*

Investment Rating:
Moody's Investors Service …
(*Rating Requested)*

Official Statement

Assuming compliance with certain covenants, in the opinion of Ahlers & Cooney, P.C., Bond Counsel, under present law and assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes. Interest on the Tax-Exempt Bonds is not an item of tax preference for federal alternative minimum tax purposes. Interest on the Tax-Exempt Bonds is not exempt from present Iowa income taxes. The Tax-Exempt Bonds will be designated as "qualified tax-exempt obligations". See ***"TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)"*** *herein for a more detailed discussion. Interest on the Taxable Bonds is includable in gross income of the owners thereof for purposes of federal income taxation. Interest on the Taxable Bonds is not exempt from present Iowa Income taxes. See "****TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)"*** *herein.*

CITY OF WATERLOO
Black Hawk County, Iowa
$5,685,000* General Obligation Bonds, Series 2022B
$4,315,000* Taxable General Obligation Bonds, Series 2022C

Dated Date of Delivery **Book-Entry** **Bank Qualified Tax-Exempt Bonds (Series 2022B)** **Due as Described Herein**

The $5,685,000* General Obligation Bonds, Series 2022B (the "Tax-Exempt Bonds" or the "Series 2022B Bonds") and the $4,315,000* Taxable General Obligation Bonds, Series 2022C (the "Taxable Bonds" or the "Series 2022C Bonds", and collectively with the Series 2022B Bonds, the "Bonds") are being issued by the City of Waterloo, Black Hawk County, Iowa (the "City"). Interest is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2022. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers.

OPTIONAL REDEMPTION

Bonds due June 1, 2023 - 2029, inclusive, are not subject to optional redemption. Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part on any date on or after June 1, 2029, at a price of par and accrued interest. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot. See **"OPTIONAL REDEMPTION"** herein.

PURPOSE, LEGALITY AND SECURITY

The Bond proceeds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements, equipment and vehicle acquisitions; (ii) provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects; and (iii) pay the costs of issuance of the Bonds. See **"THE PROJECT"** herein.

In the opinion of Bond Counsel, Ahlers & Cooney, P.C., Des Moines, Iowa, the Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable, real property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.

The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986.

This Official Statement is dated May 4, 2022, and has been prepared under the authority of the City. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Official Statement Sales Calendar". Additional copies may be obtained from Kelley Felchle, City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa, 50703, or from the Registered Municipal Advisors to the City.

Speer Financial, Inc.
INDEPENDENT MUNICIPAL ADVISORS • ESTABLISHED 1954
230 WEST MONROE STREET, SUITE 2630 • CHICAGO, ILLINOIS 60606
Telephone: (312) 346-3700 • Facsimile: (312) 346-8833
531 COMMERCIAL STREET, SUITE 608 • WATERLOO, IOWA 50701
Telephone: (319) 291-2077 • Facsimile: (319) 291-8628

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

(1) CUSIP numbers appearing in this Official Statement have been provided by the CUSIP Service Bureau, which is managed on behalf of the American Bankers Association by S&P Capital IQ, a part of McGraw Hill Financial, Inc. The City is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, this document, as the same may be supplemented or corrected by the City from time to time (collectively, the "Official Statement"), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the City.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement or the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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OFFICIAL BID FORMS
OFFICIAL TERMS OF OFFERINGS
Exhibit A – Example Issue Price Certificate

BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Terms of Offering and the Official Bid Forms, which are provided for the convenience of potential investors and should be reviewed in their entirety by potential investors. The following descriptions apply equally to both series of the Bonds. Other terms specific to each series are provided separately herein.

Issuer:	City of Waterloo, Black Hawk County, Iowa.
Dated Date:	Date of delivery (expected to be on or about June 21, 2022).
Interest Due:	Each June 1 and December 1, commencing December 1, 2022.
Security:	The Bonds are valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable real property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.
Investment Rating:	An investment rating for the Bonds has been requested from Moody's Investors Service, New York, New York. See **"INVESTMENT RATING**" herein.
Bond Registrar/Paying Agent:	UMB Bank, n.a., West Des Moines, Iowa (the "Registrar").
Delivery:	The Bonds are expected to be delivered on or about June 21, 2022.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository of the Bonds. See **APPENDIX B** herein.
Denomination:	$5,000 or integral multiples thereof.
Municipal Advisor:	Speer Financial, Inc., Waterloo, Iowa and Chicago, Illinois.

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$5,685,000* GENERAL OBLIGATION BONDS, SERIES 2022B

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS

Principal Amount*	Due June 1	Interest Rate	Price or Yield	CUSIP Number(1)	Principal Amount*	Due June 1	Interest Rate	Price or Yield	CUSIP Number(1)
$315,000	2023	____%	____%		$485,000	2031	____%	____%	
115,000	2024	____%	____%		500,000	2032	____%	____%	
100,000	2025	____%	____%		510,000	2033	____%	____%	
100,000	2026	____%	____%		520,000	2034	____%	____%	
345,000	2027	____%	____%		535,000	2035	____%	____%	
355,000	2028	____%	____%		505,000	2036	____%	____%	
365,000	2029	____%	____%		460,000	2037	____%	____%	
475,000	2030	____%	____%						

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Issue: $5,685,000* General Obligation Bonds, Series 2022B.

Principal Due: Serially each June 1, commencing June 1, 2023 through 2037, as detailed above.

Optional Redemption: The Tax-Exempt Bonds maturing on or after June 1, 2030, are callable at the option of the City on any date on or after June 1, 2029, at a price of par plus accrued interest. See **"OPTIONAL REDEMPTION"** herein.

Purpose: The proceeds of the Tax-Exempt Bonds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements, equipment and vehicle acquisitions, and urban renewal projects in the City and (ii) pay the costs of issuance of the Tax-Exempt Bonds. See **"THE PROJECT"** herein.

Tax Matters: Ahlers & Cooney, P.C., Des Moines, Iowa, will provide an opinion as to the tax exemption of the Tax-Exempt Bonds as discussed under **"TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)"** in this Official Statement. Interest on the Tax-Exempt Bonds is not exempt from present State of Iowa income taxes. See **APPENDIX C** for a draft form of legal opinion for the Tax-Exempt Bonds.

Bank Qualified: The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations".

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

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$4,315,000* TAXABLE GENERAL OBLIGATION BONDS, SERIES 2022C

AMOUNTS*, MATURITIES, INTEREST RATES, PRICES OR YIELDS AND CUSIP NUMBERS

Principal Amount*	Due June 1	Interest Rate	Price or Yield	CUSIP Number(1)
$240,000	2023	_____%	_____%	_____
100,000	2024	_____%	_____%	_____
100,000	2025	_____%	_____%	_____
100,000	2026	_____%	_____%	_____
260,000	2027	_____%	_____%	_____
265,000	2028	_____%	_____%	_____
275,000	2029	_____%	_____%	_____
285,000	2030	_____%	_____%	_____
$335,000	2031	_____%	_____%	_____
350,000	2032	_____%	_____%	_____
360,000	2033	_____%	_____%	_____
370,000	2034	_____%	_____%	_____
375,000	2035	_____%	_____%	_____
495,000	2036	_____%	_____%	_____
405,000	2037	_____%	_____%	_____

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Issue: $4,315,000* Taxable General Obligation Bonds, Series 2022C.

Principal Due: Serially each June 1, commencing June 1, 2022 through 2036, as detailed above.

Optional Redemption: The Taxable Bonds maturing on or after June 1, 2030, are callable at the option of the City on any date on or after June 1, 2029, at a price of par plus accrued interest. See **"OPTIONAL REDEMPTION"** herein.

Purpose: The proceeds of the Taxable Bonds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements and urban renewal projects in the City and (ii) pay the costs of issuing the Taxable Bonds. See **"THE PROJECT"** herein.

Tax Matters: The interest to be paid on the Taxable Bonds is subject to federal and Iowa state income taxes as discussed under **"TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)"** in this Official Statement. See **APPENDIX C** for a draft form of legal opinion for the Taxable Bonds.

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

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CITY OF WATERLOO
Black Hawk County, Iowa

Quentin Hart
Mayor

Council Members

Jerome Amos, Jr.		Dave Boesen
John Chiles	Ray Feuss	Jonathan Grieder
Rob Nichols		Nia Wilder

Officials

Kelley Felchle *City Clerk*	Michelle Weidner, CPA *Chief Financial Officer*	Martin M. Petersen, Esq. *City Attorney*

SECURITY AND SOURCE OF PAYMENT

Pursuant to the Resolution and the Act, the Bonds and the interest thereon are general obligations of the City, and all taxable, real property within the corporate boundaries of the City is subject to the levy of taxes to pay the principal of and interest on the Bonds without constitutional or statutory limitation as to rate or amount. For a description of certain constitutional limits on the issuance of general obligation debt by the City, see "Debt Limitation" herein.

Section 76.2 of the Code of Iowa provides that when an Iowa political subdivision issues general obligation bonds, the governing authority of such political subdivision shall, by resolution adopted before issuing the bonds, provide for the assessment of an annual levy upon all the taxable real property in the political subdivision sufficient to pay the interest and principal of the bonds. A certified copy of this resolution shall be filed with the County Auditor in which the City is located, giving rise to a duty of the County Auditor to annually enter this levy for collection from the taxable real property within the boundaries of the City, until funds are realized to pay the Bonds in full.

For the purpose of providing for the levy and collection of a direct annual tax sufficient to pay the principal of and interest on the Bonds as the same become due, the Resolution provides for the levy of a tax sufficient for that purpose on all the taxable, real property in the City in each of the years while the Bonds are outstanding. The City shall file a certified copy of the Resolution with the County Auditor, pursuant to which the County Auditor is instructed to enter for collection and assess the tax authorized. When annually entering such taxes for collection, the County Auditor shall include the same as a part of the tax levy for Debt Service Fund purposes of the City and when collected, the proceeds of the taxes shall be deposited into the Debt Service Fund of the City and set aside therein as a special account to be used solely and only for the payment of the principal of and interest on the Bonds and for no other purpose whatsoever.

Nothing in the Resolution authorizing the Bonds prohibits or limits the ability of the City to use legally available moneys other than the proceeds of the general ad valorem property taxes levied as described in the preceding paragraph to pay all or any portion of the principal of or interest on the Bonds. If and to the extent such other legally available moneys are used to pay the principal of or interest on the Bonds, the City may, but shall not be required to, (a) reduce the amount of taxes levied for such purpose, as described in the preceding paragraph; or (b) use proceeds of taxes levied, as described in the preceding paragraph, to reimburse the fund or account from which such other legally available moneys are withdrawn for the amount withdrawn from such fund or account to pay the principal of or interest on the Bonds.

BONDHOLDERS' RISKS

An investment in the Bonds is subject to certain risks. No person should purchase the Bonds unless such person understands the risks described below and is willing to bear those risks. There may be other risks not listed below which may adversely affect the value of the Bonds. In order to identify risk factors, make an informed investment decision, and if the Bonds are an appropriate investment, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto).

Potential Impact of The Coronavirus

Beginning in early 2020, a strain of coronavirus commonly known as COVID-19 began to spread globally, negatively affecting global, state, and local economies and possibly sparking a recession. The State of Iowa may suffer material adverse consequences from the continued spread of COVID-19, which could affect the amount of State revenues appropriated to municipalities, including the City. The spread of the virus could reduce sales tax and other revenue collections, property valuations and other revenue sources dependent on local business activity. In fiscal year 2021 (ending June 30, 2021), the City experienced a decrease in hotel/motel tax revenues, but an increase in local option tax collections. Additionally, property tax collections are comparable to collections prior to the pandemic. Certain city-owned recreational facilities experienced reduced revenues but expenses were adjusted, where possible, to accommodate those reduced revenues.

Overall, the City did not experience material reductions in revenue or material increases in expenses in fiscal years 2020 and 2021 due to material COVID-19-related financial impacts and currently expects that any material COVID-19-related financial impacts are expected to be covered by federal funding. In fiscal year 2021, the City received over $1.6 million in CARES Act funds, which supplemented public safety salaries. The City received $15.1 million in Recovery Act funds, in May 2021, with a similar amount expected to be received in May 2022. It is too soon, however, to fully predict what COVID-19-related financial impacts the City may incur and whether any such financial impacts will be material.

This information is based on current information available to the City that may be incomplete and unknown. This information was derived using certain assumptions and methodologies and includes unaudited financial information and projections. Some of this information is forward-looking and subject to change.

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, secondary marketing practices in connection with a particular bond or note issue are suspended or terminated. Additionally, prices of bond or note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Bonds.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE BONDS, IF ANY, COULD BE LIMITED.

Ratings Loss

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "___" to the Bonds. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Bonds.

Various factors, including additional regulation of rating agencies could materially alter the methodology, rating levels, and types of ratings available, for example, and these changes, if ever, could materially affect the market value of the Bonds.

Redemption Prior to Maturity

In considering whether to make an investment in the Bonds, it should be noted the Bonds are subject to optional redemption, as outlined herein, without Bondholder discretion or consent. See "**OPTIONAL REDEMPTION**" herein.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty. Accordingly, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the City to pay debt service when due on the Bonds.

Tax Matters, Bank Qualification and Loss of Tax Exemption (Series 2022B)

As discussed under the heading **"TAX MATTERS - TAX EXEMPT BONDS (SERIES 2022B)"** herein, the interest on the Tax-Exempt Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Tax-Exempt Bonds, as a result of acts or omissions of the City in violation of its covenants in the Resolution authorizing issuance of the Tax-Exempt Bonds. Should such an event of taxability occur, the Tax-Exempt Bonds would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Tax-Exempt Bonds, and there is no provision for an adjustment of the interest rate on the Tax-Exempt Bonds.

The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City has further covenanted to comply with certain other requirements, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code. Actions, or inactions, by the City in violation of its covenants could affect the designation, which could also affect the pricing and marketability of the Tax-Exempt Bonds.

It is possible that legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation. The likelihood of any pending or future legislation being enacted or whether the currently proposed terms of any pending legislation will be altered or removed during the legislative process cannot be reliably predicted.

It is also possible that actions of the City after the closing of the Tax-Exempt Bonds will alter the tax status of the Tax-Exempt Bonds, and, in the extreme, remove the tax exempt status from the Tax-Exempt Bonds. In that instance, the Tax-Exempt Bonds are not subject to mandatory prepayment, and the interest rate on the Tax-Exempt Bonds does not increase or otherwise reset. A determination of taxability on the Tax-Exempt Bonds, after closing of the Tax-Exempt Bonds, could materially adversely affect the value and marketability of the Tax-Exempt Bonds.

DTC-Beneficial Owners

Beneficial Owners of the Bonds may experience some delay in the receipt of distributions of principal of and interest on the Bonds since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through Indirect Participants. Neither the City nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Bonds can be effected only through DTC Participants, Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge the Bonds to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Bonds, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See **APPENDIX B – Describing Book-Entry Only Issuance**.

Pension and OPEB Benefits

The City participates in two public pension systems, Iowa Public Employee's Retirement System (IPERS) and Municipal Fire and Police Retirement System of Iowa (MFPRSI).

In fiscal year 2021, pursuant to the IPERS' required rate, the City's Regular employees (members) contributed 6.29% of covered payroll and the City contributed 9.44% of covered payroll, for a total rate of 15.73%. The City's contributions to IPERS for the year ended June 30, 2021 were $1,792,019. The City's share of the contributions, payable from the applicable funds of the City, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The City has always made its full required contributions to IPERS.

At June 30, 2021, the City reported a liability of $16,628,664 for its proportionate share of the IPERS net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7%. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. While the City's contributions to IPERS are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See "**APPENDIX A – FISCAL YEAR 2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT**" for additional information on pension and liabilities of the City.

In fiscal year 2021, pursuant to the MFPRSI's required rate, the City's employees (members) contributed 9.40% of earnable compensation and the City contributed 25.31% of covered payroll. The City's contributions to MFPRSI for the year ended June 30, 2021 were $4,528,152. The City's share of the contributions, payable from the applicable funds of the City, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The City has always made its full required contributions to MFPRSI.

At June 30, 2021, the City reported a liability of $43,638,986 for its proportionate share of the MFPRSI net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The discount rate used to measure the total pension liability was 7.5%. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. While the City's contributions to MFPRSI are controlled by state law, there can be no assurance the City will not be required by changes in State law to increase its contribution requirement in the future, which may have the effect of negatively impacting the finances of the City. See "**APPENDIX A – FISCAL YEAR 2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT**" hereto for additional information on pension and liabilities of the City.

The City defined benefit OPEB plan, a single-employer health care plan provides OPEB for all active and retired employees and their eligible dependents. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The following table shows the City's changes to the total OPEB liability:

Total OPEB Liability Balance as of June 30, 2020	$22,031,599
Changes for the year:	
Service Cost	735,571
Interest	479,230
Changes in Assumptions or Other Inputs	183,252
Contributions and Payments Made	(2,165,102)
Net Changes	(767,049)
Total OPEB Liability Balance as of June 30, 2021	$21,264,550

See **APPENDIX A – Notes (10**) and **(13)** herein for further discussion of the City's employee retirement benefit obligations.

Bond Counsel, Disclosure Counsel, the Municipal Advisor, and the City undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from IPERS or MFPRSI discussed above or included on the IPERS or MFPRSI websites, including, but not limited to, updates of such information on the State Auditor's website or links to other Internet sites accessed through the IPERS or MFPRSI websites.

Continuing Disclosure

A failure by the City to comply with continuing disclosure obligations (see **"CONTINUING DISCLOSURE"** herein) will not constitute an event of default on the Bonds. Any such failure must be disclosed in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Bonds and their market price.

The City will covenant in a Continuing Disclosure Certificate for the benefit of the Owners and Beneficial Owners of the Bonds to provide annually certain financial information and operating data relating to the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. The Annual Report is to be filed by the City no later than two hundred seventy (270) days after the close of each fiscal year, commencing with the fiscal year ending June 30, 2022, with the Municipal Securities Rulemaking Board, at its internet repository named "Electronic Municipal Market Access" ("EMMA"). The notices of events, if any, are also to be filed with EMMA. See "**APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE**." The specific nature of the information to be contained in the Annual Report or the notices of events, and the manner in which such materials are to be filed, are summarized in "**APPENDIX D – FORM OF CONTINUING DISCLOSURE CERTIFICATE**." These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5) (the "Rule").

Cybersecurity

The City, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the City will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the City's information systems could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. Along with significant liability claims or regulatory penalties, any security breach could have a material adverse impact on the City's operations and financial condition. The City cannot predict whether its cyber liability policy will be sufficient in the event of a cyberattack. However, the Bonds are secured by an unlimited ad valorem property tax as described herein. See **"SECURITY AND SOURCE OF PAYMENT"** herein.

Suitability of Investment

The interest rate borne by the Bonds is intended to compensate the investor for assuming the risk of investing in the Bonds. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Bankruptcy and Insolvency

The rights and remedies provided in the Resolution may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Bonds and the Resolution, including the opinion of Bond Counsel, will be similarly qualified. If the City were to file a petition under Chapter Nine of the Federal Bankruptcy Code, the owners of the Bonds could be prohibited from taking any steps to enforce their rights under the Resolution. In the event the City fails to comply with its covenants under the Resolution or fails to make payments on the Bonds, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Bonds.

Under sections 76.16 and 76.16A of the Code of Iowa, as amended, a city, county, or other political subdivision may become a debtor under Chapter Nine of the Federal Bankruptcy Code, if it is rendered insolvent, as defined in 11 U.S.C. §101(32)(c), as a result of a debt involuntarily incurred. As used therein, "debt" means an obligation to pay money, other than pursuant to a valid and binding collective bargaining agreement or previously authorized bond issue, as to which the governing body of the city, county, or other political subdivision has made a specific finding set forth in a duly adopted resolution of each of the following: (1) that all or a portion of such obligation will not be paid from available insurance proceeds and must be paid from an increase in general tax levy; (2) that such increase in the general tax levy will result in a severe, adverse impact on the ability of the city, county, or political subdivision to exercise the powers granted to it under applicable law, including without limitation providing necessary services and promoting economic development; (3) that as a result of such obligation, the city, county, or other political subdivision is unable to pay its debts as they become due; and (4) that the debt is not an obligation to pay money to a city, county, entity organized pursuant to Chapter 28E of the Code of Iowa, or other political subdivision.

Legislation

From time to time, there are proposals pending in Congress and in the Iowa General Assembly that could, if enacted, alter or amend one or more of the matters described herein in certain respects or would adversely affect the market value of the Bonds, or otherwise prevent holders of the Bonds from realizing the full benefit of the tax exemption of interest on the Bonds. Further such proposals may impact the marketability or market value of the Bonds simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Bonds. In addition regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Bonds would be impacted thereby.

During the 2019 legislative session, the Iowa General Assembly passed Senate File 634 which was later signed into law by the Governor. This bill modifies the process for hearing and approval of the total maximum property tax dollars under certain levies in the City budget, including levies for the General Fund, the Emergency Fund, Trust and Agency Funds for pensions, insurance, transit, civic centers, certain bridges, sanitary disposal, and emergency management. The bill also includes a provision that requires the affirmative vote of 2/3 of the City Council when the maximum property tax dollars under these levies exceed an amount determined under a prescribed formula. The bill does not change the process for hearing and approval of the Debt Service Levy pledged for repayment of the Bonds. It is too early to evaluate the effect this legislation will have on the overall financial position of the City or its ability to fund essential services.

Loss of Tax Base

Economic and other factors beyond the City's control, such as economic recession, deflation of property values, or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the corporate boundaries of the City. In addition, the State of Iowa has been susceptible to tornados, flooding and other extreme weather wherein winds and flooding have from time to time caused significant damage, which if such events were to occur, may have an adverse impact on the City's financial position. The City believes it has employed adequate risk-mitigation strategies to limit future damage due to climate change or natural disaster, but it is impossible to predict the impact, cost or necessity of future recovery or mitigation efforts.

Tax Levy Procedures

The Bonds are general obligations of the City, payable from and secured by a continuing ad valorem tax levied against all of the taxable real property within the corporate limits of the City. See **"PROPERTY ASSESSMENT AND TAX INFORMATION"** herein for more details. As part of the budgetary process each fiscal year, the City will have an obligation to request a debt service levy to be applied against all of the taxable real property within the corporate limits of the City. A failure on the part of the City to make a timely levy request or a levy request by the City that is inaccurate or is insufficient to make full payments of the debt service of the Bonds for a particular fiscal year may cause Bondholders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the Bond Resolution) may have to be enforced from year to year.

Federal Funds Orders and State Funds Legislation

Various federal executive orders, and Iowa Code Chapter 27A (collectively "ICE Enforcement Initiatives"), impose requirements intended to ensure compliance with the federal immigration detainment processes. The ICE Enforcement Initiatives impose various penalties for non-compliance, including the loss of state and/or federal funding under certain circumstances. The loss of state and/or federal funds in any significant amount could negatively impact the City's overall financial position and may affect its rating and could slow down completion of certain of the Projects. However, the Bonds are secured by an unlimited ad valorem property tax and are not secured by state or federal funds. See **"SECURITY AND SOURCE OF PAYMENT"** herein.

Audit

The City is currently under audit by the Iowa Auditor of State as a result of a petition signed by residents in April of 2019. The City has submitted all documents and information requested by the State Auditor's office but has not received notice of any reports. At this time the City has no reason to believe the audit will yield any adverse findings.

Other Factors

An investment in the Bonds involves an element of risk. The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should become thoroughly familiar with this entire Official Statement and the Appendices hereto.

THE CITY

The City is located in Northeastern Iowa. The City and the neighboring City of Cedar Falls are the primary urban centers in the region and in Black Hawk County (the "County"). The current land area of the City is almost 64 square miles. As of the 2020 Census, the City represented approximately 51% and Cedar Falls 31% of the County's population. According to the 2020 U.S. Census, the population of the City was 67,314.

City Organization and Services

The City was incorporated in 1868 and is the County Seat of Black Hawk County. The City is governed by a Mayor and a seven-member Council, of which five members are elected from five wards and two members are elected at large. City Council members are elected to staggered four-year terms. The Mayor is elected to a two-year term. The City Clerk and City Attorney are appointed by the City Council for two-year terms.

The City's currently employs 521.71 full-time equivalent employees, including 119 sworn police officers and 110 firefighters. Various City employees are members of seven collective bargaining units. The Communication Workers of America represents City library staff, Teamsters Local 238, Affiliated with International Brotherhood of Teamsters, represents secretarial and clerical employees, the Police Protective Association represents police officers, the International Association of Fire Fighters Local 66 represents the fire department, and the Laborers International Union of North America, AFL-CIO Local No. 177 represents street, sewer and technician/inspection positions. The AFSCME represents two groups: police lieutenants and code enforcement officers and certain professional positions including engineers and planners. Contracts for all seven units are for four-year terms that will expire June 30, 2023.

The Fire Department has 30 fire trucks and special vehicles and operates out of six stations. City government and services are administered from City Hall. The City owns and operates the water works system and the sewage collection and secondary treatment system. The Water Works is organized as a separate entity, managed by a board of trustees appointed by the Mayor and the City Council.

Community Life

The City's 51 parks provide a diversified recreation program. Other recreation facilities include the SportsPlex, an indoor facility including turf, a running track, gyms, pool and fitness areas, two outdoor Olympic sized swimming pools, an outdoor spray water park, a baseball stadium, a softball complex, 23 softball diamonds, eight baseball diamonds, 27 tennis courts and an ice arena with an Olympic size sheet of ice, as well as a 127 acre soccer complex, an ATV park, a skate park and a dog park. There are five 18-hole golf courses, three of which are owned and operated by the City. The City has 60+ miles of recreational bike trails, an outdoor amphitheater and Expo Plaza. The Waterloo Symphony Orchestra and local professional baseball and hockey teams provide cultural and sports entertainment in the City.

The Cedar Valley Sportsplex, a 130,000 square foot recreation facility, opened in January 2014. Features include a 30,000 square foot field house, a running track, basketball courts, pool area including lap lanes and a water slide, in addition to weight and cardio exercise areas. The facility is owned by a local development corporation and the City is acquiring it through a lease purchase agreement. It was built with $25 million in private donations. The City is responsible for the operation and maintenance of the facility.

Education

The Waterloo Community School District is the largest of the three school districts serving the City and has a total certified enrollment of 10,680 students for the 2021-2022 school year. Cedar Falls Community School District and Hudson Community School District have a combined enrollment of approximately 6,244. The public school system is supplemented by eight parochial schools including two high schools.

Hawkeye Community College, whose main campus is located in the City, offers more than 45 one-year and two-year programs for credit as well as business and community education classes. Hawkeye Community College has an enrollment of approximately 4,310 full-time equivalent students in addition the College serves approximately 14,000 additional registrants in continuing education programs and courses. College and graduate level degree programs are available from the University of Northern Iowa, located in adjacent Cedar Falls. The University of Northern Iowa has a fall 2021 enrollment of approximately 9,231 students and employs approximately 1,735. Other higher education opportunities in the area include Upper Iowa University (Waterloo Campus) which serves approximately 360 students, and Allen College which serves approximately 552 students in Waterloo.

Transportation

The City is located 267 miles west of Chicago, Illinois and 108 miles northeast of Des Moines, Iowa. It is accessible by U.S. Highways 218, 63, and 20, and State Highways 21, 57, and 281. Interstate 380 links the City with the southeastern area of the State and connects with Interstate 80. The Union Pacific Railroad, the Iowa Northern Railroad Company, and the Illinois Central Gulf Railroad (Canadian National) provide rail service. Many motor freight carriers operate out of the City with service to Chicago, Minneapolis, Kansas City, Omaha and other urban centers. Intercity bus transportation is available on five lines, and the City subsidizes the local transit service in order to provide frequent service.

Waterloo Regional Airport (the "Airport") is a non-hub, primary commercial service airport offering commercial, corporate, and general aviation services.

Economic Development

The City continues to prioritize the expansion of infrastructure for economic development infill and The City partners with many private developers for the creation, expansion, and build-out of development areas. The City works to provide infrastructure through grants such as state RISE funds, MPO (Metropolitan Planning Organization) road funds, and other sources for creating business parks, industrial parks, and retail settings. The City has two industrial parks (Airport area and Northeast Industrial Park) totaling over 800 acres of land for development, with ability for rail, heavy water and sewer flows, and access to the primary highway system. The City partners with private developers for infill industrial/commercial/residential development in Downtown Waterloo and the former Rath area. There are some mixed retail/medical/office parks at North Crossing, Crossroads Shopping area, the South Waterloo Business Park, and the Greenbelt Centre Business Park. In all, the City offer many opportunities for business development, expansion and has seen recent success.

The City has averaged $147.99 million in new permit valuation the last three years with many exciting projects 1) California Pellet Mill $180,000 sq. ft. $14 million warehousing and manufacturing plant at the Waterloo Air and Rail Park; 2) the $104 million 110-acre Lost Island Theme Park nearing completion near the Lost Island Water Park and Isle of Capri Casino in southern Waterloo; 3) the ConTrol 230,000 sq. ft. $16 million cross-docking facility near Deere in the Northeast Industrial Park; 4) the Lincoln Savings Bank Fintech division $18 million renovation of the top three floors of the Tech One Building on the Tech Works Campus; 5) the $6.25 million, 7-story, 72-unit mixed use building on the Upper Plaza at the Amphitheatre along the riverfront; 6) the $13 million expansion and renovation to the Waterloo Convention Center in Downtown Waterloo; 7) the 100,000 sq. ft. $12 million new cold storage facility on the former Rath Packing Plant brownfields site; 8) the 32,500 sq. ft. $3.56 million Warren Transport Logistics Facility in the Greenbelt Centre near Highway 63 and Highway 20 interchange; 9) the various partnerships with the City and Hawkeye Community College, Waterloo Schools, and Habitat for Humanity for the redevelopment of infill sites in older neighborhoods; 10) the partnerships with various other governmental entities for over $6 million in RISE funding for new roads for economic development, the MPO and IDOT for over $67 million in road dollars for La Porte Road, Highway 63, and University Avenue, EPA Assessment grant funding of over $800,000 the last 8 years for testing of sites for reuse, and other grants and funding sources for site-specific projects from IEDA and EDA for business development and growth.

SOCIOECONOMIC INFORMATION

The following demographic information is for the City. Additional comparisons are made with the County and the State of Iowa (the "State").

Population

The following table reflects population trends for the City, the County and the State.

Population Comparison*(1)*

Year	The City	Percent Change	The County	Percent Change	The State	Percent Change
1970	75,533	n/a	132,916	n/a	2,824,376	n/a
1980	75,985	0.60%	137,961	3.80%	2,913,808	3.17%
1990	66,467	(12.53%)	123,798	(10.27%)	2,776,755	(4.70%)
2000	68,747	3.43%	128,012	3.40%	2,926,324	5.39%
2010	68,406	(0.50%)	131,090	2.40%	3,046,355	4.10%
2020	67,314	(1.60%)	131,144	0.04%	3,190,369	4.73%

Note: (1) Source: U.S. Bureau of the Census.

Employment

Major Area Employers*(1)*

Location	Name	Product/Service	Approximate Employment
Waterloo	John Deere	Manufacturing	5,600
Waterloo	Tyson Fresh Meats	Food Processing	3,200
Waterloo	Unity Point Health Care	Health Care	2,745
Waterloo	MercyOne	Health Care	2,655
Cedar Falls	University of Northern Iowa	Higher Education	1,735
Waterloo	Waterloo Community Schools	Public Education	1,665
Waterloo/Cedar Falls	Hy-Vee	Grocery Stores	1,450
Cedar Falls	Target Regional Distribution	Retail Distribution	1,350
Waterloo/Cedar Falls	Western Home Communities	Retirement Community	1,060
Waterloo	VGM Group	Diversified	905
Cedar Falls	Cedar Falls Community Schools	Public Education	870
Waterloo	Omega Cabinetry Ltd.	Manufacturing	810
Waterloo	Bertch Cabinet Manufacturing	Manufacturing	750
Waterloo	Hawkeye Community College	Higher Education	740
Cedar Falls	Martin Brothers Distributing	Food Distribution	710

Note: (1) Source: Grow Cedar Valley, selected telephone surveys and the 2022 Iowa Manufacturers Database.

The following tables show employment by industry and by occupation for the City, the County and the State as reported by the U.S. Census Bureau 2016 - 2020 American Community Survey 5-year estimated values.

Employment By Industry*(1)*

	The City		The County		The State	
Classification	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	207	0.6%	844	1.2%	60,443	3.8%
Construction	2,145	6.5%	3,758	5.6%	105,449	6.5%
Manufacturing	7,109	21.7%	11,910	17.5%	236,327	14.7%
Wholesale trade	861	2.6%	1,832	2.7%	45,624	2.8%
Retail trade	4,360	13.3%	9,604	14.1%	185,930	11.5%
Transportation and warehousing, and utilities	1,438	4.4%	2,673	3.9%	80,042	5.0%
Information	406	1.2%	727	1.1%	25,116	1.6%
Finance and insurance, and real estate and rental and leasing	1,906	5.8%	3,945	5.8%	124,973	7.7%
Professional, scientific, and management, and administrative and waste management services	2,628	8.0%	5,559	8.2%	119,391	7.4%
Educational services, and health care and social assistance	6,627	20.2%	16,557	24.3%	391,707	24.3%
Arts, entertainment, and recreation, and accommodation and food services	3,478	10.6%	6,693	9.8%	116,108	7.2%
Other services, except public administration	1,052	3.2%	2,522	3.7%	70,677	4.4%
Public administration	567	1.7%	1,460	2.1%	49,737	3.1%
Total	32,784	100.0%	68,084	100.0%	1,611,524	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-Year Estimates from 2016 - 2020.

Employment By Occupation*(1)*

	The City		The County		The State	
Classification	Number	Percent	Number	Percent	Number	Percent
Management, business, science, and arts occupations	9,268	28.3%	22,501	33.1%	598,690	37.1%
Service occupations	6,010	18.3%	12,676	18.6%	255,711	15.9%
Sales and office occupations	6,626	20.2%	14,366	21.1%	328,437	20.4%
Natural resources, construction, and maintenance occupations	2,521	7.7%	5,056	7.4%	154,293	9.6%
Production, transportation, and material moving occupations	8,359	25.5%	13,485	19.8%	274,393	17.0%
Total	32,784	100.0%	68,084	100.0%	1,611,524	100.0%

Note: (1) Source: U. S. Bureau of the Census, American Community Survey 5-Year Estimates from 2016 - 2020.

The following shows the annual average unemployment rates for the City, the County, the State and the United States.

Annual Average Unemployment Rates*(1)(2)*

Calendar Year	The City	The County	The State	United States
2013	6.0%	5.1%	4.7%	7.4%
2014	5.8%	4.9%	4.2%	6.2%
2015	5.4%	4.5%	3.7%	5.3%
2016	5.4%	4.6%	3.6%	4.9%
2017	4.5%	3.7%	3.1%	4.4%
2018	3.4%	2.8%	2.5%	3.9%
2019	3.8%	3.0%	2.6%	3.7%
2020(3)	7.5%	6.0%	5.1%	8.1%
2021(3)	5.6%	4.6%	4.2%	5.4%
2022(4)	4.2%	3.6%	3.5%	4.1%

Notes: (1) Source: Iowa Workforce Development.
(2) Not seasonally adjusted.
(3) The increase in unemployment rates may be attributable to the COVID-19 pandemic. See "BONDHOLDERS RISKS – Potential Impact of the Coronavirus" herein.
(4) Preliminary rates for the month of February, 2022.

Building Permits

Shown below is the trend of building permits issued by the City.

City Building Permits*(1)*
(Excludes the Value of Land)

Fiscal Year	Residential Permits	Total Permits	Total Value
2013	110	8,682	$ 91,192,766
2014	216	9,969	112,406,047
2015	129	10,479	109,637,260
2016	218	10,867	121,493,169
2017	164	9,704	107,888,474
2018	55	8,483	104,700,306
2019	314	7,124	142,264,758
2020	98	7,013	161,102,460
2021	63	7,062	140,629,305
2022(2)	30	5,228	66,656,841

Notes: (1) Source: the City.
(2) Through March 31, 2022.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the City's owner-occupied homes was $117,000. This compares to $150,200 for the County and $153,900 for the State. The following table represents the five year average market value of specified owner-occupied units for the City, the County and the State at the time of the 2016 - 2020 American Community Survey.

Home Values*(1)*

	The City		The County		The State	
Value	Number	Percent	Number	Percent	Number	Percent
Less than $50,000	1,674	9.7%	2,450	7.0%	76,339	8.4%
$50,000 to $99,999	5,050	29.4%	6,910	19.7%	177,648	19.6%
$100,000 to $149,999	4,652	27.1%	8,106	23.2%	184,881	20.4%
$150,000 to $199,999	3,114	18.1%	6,919	19.8%	155,560	17.1%
$200,000 to $299,999	1,630	9.5%	6,289	18.0%	175,416	19.3%
$300,000 to $499,999	665	3.9%	3,450	9.8%	105,115	11.6%
$500,000 to $999,999	304	1.8%	686	2.0%	26,956	3.0%
$1,000,000 or more	100	0.6%	180	0.5%	5,052	0.6%
Total	17,189	100.0%	34,990	100.0%	906,967	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 - 2020.

Mortgage Status*(1)*

	The City		The County		The State	
Mortgage Status	Number	Percent	Number	Percent	Number	Percent
Housing units with a mortgage	10,727	62.4%	21,786	62.3%	547,418	60.4%
Housing units without a mortgage	6,462	37.6%	13,204	37.7%	359,549	39.6%
Total	17,189	100.0%	34,990	100.0%	906,967	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 - 2020.

Income

The U.S. Census Bureau 5-year estimated values reported that the City had a median family income of $59,437. This compares to $73,832 for the County and $79,186 for the State. The following table represents the distribution of family incomes for the City, the County and the State at the time of the 2016 - 2020 American Community Survey.

Family Income*(1)*

	The City		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Less than $10,000	852	5.1%	1,272	4.1%	22,207	2.8%
$10,000 to $14,999	530	3.2%	715	2.3%	14,370	1.8%
$15,000 to $24,999	1,480	8.8%	1,858	5.9%	38,824	4.8%
$25,000 to $34,999	1,832	10.9%	2,537	8.1%	52,575	6.6%
$35,000 to $49,999	2,280	13.6%	3,686	11.8%	90,256	11.3%
$50,000 to $74,999	3,382	20.2%	5,904	18.8%	157,719	19.7%
$75,000 to $99,999	2,350	14.0%	4,937	15.8%	138,130	17.2%
$100,000 to $149,999	2,601	15.5%	6,174	19.7%	168,301	21.0%
$150,000 to $199,999	708	4.2%	2,111	6.7%	62,349	7.8%
$200,000 or more	743	4.5%	2,135	6.8%	56,007	7.0%
Total	16,758	100.0%	31,329	100.0%	800,738	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 to 2020.

The U.S. Census Bureau 5-year estimated values reported that the City had a median household income of $46,942. This compares to $54,774 for the County and $61,836 for the State. The following table represents the distribution of household incomes for the City, the County and the State at the time of the 2016 - 2020 American Community Survey.

Household Income*(1)*

	The City		The County		The State	
Income	Number	Percent	Number	Percent	Number	Percent
Less than $10,000	2,248	7.8%	3,495	6.6%	64,607	5.1%
$10,000 to $14,999	1,609	5.6%	2,356	4.4%	51,206	4.0%
$15,000 to $24,999	3,363	11.7%	5,071	9.5%	110,143	8.6%
$25,000 to $34,999	3,723	13.0%	5,877	11.0%	118,343	9.3%
$35,000 to $49,999	4,132	14.4%	7,373	13.8%	167,084	13.1%
$50,000 to $74,999	5,510	19.2%	10,264	19.3%	243,639	19.1%
$75,000 to $99,999	3,322	11.6%	6,632	12.4%	182,007	14.3%
$100,000 to $149,999	2,996	10.4%	7,407	13.9%	202,695	15.9%
$150,000 to $199,999	879	3.1%	2,457	4.6%	70,804	5.6%
$200,000 or more	928	3.2%	2,389	4.5%	63,413	5.0%
Total	28,710	100.0%	53,321	100.0%	1,273,941	100.0%

Note: (1) Source: U.S. Bureau of the Census, American Community Survey 5-year estimates 2016 - 2020.

Agriculture

Shown below is information on the agricultural value of the County and the statewide average.

Average Value Per Acre*(1)*

	2017	2018	2019	2020	2021
Average Value Per Acre:					
The County	$8,841	$8,936	$9,014	$9,179	$11,757
State of Iowa	7,326	7,264	7,432	7,559	9,751

Note: (1) Source: Iowa State University Extension and Outreach.

Local Option Sales Tax

On January 22, 1991, a metropolitan area-wide referendum for a one percent local option sales tax passed with 8,114 votes in favor and 6,940 against, an approval ratio of approximately 54%. The sales tax became effective on April 1, 1991, in the City and in the seven cities contiguous to the City. On November 5, 2013, the referendum was renewed again with an approval rate of approximately 72%. The City's local option sales tax receipts are wholly dedicated to street repair and reconstruction, as mandated in the referendum. The City currently is authorized to collect this tax through December 31, 2025.

Once approved, a Local Option Tax can only be repealed through a public referendum at which a majority voting approve the repeal or tax rate change, or, in certain circumstances, upon adoption of a motion by the governing body of the incorporated city requesting the repeal. If a Local Option Tax is not imposed county-wide, then the question of repeal is voted upon only by voters in such areas of a county where the tax has been imposed. A Local Option Tax may not be repealed within one year of the effective date.

The State of Iowa Department of Revenue (the "Department") administers collection and disbursement of all local option sales and services taxes in conjunction with administration of the State-wide sales, services and use tax presently assessed at 6%. The Department is required by statute to remit at least 95% of the estimated tax receipts to a county board of supervisors (for taxes imposed in unincorporated areas) and to each incorporated city. Such remittances are on a monthly basis. Once a year the Department reconciles its monthly estimated payments and makes an adjustment payment or debit at the November 10 payment date. Remittance of collections within a county are based upon the following statutory formula for county-wide collections:

75 percent: Based on a pro rata share of population (the most recent certified federal census) of those incorporated or unincorporated areas in a county which have approved a Local Option Tax.

25 percent: Based on a pro rata share of total property tax dollars levied during the three year period beginning July 1, 1982, through June 30, 1985, for those incorporated or unincorporated areas of a county which have approved a Local Option Tax.

Local Option Taxes are based on the same sales currently taxed by the state-wide 6% sales and services tax, with the present statutory exceptions of (i) certain sales of motor fuel or special fuel as defined in Chapter 452A, (ii) the sale of natural gas or electric energy in a city or county where the gross receipts are subject to a franchise fee or user fee during the period the franchise or user fee is imposed, (iii) the sales price from a pay television service consisting of a direct-to-home satellite service, or (iv) the sale of equipment by the State Department of Transportation.

The following table shows the trend of City Local Option tax receipts.

Local Option Tax Receipts*(1)*

Fiscal Year Ending June 30	Local Option Sales Tax Receipts(2)	Percent Change +(-)
2013	$ 9,942,321	n/a
2014	9,771,002	(1.72%)
2015	9,661,573	(1.12%)
2016	9,760,807	1.03%)
2017	9,669,443	(0.94%)
2018	9,948,293	2.88%
2019	10,294,788	3.48%
2020	11,092,663	7.75%
2021	12,673,028	14.25%
2022	11,921,921(3)	(5.93%)

Notes: (1) Source: Iowa Department of Revenue.
(2) Includes a reconciliation payment in November attributable to the previous fiscal year.
(3) Collections received or expected to be received, not including any allowance for the reconciliation payment.

Retail Sales

The Department of Revenue of the State of Iowa provides retail sales figures based on sales tax reports for years ending June 30. The Department of Revenue figures provide recent data to confirm trends in retail sales activity in the City. The following amounts exclude the City's Local Option Tax.

Retail Taxable Sales*(1)*

Fiscal Year Ending June 30	Taxable Sales	Annual Percent Change + (-)
2012	$1,129,249,855	n/a
2013	1,124,405,223	(0.43%)
2014	1,117,415,085	(0.62%)
2015	1,119,986,316	0.23%
2016	1,147,128,289	2.42%
2017	1,142,882,536	(0.37%)
2018	1,109,149,735	(2.95%)
2019	1,118,491,285	0.84%
2020	1,108,666,160	(0.88%)
2021	1,250,282,417	12.77%
Growth from 2012 to 2021		10.72%

Note: (1) Source: the Iowa Department of Revenue.

THE PROJECT

Bond proceeds will be used to: (i) finance the cost of various essential and general corporate purpose capital improvements, equipment and vehicle acquisitions; (ii) provide funds to pay the costs of aiding in the planning, undertaking and carrying out of urban renewal projects; and (iii) pay the costs of issuance of the Bonds.

Specifically, the proceeds of the Bonds will be used to pay costs of: the acquisition, improvement and installation of traffic control devices, signage, fixtures, equipment and improvements, including but not limited to traffic signal, pavement markings, traffic safety, fiber optics installation, and street light fixtures, connections, and facility improvements; the acquisition of vehicles and equipment for the Police and Fire Departments; the acquisition of vehicles and equipment for the street, public works and sign and traffic departments; the acquisition of ambulances and ambulance equipment; the rehabilitation and improvement of City parks and the acquisition, repair and replacement of facilities, equipment and improvements commonly found in City parks; the removal, replacement and planting of trees in parks and public grounds; the construction, reconstruction and repairing of street, sidewalk, skywalk, trail, alley, public ground, marketplace, bridges, pedestrian underpasses and overpasses, and intersection improvements; the acquisition, construction and improvement of real and personal property useful for the protection of property from floods or high waters, including flood control, levees, embankments, waterway, storm water and drainage improvements; the removal or replacement of dead or diseased trees; the acquisition and demolition of dangerous or dilapidated buildings, structures or properties, or funding housing assistance; acquiring, developing and improving of a geographic computer data base system suitable for automated mapping and facilities management; the acquisition and installation of river lighting; equipping city departments and City Hall, including information technology equipment and software; the renovation, construction, improvement and equipping of the golf course; the acquisition of vehicles for various city departments; the construction, reconstruction, improvement, renovation, and equipping of public works buildings; the construction, reconstruction, improvement, renovation, and equipping of city facilities; aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Chapter 403 and the Urban Renewal Plan for the Rath Area Redevelopment Area, such as those costs associated with acquisitions of properties and related demolition and clearance activities, grants to private developers, public infrastructure projects including streets, streetscape, and utility improvements; the acquisition and demolition of dangerous or dilapidated buildings, structures or properties, or funding housing assistance; reconstructing, improving and equipping Young Arena; the renovation, construction, improvement and equipping of the golf course; wetland restoration and related costs; aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Chapter 403 and the Urban Renewal Plans for the Rath Area Redevelopment Area, such as those costs associated with acquisitions of properties and related demolition and clearance activities, grants to private developers; and aiding in the planning, undertaking and carrying out of urban renewal projects under the authority of Chapter 403 and the Urban Renewal Plan for the Downtown Waterloo Urban Renewal and Redevelopment Area, such as those costs associated with the improvement, reconstruction, equipping and repair of the Waterloo Convention Center and surrounding plaza and pedestrian area.

DEFAULT RECORD

The City has no record of default and has met its debt repayment obligations promptly.

SHORT-TERM BORROWING

The City has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

DEBT INFORMATION

After issuance of the Bonds, the City will have outstanding $116,550,000 principal amount of general obligation debt. An aggregate principal amount of $50,180,000 of the City's total bonded debt is expected to be paid from tax increment finance funds and sewer revenues, not including the Bonds. The City also currently has approximately $8,552,417 principal amount of nonbonded general obligation debt.

Debt Limitation

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of taxable property within the corporate limits, taken from the last County Tax list. According to and based upon the January 1, 2020 property valuations, for taxes payable in September 2021 and March 2022, the City's debt limit, based upon said valuation, amounts to the following:

2020 100% Actual Valuation of Property	$4,089,831,846
Constitutional Debt Limit	$ 204,491,592
Outstanding Bonds/Notes Applicable to Debt Limit:	
Total G.O. Debt Subject to Debt Limit	$ 116,550,000*
Other Legal Indebtedness	8,552,417
Total Applicable Debt	$ 125,102,417*
Remaining Debt Capacity	$ 79,389,175*

The City does not expect to issue any additional general obligation debt in calendar year 2022.

Summary of Outstanding General Obligation Bonded Debt*(1)(2)*
(Principal Only)

Series 2014A	$ 3,810,000
Taxable Series 2014B	3,205,000
Series 2014C	570,000
Series 2015A	7,875,000
Taxable Series 2015B	995,000
Series 2016A	5,025,000
Taxable Series 2016B	1,285,000
Taxable Series 2016C	7,465,000
Series 2017A	5,755,000
Series 2017B	2,755,000
Series 2017C	6,725,000
Series 2018A	7,240,000
Taxable Series 2018B	780,000
Series 2019A	5,620,000
Taxable Series 2019B	2,640,000
Series 2019C	1,955,000
Taxable Bonds Series 2019D	2,640,000
Series 2020A	6,605,000
Taxable Series 2020B	7,475,000
Series 2021A	14,370,000
Taxable Series 2021B	8,610,000
Taxable Urban Renewal Series 2022A	14,075,000
The Tax-Exempt Bonds(3)	5,685,000
The Taxable Bonds(3)	4,315,000
Less: Debt Paid from Non-Property Tax Sources(3)	(50,180,000)
Total(3)	$ 66,370,000

Note: (1) Source: the City.
(2) After the June 1, 2022 principal payment.
(3) Subject to change.

**Subject to change.*

General Obligation Debt*(1)(2)*
(Principal Only)

Fiscal Year Ending June 30	Outstanding Bonds											
	Series 2014A	Taxable Series 2014B	Series 2015A	Taxable Series 2015B	Series 2016A	Taxable Series 2016B	Taxable Series 2016C	Series 2017A	Taxable Series 2017B	Taxable Series 2017C	Series 2018A	Taxable Series 2018B
2023	$ 445,000	$ 355,000	$ 810,000	$100,000	$ 760,000	$ 115,000	$ 395,000	$ 770,000	$ 225,000	$ 370,000	$ 695,000	$105,000
2024	455,000	370,000	830,000	105,000	405,000	115,000	405,000	785,000	230,000	385,000	665,000	105,000
2025	465,000	385,000	850,000	105,000	415,000	120,000	420,000	380,000	235,000	395,000	1,275,000	110,000
2026	480,000	410,000	870,000	110,000	425,000	125,000	435,000	390,000	240,000	410,000	650,000	115,000
2027	495,000	430,000	890,000	115,000	430,000	130,000	450,000	405,000	245,000	425,000	850,000	120,000
2028	510,000	445,000	915,000	115,000	445,000	135,000	470,000	415,000	255,000	440,000	775,000	125,000
2029	525,000	465,000	945,000	120,000	455,000	140,000	485,000	425,000	265,000	455,000	800,000	0
2030	0	0	970,000	125,000	465,000	145,000	505,000	440,000	270,000	475,000	820,000	0
2031	0	0	0	0	480,000	150,000	525,000	455,000	280,000	495,000	0	0
2032	0	0	0	0	0	0	550,000	475,000	290,000	515,000	0	0
2033	0	0	0	0	0	0	570,000	0	0	540,000	0	0
2034	0	0	0	0	0	0	595,000	0	0	565,000	0	0
2035	0	0	0	0	0	0	625,000	0	0	590,000	0	0
2036	0	0	0	0	0	0	655,000	0	0	305,000	0	0
Total	$3,375,000	$2,860,000	$7,080,000	$895,000	$4,280,000	$1,175,000	$7,085,000	$4,940,000	$2,535,000	$6,365,000	$6,530,000	$680,000

Fiscal Year Ending June 30	Outstanding Bonds									Total Outstanding General Obligation Debt
	Series 2019A	Taxable Series 2019B	Series 2019C	Taxable Series 2019D	Series 2020A	Taxable Series 2020B	Series 2021A	Taxable Series 2021B	Taxable Series 2022A	
2023	$ 645,000	$ 305,000	$ 395,000	$ 515,000	$ 420,000	$ 780,000	$ 1,340,000	$ 815,000	$ 720,000	$ 11,080,000
2024	660,000	315,000	395,000	530,000	425,000	790,000	1,350,000	830,000	1,035,000	11,185,000
2025	670,000	320,000	380,000	545,000	225,000	550,000	1,350,000	825,000	1,045,000	11,065,000
2026	695,000	335,000	385,000	550,000	545,000	925,000	1,270,000	830,000	1,260,000	11,455,000
2027	445,000	345,000	0	0	570,000	995,000	1,540,000	840,000	175,000	9,895,000
2028	455,000	355,000	0	0	850,000	515,000	1,030,000	840,000	205,000	9,295,000
2029	460,000	370,000	0	0	775,000	520,000	615,000	340,000	300,000	8,460,000
2030	475,000	0	0	0	560,000	535,000	620,000	345,000	465,000	7,215,000
2031	490,000	0	0	0	495,000	545,000	625,000	350,000	620,000	5,510,000
2032	0	0	0	0	505,000	555,000	630,000	355,000	805,000	4,680,000
2033	0	0	0	0	515,000	0	635,000	355,000	815,000	3,430,000
2034	0	0	0	0	150,000	0	640,000	355,000	835,000	3,140,000
2035	0	0	0	0	155,000	0	645,000	360,000	845,000	3,220,000
2036	0	0	0	0	0	0	650,000	360,000	785,000	2,755,000
2037	0	0	0	0	0	0	0	0	800,000	800,000
2038	0	0	0	0	0	0	0	0	815,000	815,000
2039	0	0	0	0	0	0	0	0	835,000	835,000
2040	0	0	0	0	0	0	0	0	850,000	850,000
2041	0	0	0	0	0	0	0	0	865,000	865,000
Total	$4,995,000	$2,345,000	$1,555,000	$2,140,000	$6,190,000	$6,710,000	$12,940,000	$7,800,000	$14,075,000	$106,550,000

General Obligation Debt*(1)(2)*
(continued)
(Principal Only)

Fiscal Year Ending June 30	Total Outstanding General Obligation Debt	Series 2022B Bonds(3)	Taxable Series 2022C Bonds(3)	Total General Obligation Debt(3)	Less G.O. Debt Paid by Other Sources(3)(4)	Total G.O. Debt Paid By Property Tax(3)	Total Cumulative Principal Retired(3) Amount	Percent
2023	$ 11,080,000	$ 315,000	$ 240,000	$ 11,635,000	$ (5,228,000)	$ 6,407,000	$ 6,407,000	9.65%
2024	11,185,000	115,000	100,000	11,400,000	(5,278,000)	6,122,000	12,529,000	18.88%
2025	11,065,000	100,000	100,000	11,265,000	(5,094,000)	6,171,000	18,700,000	28.18%
2026	11,455,000	100,000	100,000	11,655,000	(4,995,000)	6,660,000	25,360,000	38.21%
2027	9,895,000	345,000	260,000	10,500,000	(3,410,000)	7,090,000	32,450,000	48.89%
2028	9,295,000	355,000	265,000	9,915,000	(3,165,000)	6,749,000	39,199,000	59.06%
2029	8,460,000	365,000	275,000	9,100,000	(3,002,000)	6,098,000	45,297,000	68.25%
2030	7,215,000	475,000	285,000	7,975,000	(2,728,000)	5,247,000	50,544,000	76.15%
2031	5,510,000	485,000	335,000	6,330,000	(2,464,000)	3,866,000	54,410,000	81.98%
2032	4,680,000	500,000	350,000	5,530,000	(2,445,000)	3,085,000	57,495,000	86.63%
2033	3,430,000	510,000	360,000	4,300,000	(2,100,000)	2,200,000	59,695,000	89.94%
2034	3,140,000	520,000	370,000	4,030,000	(2,145,000)	1,885,000	61,580,000	92.78%
2035	3,220,000	535,000	375,000	4,130,000	(2,215,000)	1,915,000	63,495,000	95.67%
2036	2,755,000	505,000	495,000	3,755,000	(1,745,000)	2,010,000	65,505,000	98.70%
2037	800,000	460,000	405,000	1,665,000	(800,000)	865,000	66,370,000	100.00%
2038	815,000	0	0	815,000	(815,000)	0	66,370,000	100.00%
2039	835,000	0	0	835,000	(835,000)	0	66,370,000	100.00%
2040	850,000	0	0	850,000	(850,000)	0	66,370,000	100.00%
2041	865,000	0	0	865,000	(865,000)	0	66,370,000	100.00%
Total	$106,550,000	$5,685,000	$4,315,000	$116,550,000	$(50,180,000)	$66,370,000		

Note: (1) Source: the City.
(2) After the June 1, 2022 principal payment.
(3) Subject to change.
(4) Does not include the Bonds.

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Summary of City's General Obligation Bonded Debt Service*(1)(2)*

Fiscal Year Ending June 30	Total Annual Outstanding Debt Service	Series 2022B(3)	Taxable Series 2022C(3)	Less: General Obligation Debt Paid From Other Sources(3)	Total Net Property Tax Supported Debt Service(3)
2023	$ 13,787,147	$ 472,285	$ 367,998	$ (6,585,695)	$ 8,041,735
2024	13,519,969	276,100	231,353	(6,401,146)	7,626,276
2025	13,147,407	257,650	228,253	(6,099,513)	7,533,797
2026	13,278,677	254,650	225,153	(5,886,631)	7,871,849
2027	11,454,850	496,650	382,053	(4,190,268)	8,143,285
2028	10,616,747	496,300	378,993	(3,863,605)	7,628,434
2029	9,544,938	495,650	380,645	(3,616,346)	6,804,887
2030	8,071,228	594,700	381,845	(3,257,017)	5,790,756
2031	6,175,994	590,450	422,725	(2,919,777)	4,269,392
2032	5,211,069	590,900	427,005	(2,838,295)	3,390,679
2033	3,847,670	585,900	425,805	(2,429,255)	2,430,120
2034	3,474,438	580,600	424,285	(2,417,623)	2,061,700
2035	3,474,658	580,000	417,075	(2,428,098)	2,043,635
2036	2,925,790	533,950	524,700	(1,894,870)	2,089,570
2037	904,208	473,800	418,365	(904,208)	892,165
2038	900,008	0	0	(900,008)	0
2039	900,040	0	0	(900,040)	0
2040	894,165	0	0	(894,165)	0
2041	887,490	0	0	(887,490)	0
Total	$123,016,489	$7,279,585	$5,636,250	$(59,314,048)	$76,618,276

Notes: (1) Source: the City.
(2) After the June 1, 2022 principal and interest payments.
(3) Subject to change.

Statement of Bonded Indebtedness*(1)(2)*

City Actual Value, January 1, 2020 ..... $4,089,831,846
City Taxable Value, January 1, 2020 ..... $2,677,386,000

	Total	Applicable Percent	Applicable Amount	Per Capita Ratio to City Actual Value	Ratio to City Taxable Value	(2020 Pop. 67,314)
Direct Bonded Debt(3)	$116,550,000	100.00%	$116,550,000	2.85%	4.35%	$1,731.44
Less: Direct Debt Paid From Non-Property Tax Sources(3)	(50,180,000)	100.00%	(50,180,000)	(1.23%)	(1.87%)	(745.46)
Net Direct Debt(3)	$ 66,370,000		$ 66,370,000	1.62%	2.48%	$ 985.98
Overlapping Debt:						
Hawkeye Community College(4)	$ 11,560,000	24.03%	$ 2,777,868	0.07%	0.10%	$ 41.27
Black Hawk County	22,350,000	42.38%	9,471,930	0.23%	0.35%	140.71
Total Overlapping Bonded Debt(4)			$ 12,249,798	0.30%	0.45%	$ 181.98
Total Direct and Overlapping Bonded Debt(3)			$ 78,619,798	1.92%	2.94%	$1,167.96

Per Capita Actual Value $60,757.52
Per Capita Taxable Value $39,774.58

Notes: (1) Source: the City, Audited Financial Statements and Treasurer of the State of Iowa - Outstanding Obligations Report, debt as of June 30, 2021 for the County and Community College.
(2) As of the date of issuance for the Direct Bonded Debt and June 30, 2021 for Overlapping Debt.
(3) Subject to change.
(4) Excludes $20,500,000 in Industrial New Jobs Training Certificates, which are expected to be paid by proceeds from anticipated job credits from withholding taxes.

PROPERTY ASSESSMENT AND TAX INFORMATION

Property Tax Assessment

In compliance with Section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the County Auditor. Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Taxable Valuation. Such rollback percentages may be changed in future years. Certain historical rollback percentages for residential, multi-residential, agricultural and commercial valuations are as follows:

Percentages for Taxable Valuation After Rollbacks*(1)*

Fiscal Year	Residential	Multi-Residential(2)	Ag Land & Buildings	Commercial & Industrial
2013/14	52.8166%	N/A	59.9334%	100.0000%
2014/15	54.4002%	N/A	43.3997%	95.0000%
2015/16	55.7335%	N/A	44.7021%	90.0000%
2016/17	55.6259%	86.2500%	46.1068%	90.0000%
2017/18	56.9391%	82.5000%	47.4996%	90.0000%
2018/19	55.6209%	78.7500%	54.4480%	90.0000%
2019/20	56.9180%	75.0000%	56.1324%	90.0000%
2020/21	55.0743%	71.2500%	81.4832%	90.0000%
2021/22	56.4094%	67.5000%	84.0305%	90.0000%
2022/23	54.1302%	63.7500%	89.0412%	90.0000%

Notes: (1) Source: the Iowa Department of Revenue.
(2) New category beginning with fiscal year 2017, to be phased into residential category with valuations beginning January 1, 2022, per House File 418 signed into law on March 8, 2021.

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following tax year. For example, the assessments finalized on January 1, 2020, are used to calculate tax liability for the tax year starting July 1, 2021 through June 30, 2022.

Property Tax Collection

Each county is required by State law to collect all tax levies within its jurisdiction and remit, before the fifteenth of each month, the amount collected through the last day of the preceding month to underlying units of government, including the City. Property tax payments are made at the office of each county treasurer in full or one-half by September 30 and March 31, pursuant to the Code of Iowa, Sections 445.36 and 445.37. Where the first half of any property tax has not been paid by October 1, such installment becomes delinquent. If the second installment is not paid, it becomes delinquent on April 1. Delinquent taxes and special assessments are subject to a penalty at the rate of one and one-half percent per month, to a maximum of eighteen percent per annum.

If taxes are not paid when due, the property may be offered at the regular tax sale on the third Tuesday of June following the delinquency date. Purchasers at the tax sale must pay an amount equal to the taxes, special assessments, interest and penalties due on the property, and funds so received are applied to the payment of taxes. A property owner may redeem from the regular tax sale, but failing redemption within two years, the tax sale purchaser is entitled to a deed which in general conveys the title free and clear of all liens except future installments of taxes.

Actual (100%) Valuations for the City*(1)(2)*

Property Class	Fiscal Year: / Levy Year:	2018/19 2017	2019/20 2018	2020/21 2019	2021/22 2020	2022/23 2021
Residential		$2,542,144,210	$2,576,740,020	$2,659,287,350	$2,680,048,880	$2,879,517,830
Agricultural		27,078,500	26,661,880	18,587,250	18,226,718	17,665,978
Commercial		877,140,273	920,822,614	927,159,537	930,544,292	952,359,016
Industrial		183,960,880	187,613,460	191,171,690	197,842,020	198,048,970
Multi-residential		89,110,797	86,020,666	83,780,523	85,439,148	82,284,264
Railroads		6,913,598	6,824,594	7,181,168	3,743,850	3,643,870
Utilities without Gas and Electric(3)		9,403,899	9,812,338	7,850,723	5,477,037	3,478,531
Gas and Electric Utility(3)		155,487,283	162,426,999	171,406,253	173,300,700	196,258,836
Other		0	0	0	1,852	1,852
Less: Military Exception		(5,607,483)	(5,360,379)	(5,093,521)	(4,792,651)	(4,518,759)
Total		$3,885,631,957	$3,971,562,192	$4,061,330,973	$4,089,831,846	$4,328,740,388
Percentage Change		1.50%(4)	2.21%	2.26%	0.70%	5.84%

Notes: (1) Source: the Iowa Department of Management.
(2) Includes tax increment finance (TIF) valuations in the following amounts:

January 1:	2017	2018	2019	2020	2021
TIF Valuation	$279,153,501	$283,204,270	$284,405,439	$317,411,512	$339,815,284

(3) See **"PROPERTY TAX INFORMATION - Utility Property Tax Replacement"** herein.
(4) Based on 2016 Actual Valuation of $3,828,125,642.

For the January 1, 2021 levy year, the City's Taxable Valuation was comprised of approximately 57% residential, 31% commercial, 6% industrial, 3% utilities, 2% multi-residential, 1% agriculture and less than 1% military exemption.

Taxable ("Rollback") Valuations for the City*(1)(2)*

Property Class	Fiscal Year: / Levy Year:	2018/19 2017	2019/20 2018	2020/21 2019	2021/22 2020	2022/23 2021
Residential		$1,413,963,435	$1,466,628,963	$1,464,583,833	$1,511,798,865	$1,558,688,816
Agricultural		13,845,512	14,263,702	14,891,151	15,139,734	15,594,074
Commercial		789,426,255	828,740,360	834,443,591	837,489,873	857,123,121
Industrial		165,564,792	168,852,114	172,054,521	178,057,818	178,244,073
Multi-residential		70,174,804	64,515,623	59,693,676	57,671,493	52,456,262
Railroads		6,222,239	6,142,135	6,463,051	3,369,465	3,279,483
Utilities without Gas and Electric(3)		9,403,899	9,812,338	7,850,723	5,397,560	3,478,531
Gas and Electric Utility(3)		83,274,717	81,260,971	78,392,110	73,253,843	80,994,683
Less: Military Exemption		(5,607,483)	(5,360,379)	(5,093,521)	(4,792,651)	(4,518,759)
Total		$2,546,268,170	$2,634,855,827	$2,633,279,135	$2,677,386,000	$2,745,340,284
Percentage Change		0.42%(4)	3.48%	(0.06%)	1.67%	2.54%

Notes: (1) Source: Black Hawk County.
(2) Includes tax increment finance (TIF) valuations in the following amounts:

January 1:	2017	2018	2019	2020	2021
TIF Valuation	$263,287,703	$267,969,299	$284,405,439	$317,411,512	$339,815,284

(3) See **"PROPERTY TAX INFORMATION - Utility Property Tax Replacement"** herein.
(4) Based on 2016 Taxable Valuation of $2,535,643,226.

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The following shows the trend in the City's tax extensions and collections.

Tax Extensions and Collections*(1)*

Levy Year	Fiscal Year	Amount Levied	Amount Collected(2)	Percent Collected
2011	2012-13	$40,620,062	$40,294,370	99.20%
2012	2013-14	39,993,210	39,690,828	99.24%
2013	2014-15	39,200,603	38,539,187	99.31%
2014	2015-16	38,480,720	38,228,882	99.35%
2015	2016-17	38,823,734	38,731,044	99.76%
2016	2017-18	39,613,829	39,611,362	99.99%
2017	2018-19	38,984,631	39,002,329	100.05%
2018	2019-20	40,639,192	40,157,048	98.81%
2019	2020-21	42,422,199	42,990,863	101.34%
2020	2021-22	43,275,701	- - In Collection - -	

Notes: (1) Source: the State of Iowa Department of Management and the City. Does not include Levies or Collections for Utility Replacement or the City's tax increment finance district.
(2) Includes delinquent taxes.

Principal Taxpayers*(1)*

Taxpayer Name	Business/Service	Levy Year 2020 Taxable Valuation(2)
MidAmerican Energy	Utility	$ 73,161,213
Deere and Company	Manufacturing	50,768,365
GLP Capital LP	Casino and Hotel	48,954,195
ConAgra	Food Processing	31,500,000
Tyson Fresh Meats	Pork Processing	22,227,386
Ferguson Enterprises, Inc.	Warehouse	18,636,903
FDP WTC LLC	Real Estate	16,711,938
VGM Management, Inc.	Commercial Property	16,594,905
Waterloo Cabinet Properties LLC	Cabinet Manufacturer	14,318,676
Menards Inc.	Retail Store	10,845,090
Total		$303,718,671
Ten Largest Taxpayers as Percent of City's 2020 Taxable Valuation ($2,677,386,000)		11.34%

Notes: (1) Source: the County.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked.

Levy Limits

Normal municipal operations and maintenance costs are generally funded through the corporate property tax levy. Iowa State Code does not allow the municipal general fund to be taxed above $8.10 per thousand dollars of taxable value in any one year. In addition to the General Fund, there are several other tax funds that the City can create and use for specific purposes.

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The property tax rates for the City from levy year 2016 through levy year 2020 are shown below:

Property Tax Rates*(1)(2)*
(Per $1,000 Actual Valuation)

Fiscal Year:	2017/18	2018/19	2019/20	2020/21	2021/22
Levy Year:	2016	2017	2018	2019	2020
City:					
General Fund	$ 8.10000	$ 8.10000	$ 8.10000	$ 8.10000	$ 8.10000
Emergency Levy	0.27000	0.27000	0.27000	0.27000	0.27000
Debt Service Fund	3.11073	2.98828	2.75595	2.75591	2.85552
Employee Benefits	4.31902	4.31981	4.69454	5.49308	5.50603
Capital Improvement	0.00000	0.00000	0.00000	0.00000	0.00000
Others	1.80025	1.77786	1.72750	1.82127	1.90033
Total City Rate	$17.60000	$17.45595	$17.54799	$18.44026	$18.63188
Others:					
Black Hawk County	$ 6.41507	$ 6.69303	$ 6.30363	$ 6.33625	$ 6.17391
Waterloo Community School District	14.98155	14.57188	14.20694	14.20694	13.84769
Hawkeye Community College	0.97071	1.01703	1.11803	1.15802	1.17640
Other	0.36424	0.34641	0.31688	0.31945	0.32235
Total Tax Rate	$40.33157	$40.08430	$39.49347	$40.46092	$40.15223

Notes: (1) Source: the Iowa Department of Management.
(2) Does not include tax rate for agriculture.

Tax Levy Procedures

The Bonds are general obligations of the City, payable from and secured by a continuing ad valorem tax levied against all of the taxable real property within the corporate limits of the City. As part of the budgetary process each fiscal year, the City will have an obligation to request a debt service levy to be applied against all of the taxable real property within the corporate limits of the City. A failure on the part of the City to make a timely levy request or a levy request by the City that is inaccurate or is insufficient to make full payments of the debt service of the Bonds for a particular fiscal year may cause Bond holders to experience delay in the receipt of distributions of principal of and/or interest on the Bonds. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the resolution for the Bonds) may have to be enforced from year to year.

Notwithstanding the foregoing, Iowa Code section 76.2 provides when an Iowa political subdivision issues general obligation bonds, "the governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditor(s) to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full."

Utility Property Tax Replacement

Property owned by entities involved primarily in the production, delivery, service and sale of electricity and natural gas ("Utilities") pay a replacement tax based upon the delivery of energy by Utilities in lieu of property taxes. All replacement taxes are allocated among local taxing bodies by the State Department of Revenue and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Utility properties paying the replacement tax are exempt from the levy of property tax by political subdivisions. In addition to the replacement tax, Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

By statute, the replacement tax collected by the State and allocated among local taxing bodies (including the City) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. It is possible that the general obligation debt capacity of the City could be adjudicated to be proportionately reduced in future years if Utility property were determined to be other than "taxable property" for purposes of computing the City's debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the City can issue or (ii) adversely affect the City's ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Bonds. Approximately 3% of the City's levy year 2021 taxable valuation currently is utility property.

Tax Increment Financing

The Code of Iowa currently authorizes the use of two types of tax increment financing by local taxing districts in the State of Iowa. The first type allows local governments to establish TIF districts for the purposes of financing designated urban renewal projects which contribute to the urban redevelopment and economic development of the immediate area. The taxable valuation used for this type of TIF district in the City for levy year 2021 is $339,815,284.

The second type of tax increment financing was authorized by state legislative action in the mid-1980's. The area community colleges can establish TIF districts by contract with specific local businesses and industries to provide jobs training programming for new employees of existing expanding businesses or employees of new businesses. The revenues from these job training TIF districts then retires the debt incurred from the issuance of jobs training certificates which finance the cost of jobs training programming over a maximum of ten years. Upon payment of all jobs training certificates, the district dissolves and the incremental value from the new or expanded business reverts to the general tax base. There is no current valuation for this second type of TIF district.

Legislation

From time to time, legislative proposals are pending in Congress and the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described herein. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for taxes levied by the City or have an adverse impact on the future tax collections of the City. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed federal or state tax legislation. The opinions expressed by Bond Counsel are based upon existing legislation as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending federal or state tax legislation.

During the 2019 legislative session, the Iowa General Assembly enacted Senate File 634 (the "2019 Act"). This bill modifies the process for hearing and approval of the total maximum property tax dollars under certain levies in the county budget. The bill also includes a provision that will require the affirmative vote of 2/3 of the City Council when the maximum property tax dollars under these levies exceed an amount determined under a prescribed formula.

The 2019 Act does not change the process for hearing and approval of the Debt Service Levy pledged for repayment of the Bonds. It is too early to evaluate the affect the 2019 Act will have on the overall financial position of the City or its ability to fund essential services.

2013 and 2021 Legislation: During its 2013 session the Iowa Legislature enacted, and the Governor signed, legislation that reduced the limit on the annual assessed value growth with respect to certain classes of property (the "2013 Legislation"). The 2013 legislation included state-funded replacement moneys for a portion of the expected reduction in property tax revenues (the "Backfill Payments") to local governments caused by the 2013 Legislation. The Backfill Payments were limited in both amount and availability in the 2013 Legislation. During the 2021 legislative session the Iowa General Assembly passed additional legislation that eliminates the Backfill Payments for school districts after fiscal year ending June 30, 2022, which the Governor signed. The Bonds are general obligations of the District. See "**THE BONDS – Source of Security for the Bonds**" herein.

From time to time, other legislative proposals may be considered by the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described in this Official Statement. It cannot be predicted whether or in what forms any of such proposals may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for the levy of taxes by the District.

FINANCIAL INFORMATION

Financial Reports

The City's financial statements are audited annually by certified public accountants. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. The accounting policies of the City conform to accounting principles generally accepted in the United States of America as applicable to governments. See **APPENDIX A** for more detail.

No Consent or Updated Information Requested of the Auditor

The tables and excerpts (collectively, the "Excerpted Financial Information") contained in this "**FINANCIAL INFORMATION**" section are from the audited financial statements of the City, including the audited financial statements for the fiscal year ended June 30, 2021 (the "2021 Audit"). The 2021 Audit has been prepared by RSM US LLP, Certified Public Accountants, Davenport, Iowa, (the "Auditor"), and received by the City Council. The City has not requested the Auditor to update information contained in the Excerpted Financial Information and the 2021 Audit; nor has the City requested that the Auditor consent to the use of the Excerpted Financial Information and the 2021 Audit in this Official Statement. The inclusion of the Excerpted Financial Information and the 2021 Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the City since the date of the 2021 Audit. Questions or inquiries relating to financial information of the City since the date of the 2021 Audit should be directed to the City.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for the City's 2021 Audit. The City's expects its unassigned General Fund balance for the fiscal year ending June 30, 2022 to be approximately $_____. The City has approved a budget for fiscal year 2023 with a planned used of unassigned general fund reserves in the approximate amount of $_____.

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Statement of Net Position
Governmental Activities*(1)*

	Audited as of June 30				
	2017	2018	2019	2020	2021
Assets:					
Current Assets:					
Cash and Cash Equivalents	$ 80,681,435	$ 78,204,617	$ 85,389,911	$ 81,040,157	$ 75,137,720
Restricted Cash and Cash Equivalents	1,021,123	1,241,336	1,050,406	929,908	835,947
Receivables:					
Customer Accounts (Net)	1,809,981	1,774,931	2,085,704	2,368,757	2,293,711
Property Taxes:					
Delinquent	252,732	315,231	316,924	1,246,401	698,369
Succeeding Year	45,311,296	45,855,101	47,611,420	49,788,234	52,066,688
Internal Accounts	(38,704)	(38,704)	(38,704)	(38,704)	(38,704)
Due from Other Governments:					
Component Unit	0	369,042	734,415	77,847	115,479
Other	17,068,030	12,904,677	6,858,443	7,899,489	10,177,992
Accrued Interest	250,164	352,230	299,114	13,278	9,844
Special Assessments	170,715	135,788	82,243	0	0
Inventories and Prepaids	459,094	491,670	481,816	725,249	1,211,578
Total Current Assets	$146,985,866	$141,605,919	$144,871,692	$144,050,616	$142,508,624
Noncurrent Assets:					
Restricted Assets:					
Cash and Cash Equivalents	$ 13,050,431	$ 12,056,283	$ 10,664,802	$ 11,011,322	$ 25,844,853
Receivables	13,770	13,168	12,068	11,030	9,803
Loans and Notes (Net)	27,500	23,100	18,700	0	0
Special Assessments Receivable	184,762	278,857	159,080	221,774	568,609
Capital Assets (Net)	294,573,584	292,442,591	296,146,114	318,000,759	317,542,343
Capital Assets Not Being Depreciated	66,793,289	81,296,376	82,806,285	78,726,672	110,783,750
Total Noncurrent Assets	$374,643,336	$386,110,375	$389,807,049	$407,971,557	$454,749,358
Total Assets	$521,629,202	$527,716,294	$534,678,741	$552,022,173	$597,257,982
Deferred Outflows of Resources:					
Pension Related Amounts	$ 21,156,718	$ 13,519,715	$ 13,141,764	$ 12,268,459	$ 16,272,514
OPEB Related Amounts	0	0	366,557	2,192,247	2,060,557
Total Deferred Outflows of Resources	$ 21,156,718	$ 13,519,715	$ 13,508,321	$ 14,460,706	$ 18,333,071
Liabilities:					
Current Liabilities:					
Accounts and Retainages Payable	$ 3,744,007	$ 5,344,478	$ 4,757,003	$ 5,812,492	$ 7,308,578
Accrued Liabilities and Other	1,609,353	1,729,380	1,798,460	2,145,154	2,433,458
Due to Component Unit	298,368	298,340	183,092	111,203	185,895
Noncurrent Liabilities Due and Payable Within One Year	12,782,566	13,197,153	12,939,646	12,489,906	13,729,515
Unearned Revenues	150,445	400,403	450,550	990,469	16,258,428
Current Liabilities Payable from Restricted Assets:					
Health Claims	1,021,123	1,241,336	1,050,406	929,908	835,947
Other	456,764	404,750	260,805	312,938	452,865
Accrued Interest	166,575	186,211	280,517	275,381	260,854
Total Current Liabilities	$ 20,229,201	$ 22,802,051	$ 21,720,479	$ 23,067,451	$ 41,465,540
Noncurrent:					
Customer Deposits	$ 78,199	$ 57,140	$ 71,766	$ 33,926	$ 45,030
Worker's Compensation Claims	535,187	636,923	472,501	561,323	639,327
General Obligation Bonds and Notes (Net)	73,904,844	72,703,300	74,024,507	78,703,792	83,572,511
Other Loans and Notes and Capital Lease	1,607,357	6,891,787	5,862,151	4,799,400	8,154,776
Total Postemployment Benefits Liability	3,977,250	17,302,862	17,575,071	19,076,867	18,442,207
Compensated Absences	1,524,513	1,844,358	1,647,525	2,116,077	1,761,361
Net Pension Liability	58,937,252	46,059,803	45,448,595	48,049,962	56,949,740
Total Noncurrent Liabilities	$140,564,602	$145,496,173	$145,102,116	$153,341,347	$169,564,952
Total Liabilities	$160,793,803	$168,298,224	$166,822,595	$176,408,798	$211,030,492
Deferred Inflows Of Resources:					
Property Taxes	$ 45,663,122	$ 46,170,332	$ 47,928,344	$ 49,788,234	$ 52,066,687
Pension Related Amounts	5,876,108	1,165,415	2,046,759	2,419,283	1,502,626
OPEB Related Amounts	0	287,843	256,874	220,415	184,662
Total Deferred Inflows of Resources	$ 51,539,230	$ 47,623,590	$ 50,231,977	$ 52,427,932	$ 53,753,975
Net Position:					
Net Investment in Capital Assets	$306,360,558	$312,634,254	$320,748,412	$338,162,674	$357,396,168
Restricted	55,182,022	52,436,491	53,863,633	44,923,907	39,925,625
Unrestricted (Deficit)	(31,089,693)	(39,756,550)	(43,479,555)	(45,440,432)	(46,515,207)
Total Net Position	$330,452,887	$325,314,195	$331,132,490	$337,646,149	$350,806,586

Note: (1) Source: Audited financial statements of the City for the fiscal years ended June 30, 2017 through 2021.

Statement of Activities
Governmental Activities*(1)*

	Audited Fiscal Years Ended June 30				
	2017	2018	2019	2020	2021
Programs/Functions:					
Primary Government:					
Governmental Activities:					
Public Safety	$ (28,825,036)	$ (15,711,997)	$ (27,880,682)	$ (30,644,031)	$ (32,702,695)
Public Works	6,738,477	(13,981,070)	(13,875,908)	(14,835,766)	(14,698,292)
Health and Social Services	(327,278)	(307,535)	(253,591)	(246,890)	(250,556)
Culture and Recreation	(11,343,796)	(8,873,490)	(9,029,385)	(7,731,715)	(7,618,907)
Community and Economic Development	(3,962,421)	(10,179,611)	(2,698,731)	(3,510,442)	(137,337)
General Government	(9,609,407)	(9,338,298)	(7,491,292)	(8,909,953)	(8,669,445)
Interest and Issuance Costs on Long-Term Debt	(2,175,284)	(2,385,499)	(2,452,792)	(2,413,402)	(2,212,316)
Total Governmental Activities	$ (49,504,745)	$ (60,777,500)	$ (63,682,381)	$ (68,292,199)	$ (66,289,548)
General Revenues:					
Taxes:					
Property Taxes	$ 46,530,686	$ 47,404,667	$ 47,722,089	$ 49,332,480	$ 52,877,346
Other Taxes:					
Local Option Sales	9,588,261	9,416,283	10,345,599	11,083,075	11,957,710
Utility Excise	1,479,848	1,422,316	1,354,131	1,363,258	1,403,017
Gaming	1,301,082	1,276,144	1,255,839	984,156	1,324,236
Hotel/Motel	1,239,346	1,352,467	1,338,618	985,466	799,936
Gas and Electric	2,835,985	3,029,140	3,726,027	3,764,060	4,161,915
Cable Television	748,325	675,681	669,425	646,853	648,817
Mobile Home	67,533	67,588	67,568	59,593	81,164
Bank/Credit Union	0	0	0	153,319	200,676
Investment Earnings	339,895	842,018	1,468,222	978,205	124,727
Miscellaneous	2,741,240	4,592,600	2,186,481	5,455,393	5,870,441
Transfers	0	0	(633,323)	0	0
Gain on Sale of Capital Assets	34,865	0	0	0	0
Total General Revenues and Transfers	$ 66,907,066	$ 70,078,904	$ 69,500,676	$ 74,805,858	$ 79,449,985
Change In Net Position	$ 17,402,321	$ 9,301,404	$ 5,818,295	$ 6,513,659	$ 13,160,437
Net Position, Beginning of Year	$313,050,566	$316,012,791(2)	$325,314,195	$331,132,490	$337,646,149
Net Position, End of Year	$330,452,887	$325,314,195	$331,132,490	$337,646,149	$350,806,586

Notes: (1) Source: Audited financial statements of the City for the fiscal years ended June 30, 2017 through 2021.
(2) Restated.

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Balance Sheet
General Funds*(1)*

	Audited as of June 30				
	2017	2018	2019	2020	2021
Assets:					
Cash and Cash Equivalents	$10,826,534	$11,494,635	$11,229,032	$12,825,130	$14,220,754
Receivables:					
Customer Accounts, Net	1,308,565	1,532,841	2,059,678	2,340,694	2,274,748
Property Tax:					
Delinquent	119,681	147,701	135,103	414,870	320,405
Succeeding Year	19,937,663	19,680,558	20,385,867	20,400,576	20,731,638
Special Assessments	355,477	414,645	241,323	221,774	568,609
Accrued Interest	111,699	198,850	157,511	528	193
Loans and Notes	27,500	23,100	18,700	0	0
Due from Other Funds	4,458,733	4,542,648	5,115,742	4,781,167	7,004,681
Due from Other Governments:					
Federal	54,236	40,332	50,870	99,161	224,863
Iowa	368,678	408,130	403,455	284,998	438,806
Other	205,879	238,693	247,189	197,549	245,142
Inventories and Prepaids	197,324	360,459	392,145	584,290	898,156
Restricted Assets:					
Cash and Cash Equivalents	10,000,395	8,894,456	7,100,556	7,007,460	21,226,204
Receivables	13,770	13,168	12,068	11,030	9,803
Total Assets	$47,986,134	$47,990,216	$47,549,239	$49,169,227	$68,164,002
Liabilities, Deferred Inflows of Resources and Fund Balances:					
Liabilities:					
Accounts Payable	$ 346,688	$ 252,899	$ 453,807	$ 458,703	$ 451,085
Retainages Payable	8,230	0	8,744	23,901	10,203
Accrued Liabilities	1,213,487	1,307,801	1,372,750	1,626,800	1,852,381
Unearned Revenue	150,445	135,826	172,628	569,913	15,657,137
Compensated Absences	59,507	84,275	87,528	93,506	103,229
Due to Waterloo Convention & Visitors Bureau, Inc.	298,368	298,340	183,092	111,203	185,895
Payable from Restricted Assets	1,477,887	1,646,086	1,311,211	1,242,846	1,288,812
Advances from Other Funds	168,316	168,316	168,316	168,316	168,316
Total Liabilities	$ 3,722,928	$ 3,893,543	$ 3,758,076	$ 4,295,188	$19,717,058
Deferred Inflows of Resources:					
Unavailable Revenue:					
Property Tax	$20,140,750	$19,828,259	$20,520,970	$20,815,446	$21,052,042
Special Assessment	327,434	414,645	241,323	221,774	568,609
Intergovernmental and Other	74,590	70,218	354,813	312,879	292,066
Total Deferred Inflows of Resources	$20,542,774	$20,313,122	$21,117,106	$21,350,099	$21,912,717
Fund Balances:					
Nonspendable	$ 197,324	$ 528,775	$ 392,145	$ 584,290	$ 898,156
Restricted	8,565,653	7,839,825	6,384,873	5,888,663	5,027,951
Committed	0	33,004	154,511	229,791	0
Assigned	5,410,593	5,902,856	5,465,413	5,633,149	7,871,374
Unassigned	9,546,862	9,479,091	10,277,115	11,188,047	12,736,746
Total Fund Balances	$23,720,432	$23,783,551	$22,674,057	$23,523,940	$26,534,227
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$47,986,134	$47,990,216	$47,549,239	$49,169,227	$68,164,002

Note: (1) Source: Audited financial statements of the City for the fiscal years ended June 30, 2017 through 2021.

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Statement of Revenues, Expenditures and Changes in Fund Balances
General Funds*(1)*

	Audited Fiscal Years Ended June 30				
	2017	2018	2019	2020	2021
Revenues:					
Property Taxes	$20,387,130	$20,892,430	$20,545,205	$21,085,430	$ 21,568,319
Other Taxes	6,959,983	7,137,065	7,761,122	7,298,000	8,087,266
Licenses and Permits	1,521,808	1,340,458	1,420,722	1,449,113	1,366,440
Investment Income	198,340	513,942	766,025	465,149	59,453
Rent	998,034	976,538	1,026,422	1,107,525	1,034,826
Intergovernmental	984,769	993,021	1,083,042	1,077,524	3,004,751
Charges for Services	7,631,540	7,753,197	7,596,846	9,788,667	9,659,969
Interfund Charges for Services	2,135,000	2,205,000	2,130,000	2,130,000	2,366,493
Special Assessments	133,943	176,382	201,637	126,258	169,139
Miscellaneous	1,390,425	1,395,472	1,863,624	2,121,921	2,095,867
Total Revenues	$42,340,972	$43,383,505	$44,394,645	$46,649,587	$ 49,412,523
Expenditures:					
Current Operating:					
Public Safety	$26,326,146	$26,538,729	$27,709,146	$29,722,252	$ 30,788,173
Public Works	3,104,466	3,253,216	3,192,827	3,177,164	3,200,908
Health and Social Services	379,958	365,193	276,922	270,460	286,771
Culture and Recreation	9,947,787	9,771,641	9,743,007	9,317,371	9,518,432
Community and Economic Development	1,841,540	1,859,306	2,020,269	2,824,714	2,348,565
General Government	10,025,237	8,856,520	8,472,560	9,480,205	10,460,828
Debt Service:					
Principal	0	0	0	0	202,035
Capital Outlay	0	0	0	0	$ 4,503,811
Total Expenditures	$51,625,134	$50,644,605	$51,414,731	$54,792,166	$ 61,309,523
Excess (Deficiency) of Revenues Over Expenditures	$ (9,284,162)	$ (7,261,100)	$ (7,020,086)	$ (8,142,579)	$(11,897,000)
Other Financing Sources (Uses)					
Transfers In	$ 5,944,388	$ 6,221,395	$ 5,853,416	$ 7,462,766	$ 8,619,067
Transfers Out	(135,750)	(160,806)	(64,250)	(185,750)	0
Proceeds from Sale of Capital Assets	70,564	151,006	121,426	56,088	336,362
Issuance of Capital Lease and Other Long-Term Debt	0	0	0	0	3,964,965
Proceeds from Insurance	1,624,380	1,112,624	0	1,659,358	1,986,893
Total Other Financing Sources (Uses)	$ 7,503,582	$ 7,324,219	$ 5,910,592	$ 8,992,462	$ 14,907,287
Net Changes in Fund Balances	$ (1,780,580)	$ 63,119	$ (1,109,494)	$ 849,883	$ 3,010,287
Fund Balances, Beginning of Year	25,501,012	23,720,432	23,783,551	22,674,057	23,523,940
Fund Balances, End of Year	$23,720,432	$23,783,551	$22,674,057	$23,523,940	$ 26,534,227

Note: (1) Source: Audited financial statements for the City for the fiscal years ended June 30, 2017 through 2021.

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B - BOOK-ENTRY SYSTEM** for information on registration, transfer and exchange of book-entry bonds. The Bonds will be initially issued as book-entry bonds.

The City shall cause books (the "Bond Register") for the registration and for the transfer of the Bonds to be kept at the principal office maintained for the purpose by the Bond Registrar in West Des Moines, Iowa. The City will authorize to be prepared, and the Bond Registrar shall keep custody of, multiple bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Bond Resolution. Upon surrender for transfer or exchange of any Bond at the principal office maintained for the purpose by the Bond Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or such owner's attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Bond or Bonds of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond, provided, however, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less Bonds previously paid.

The Bond Registrar shall not be required to transfer or exchange any Bond following the close of business on the fifteenth day of the month next preceding an interest payment date on such bond (known as the record date), nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Bonds shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a bond surrendered for redemption.

TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)

Tax Exemption

Federal tax law contains a number of requirements and restrictions that apply to the Tax-Exempt Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of Tax-Exempt Bonds proceeds and facilities financed with Tax-Exempt Bond proceeds, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Tax-Exempt Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Tax-Exempt Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Tax-Exempt Bonds.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, the interest on the Tax-Exempt Bonds is excludable from gross income for federal income tax purposes and interest on the Tax-Exempt Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Prospective purchasers of the Tax-Exempt Bonds should be aware that ownership of the Tax-Exempt Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Tax-Exempt Bonds should consult their tax advisors as to collateral federal income tax consequences.

The interest on the Tax-Exempt Bonds is not exempt from present Iowa income taxes. Ownership of the Tax-Exempt Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Tax-Exempt Bonds. Prospective purchasers of the Tax-Exempt Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

Qualified Tax Exemption Obligations

The Tax-Exempt Bonds will be designated as "qualified tax-exempt obligations" under the exception provided in Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended (the "Code").

Discount and Premium Bonds

The initial public offering price of certain Tax-Exempt Bonds may be less than the amount payable on such Tax-Exempt Bonds at maturity ("Discount Bonds"). Purchasers of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Tax-Exempt Bonds may be greater than the amount of such Tax-Exempt Bonds at maturity ("Premium Bonds"). Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

Other Tax Advice

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Tax-Exempt Bonds. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in Tax-Exempt Bonds.

Audits

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Tax-Exempt Bonds. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Tax-Exempt Bonds until the audit is concluded, regardless of the ultimate outcome.

Reporting and Withholding

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Tax-Exempt Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Tax-Exempt Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Tax-Exempt Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Tax Legislation

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa General Assembly. Court proceedings may also be filed, the outcome of which could modify the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Tax-Exempt Bonds will not have an adverse effect on the tax status of interest or other income on the Tax-Exempt Bonds or the market value or marketability of the Tax-Exempt Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Tax-Exempt Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

Enforcement

There is no trustee or similar person to monitor or enforce the terms of the Bond Resolution. In the event of a default in the payment of principal of or interest on the Bonds, there is no provision for acceleration of maturity of the principal of the Bonds. Consequently, the remedies of the owners of the Bonds (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the Bond Resolution) may have to be enforced from year to year.

The owners of the Bonds cannot foreclose on property within the boundaries of the City or sell such property in order to pay the debt service on the Bonds. In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in Bond Counsel's opinion. The opinion will state, in part, that the obligations of the City with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, to the exercise of judicial discretion in appropriate cases and to the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and to the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

Opinion

The **FORM OF LEGAL OPINION**, in substantially the form set out in **APPENDIX C** to this Preliminary Official Statement, will be delivered at closing.

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service, nor does the rendering of the opinion guarantee the outcome of any legal dispute that may arise out of the transaction. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

Bond Counsel Review

Bond Counsel has approved the language included in this **"TAX MATTERS"** Section but has not otherwise participated in the preparation of this Preliminary Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Preliminary Official Statement, and will express no opinion with respect thereto.

ALL POTENTIAL PURCHASERS OF THE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE BONDS (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)

Taxability and Related Considerations (Taxable Bonds)

In the opinion of Bond Counsel, under existing law, interest on the Taxable Bonds will be included in gross income of the owners thereof for federal income tax purposes.

Tax Accounting Treatment of Discount and Premium on Certain Taxable Bonds

The initial public offering price of certain Taxable Bonds ("Taxable Discount Bonds") may be less than the amount payable on such Taxable Discount Bonds at maturity. An amount equal to the difference between the initial public offering price of the Taxable Discount Bonds (assuming that a substantial amount of the Taxable Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bonds. Owners of Taxable Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Taxable Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Taxable Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Taxable Bonds ("Taxable Premium Bonds") may be greater than the amount of such Taxable Premium Bonds at maturity. An amount equal to the difference between the initial public offering price of Taxable Premium Bonds (assuming that a substantial amount of the Taxable Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes a premium to the initial purchaser of such Taxable Premium Bonds. Purchasers of the Taxable Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Taxable Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Taxable Premium Bonds.

Other Tax Advice

In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Bonds. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in the Bonds.

Enforcement

Holders of the Taxable Bonds shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Taxable Bonds, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the resolution authorizing issuance of the Taxable Bonds (the "Taxable Bond Resolution").

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Taxable Bond Resolution. The remedies available to the owners of the Taxable Bonds upon an event of default under the Taxable Bond Resolution, in certain respects, may require judicial action, which is often subject to discretion and delay. Under existing law, including specifically the federal bankruptcy code, certain of the remedies specified in the Taxable Bond Resolution may not be readily available or may be limited. A court may decide not to order the specific performance of the covenants contained in these documents. The legal opinions to be delivered concurrently with the delivery of the Taxable Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Taxable Bond Resolution, including principal of and interest on the Taxable Bonds.

Opinion

Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise. See **"APPENDIX C"** for the form of Bond Counsel opinion for the Taxable Bonds.

Bond Counsel has approved the language included in this **"TAXABILITY OF INTEREST"** section but has not otherwise participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has not examined, nor attempted to examine or verify, any of the financial or statistical statements or data contained in this Official Statement, and will express no opinion with respect thereto.

ALL POTENTIAL PURCHASERS OF THE TAXABLE BONDS SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE TAXABLE BONDS (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

CONTINUING DISCLOSURE

For the purpose of complying with Rule 15c2-12 of the Securities and Exchange Commission, as amended and interpreted from time to time (the "Rule"), the City will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Bonds to provide reports of specified information and notice of the occurrence of certain events, as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, and the events as to which notice is to be given, is set forth in **"APPENDIX D – Form of Continuing Disclosure Certificate"**. This covenant is being made by the City to assist the Underwriter(s) in complying with the Rule.

Breach of the Disclosure Covenants will not constitute a default or an "Event of Default" under the Bonds or Resolution, respectively. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Bonds in the secondary market. Thus, a failure on the part of the City to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Bonds and their market price.

Pursuant to the Rule, in the last five years, the City believes it has complied in all material respects with regard to its prior Disclosure Covenants with the exception that the City failed to timely file a material event notice for a financial obligation entered into on February 15, 2021. The City has taken steps to ensure future filing of this information in compliance with the applicable undertakings.

Bond Counsel expresses no opinion as to whether the Disclosure Covenants comply with the requirements of Section (b)(5) of the Rule.

OPTIONAL REDEMPTION

Bonds due June 1, 2023 - 2029 inclusive, are not subject to optional redemption. Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part on any date on or after June 1, 2029, at a price of par and accrued interest. If selection by lot within a maturity is required, the Registrar shall designate the Bonds to be redeemed by random selection of the names of the registered owners of the entire annual maturity until the total amount of Bonds to be called has been reached.

If less than all of the maturity is called for redemption, the City will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed.

Thirty days' written notice of redemption shall be given to the registered owner of the Bond. Failure to give written notice to any registered owner of the Bonds or any defect therein shall not affect the validity of any proceedings for the redemption of the Bonds. All Bonds or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment. Written notice will be deemed completed upon transmission to the owner of record.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the City taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the City, threatened against the City that is expected to materially impact the financial condition of the City.

LEGAL MATTERS

The Bonds are subject to approval as to certain legal matters by Ahlers & Cooney, P.C., Des Moines, Iowa, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement except for guidance concerning the sections regarding **"TAX MATTERS – TAX-EXEMPT BONDS (SERIES 2022B)"** and **"TAXABILITY OF INTEREST – TAXABLE BONDS (SERIES 2022C)"** and will not pass upon its accuracy, completeness, or sufficiency. Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements, or data contained in this Official Statement, and will express no opinion with respect thereto. A legal opinion in substantially the form set forth in **APPENDIX C** to this Official Statement will be delivered at closing. Ahlers & Cooney, P.C. is also serving as Disclosure Counsel for the City in connection with the issuance of the Bonds.

The legal opinion to be delivered concurrently with the delivery of the Bonds expresses the professional judgment of the attorneys rendering the opinion as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

In addition, the enforceability of the rights and remedies of owners of the Bonds may be subject to limitation as set forth in the Bond Counsel's opinion. The opinion will state, in part, that the obligation of the City with respect to the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and to the exercise of judicial discretion in appropriate cases.

OFFICIAL STATEMENT AUTHORIZATION

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the City, and all expressions of opinion, whether or not so stated, are intended only as such.

This Official Statement is not to be construed as a contract or agreement amongst the City, the Underwriter, or the holders of any of the Bonds. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinions contained herein are subject to change without notice and neither the delivery of this Official Statement or the sale of the Bonds made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof. The information contained in this Official Statement is not guaranteed.

INVESTMENT RATING

The City has supplied certain information and material concerning the Bonds and the City to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. An explanation of the significance of the investment rating may be obtained from the rating agency: Moody's Investors Service, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658.

UNDERWRITING

The Tax-Exempt Bonds were offered for sale by the City at a public, competitive sale on May 18, 2022. The best bid submitted at the sale was submitted by _____ (the "Tax-Exempt Bond Underwriter"). The City awarded the contract for sale of the Tax-Exempt Bonds to the Tax-Exempt Bond Underwriter at a price of $_____ (reflecting the par amount of $_____, plus a reoffering premium of $_____, and less an Underwriter's discount of $_____). The Tax-Exempt Bonds Underwriter has represented to the City that the Tax-Exempt Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

The Taxable Bonds were offered for sale by the City at a public, competitive sale on May 18, 2022. The best bid submitted at the sale was submitted by _____ (the "Taxable Bonds Underwriter"). The City awarded the contract for sale of the Taxable Bonds to the Taxable Bonds Underwriter at a price of $_____ (reflecting the par amount of $_____, plus a reoffering premium of $_____, and less an Taxable Bonds Underwriter's discount of $_____). The Taxable Bonds Underwriter has represented to the City that the Taxable Bonds have been subsequently re-offered to the public initially at the yields or prices set forth in the Final Official Statement.

MUNICIPAL ADVISOR

The City has engaged Speer Financial, Inc. as municipal advisor (the "Municipal Advisor") in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in the Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Municipal Advisor obligated by the City's continuing disclosure undertaking.

MISCELLANEOUS

Brief descriptions or summaries of the City, the Bonds, the Resolution and other documents, agreements and statutes are included in this Official Statement. The summaries or references herein to the Bonds, the Resolution and other documents, agreements and statutes referred to herein, and the description of the Bonds included herein, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to such documents, and the description herein of the Bonds is qualified in its entirety by reference to the form thereof and the information with respect thereto included in the aforesaid documents. Copies of such documents may be obtained from the City.

Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any of the estimates will be realized. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or Owners of any of the Bonds.

The attached **APPENDICES A, B, C**, and **D** are integral parts of this Official Statement and must be read together with all of the foregoing statements.

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds nor any error in the printing of such numbers shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Bonds.

The City has reviewed the information contained herein which relates to it and has approved all such information for use within this Official Statement. The execution and delivery of this Official Statement has been duly authorized by the City.

/s/ **KELLEY FELCHLE**
City Clerk
CITY OF WATERLOO
Black Hawk County, Iowa

/s/ **QUENTIN M. HART**
Mayor
CITY OF WATERLOO
Black Hawk County, Iowa

APPENDIX A

CITY OF WATERLOO
BLACK HAWK COUNTY, IOWA

FISCAL YEAR 2021 COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF WATERLOO, IOWA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2021

Prepared by:
City of Waterloo Finance Department
Michelle C. Weidner, CPA, Chief Financial Officer
Emily Graham, Financial Analyst
Brent Bohlen, Financial Analyst
Kim Bahr, Financial Analyst

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CITY OF WATERLOO, IOWA

OFFICE OF THE MAYOR ----- FINANCE DEPARTMENT

QUENTIN HART • *Mayor* MICHELLE WEIDNER, CPA • *Chief Financial Officer*

Mayor
QUENTIN HART

COUNCIL MEMBERS

JOHN CHILES
Ward 1

JONATHAN GRIEDER
Ward 2

NIA WILDER
Ward 3

JEROME AMOS, JR.
Ward 4

RAY FEUSS
Ward 5

ROB NICHOLS
At-Large

DAVE BOESEN
At-Large

March 17, 2022

Members of the City Council
and Citizens of the City of Waterloo, Iowa

We are pleased to present the Annual Comprehensive Financial Report of the City of Waterloo, Iowa (City) for the year ended June 30, 2021 in accordance with the provisions of Chapter 11 of the Code of Iowa. This report is published to provide the City Council and citizens detailed information concerning the financial condition of the City. It has also been audited by an independent certified public accounting firm in accordance with generally accepted auditing standards and the federal single audit act requirements, including the provisions of Title 2 of the U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). RSM US LLP issued an unmodified ("clean") opinion on the financial statements for the year ended June 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

THE CITY'S BACKGROUND AND SERVICES

Waterloo is the 8th largest and historically one of the most diverse cities in the state of Iowa with a population of 67,314, according to the 2020 U.S. Census. The City was incorporated in 1868 and is the county seat of Black Hawk County. Waterloo and the neighboring City of Cedar Falls are the primary urban centers in the area, serving as a retail and healthcare hub for the region. The City is empowered to levy a property tax on real property located within its boundaries. The City operates under a Mayor – Council form of government, with the mayor as the elected chief executive. The City Council is comprised of seven members, five of whom are elected from separate wards and two who are elected at-large. The Mayor is elected to two-year terms, and the City Council members are elected to four-year staggered terms.

The City of Waterloo provides a full range of municipal services to its citizens and is organized into a number of operating departments, the activities of which are directed by the Mayor. The public services provided by the employees of the City include police and fire protection, building inspections and animal control, a regional airport, construction and maintenance of highways, streets and other infrastructure, and recreational and cultural and arts services. The City also provides solid waste collection and wastewater treatment services. Other human services are provided through the community development, housing and human rights departments. The central garage provides vehicle maintenance services, and the human resources, management information systems, city attorney, city clerk and finance departments perform various administrative functions.

Funds, agencies, boards, commissions, trusts and authorities involved in the provision of municipal services must be included in the City's financial reporting as component units if the City is financially accountable. Although the Waterloo Water Works and the Waterloo Convention & Visitors Bureau, Inc. are operated as independent entities, they meet the requirements to be considered component units of the City and these entities are included in this report. The Waterloo Community School District and the Metropolitan Transit Authority do not meet the established criteria for component entities of the City and are not included in this report.

ECONOMIC OUTLOOK

The economy of Waterloo and the Cedar Valley area is seeing continued commercial and industrial activity even amid the COVID-19 pandemic. The largest employer in the City is Deere & Company through its Waterloo Works Drivetrain Operations, Engine Works, Foundry, Product Engineering and Assembly facilities. Other major employers include Tyson Foods, University of Northern Iowa, Mercy One, Unity Point Health, Hy-Vee and The VGM Group.

The area's regional economic development corporation, GROW Cedar Valley, works with the city to help create development in Waterloo as well as the entire metropolitan area. Total building permit valuation for Waterloo was over $100 million for the eighth straight year, reaching $141.1 million for the fiscal year ended June 30, 2021. This marked the fourth best construction year in history, and the City has averaged $148.0 million during the past 3 years in permit activity. New housing starts were at 65 new units. Waterloo is a regional retail center for Black Hawk and surrounding counties. Retail sales were $1,249.2 million in fiscal 2021, an increase of $256.0 million from the prior year. Waterloo's population declined in the official 2020 census, although the City believes it has remained relatively stable during the past decade.

The overall city tax base has reflected an average annual growth of approximately 1.4% during the last five years. The City has developed a more diverse employment base in recent years, although Deere & Company continues to play a major role in the local economy. Deere (a Fortune 100 company) remains the city's largest employer and also its largest taxpayer. The company has invested over $1.0 billion in its Waterloo facilities since 2010, including the Westfield advanced manufacturing facility and the Waterloo Foundry, the largest electric foundry in the state. The City's unemployment level as of September 30, 2021 was 3.8% compared to the state level of 2.9% and the federal level of 4.8%.

Downtown/Cedar Valley Riverfront Renaissance

The Riverfront Renaissance project utilized state "Vision Iowa" funds, as well as private funds, local funds, and partnerships with other businesses to create three new major developments to revitalize the downtown area along the Cedar River:

- The RiverWalk Loop – a walking and recreational trail system along the banks of Cedar River from 1st Street to 18th Street in Downtown Waterloo.
- The Cedar River Dam improvements – an inflatable bladder dam system that improved recreational water depth upstream of the dam at 4th Street.
- The Riverfront Amphitheater – this space has become a popular destination for many activities, and is bringing more residents and visitors to downtown Waterloo and the riverfront.

Downtown/Cedar Valley SportsPlex

The Cedar Valley SportsPlex is a 125,000 square-foot recreational facility with indoor soccer fields, gyms, a leisure pool and slide, fitness facility, running track and multi-purpose activity spaces. The facility opened in 2014 and now has approximately 5,000 members.

Downtown/Cedar Valley TechWorks Campus

At the other end of the Riverwalk Loop, the $52 million Cedar Valley TechWorks Campus Project has transformed two former Deere and Co. 6-story industrial buildings into a Marriott Hotel, Deere Training center (Tech Two building) and a multi-tenant green technology and advanced manufacturing innovation center (Tech One building). This was the first project approved under the Iowa Reinvestment District (IRD) program.

Lincoln Savings Bank has recently renovated a 50-year old former Deere factory at a total project investment of $18.3 million. LSB currently occupies two of the top three floors of the Tech One building to house their financial technology operation, which is projected to add over 300 new employees into the Downtown Waterloo area.

The IRD development will also include the creation of a Marina along the Cedar River. This will be part of a water trail designation in Black Hawk County in partnership with the City of Cedar Falls. In excess of $500,000 in federal enhancement funds have been programmed for this project. Construction of a trail along the river and docks for kayaks and other boats is expected to begin in the spring of 2022. The City is also platting additional lots for commercial development in the area.

Downtown/Other Developments

Other developments in the downtown area include the $15 million Grand Crossing development. Phases I and II are complete with 108 condominium units and first floor retail and commercial space. The $8 million urban campus developed by Hawkeye Community College is bringing additional educational and student services populations downtown.

The $2.5 million renovation of the historic Friedl Bakery building is nearing completion. The Art Bloc, a seven-story 72 unit residential tower on the riverfront near the RiverLoop Amphitheater, is now leasing space to tenants.

Makenda LLC has completed a $10 million interior and exterior renovation of the former Ramada Hotel in Downtown Waterloo, which has re-opened as a dual-branded Best Western Plus and Executive Residency Hotel. The City has hired Global Spectrum, L.P. to manage the Waterloo Convention Center, located directly across the street from this hotel. The Convention Center is currently undergoing a $10 million renovation, including interior renovations on both floors with new equipment, signage, and an addition at the main entrance.

Lincoln Park, a popular downtown destination, was recently improved with a $1 million facelift including improved infrastructure, new seating, lighting and walkways.

North Crossing

North Crossing, the former Logan Plaza Shopping Center in the northern part of the City, was acquired by a developer and completely demolished, with plans to replace it with several new medical and retail buildings. All five phases of the project are now complete with over $10 million in new taxable value. The project includes multiple medical buildings, a new Burger King restaurant, Kwik Star convenience store and strip mall renovations. Over 40 acres of land are available for additional development in this area. The public-private partnership for the redevelopment has been created from:

- The $30 million Highway 63 redevelopment project which created green space, aesthetics, recreational trails, and economic opportunity along the corridor, as well as improving traffic movements with turning lanes
- The continued investment by Unity Point Health (formerly Allen Hospital) with over $40 million in improvements and expansions to the hospital campus, and over $8 million in the Nursing College campus.
- The new Carver Academy middle school built on the former Logan School site, offering a more aesthetically pleasing campus setup for students with a greenhouse, and partnerships with other entities.

An additional $10 million investment is planned for the northeast portion of the medical-retail campus, including a new senior center in partnership with Unity Point, multi-family residential housing units, and a day care center.

Midport

- The City completed the construction of the majority of the infrastructure needed to open over 400 acres for commercial and industrial development in the Waterloo Air & Rail Park (WARP) located near the Waterloo Regional Airport. The City received a State of Iowa RISE award for construction of WARP Drive, which serves 38 acres of land and is now complete. The City has received a second RISE award for the construction of Hyper Drive to serve an additional 32 acres, including the entrance to serve the new $8 million CPM manufacturing plant.
- A number of developers have plans for smaller infill construction projects in the Airport area, comprising 12 lots with a projected $6 million investment.
- There has been over $3.0 million in private investment in new hangars at the Waterloo Regional Airport.

Other New Development Projects

Construction continues on the Lost Worlds Theme Park, a $100 million investment by the Bertch family to create a new theme park near Lost Island Waterpark on the city's southeast side. Groundbreaking began in 2019 and the theme park is scheduled to open in the summer of 2022. The City has received a State of Iowa RISE award for the construction of Shaulis Road directly in front of the Theme Park. Reconstruction of Shaulis Road is currently in progress.

The former Greyhound Park has been demolished, creating new development land near the major intersection of U.S. Highways 20 and 63. A Love's Travel Center and a new Casey's convenience store are now open. Warren Transport has announced an $8.6 million project for a new headquarters and vehicle maintenance facility. Cedar Valley Crossing has built roadways and platted lots for a new 10-lot industrial park, with 3 projects planned for 2022. Additional developments are planned for the area around the intersection of Highway 63 and West Ridgeway Avenue.

Crystal Distribution is currently constructing a new $16.5 million cold storage facility in the former Rath Packing plant area. This brownfield redevelopment will create an additional 23 acres in lots for continued infill projects.

Con-trol has completed their new $12 million cross-docking facility in the Northeast Industrial Park. The City has received a State of Iowa RISE award for the reconstruction of a portion of Newell Street to facilitate the Con-trol project.

The Boys & Girls Club has finished construction of a $5.0 million Teen Center in the Walnut Historic Neighborhood near downtown. Within this neighborhood, All-In Grocers has started construction on a $2.0 million grocery store and there has been $2.8 million of residential construction and rehabilitation work completed.

The San Marnan corridor continues to see new development, including the $1.5 million Cedar Valley Hospice office, a $1.6 million addition by Locke Funeral Home, and a new $1.1 million facility for Club Car Wash.

The City is also working on several projects in the University corridor, including the $9.6 million Greenhill apartment project, the $3.4 million Maple Lanes renovation, $2.9 million in renovations completed by Digestive Healthcare, and a new $2.8 million facility for Tommy Car Wash.

Street Improvements

The one-cent local option tax was approved in 2013 for another ten years, to be used for street repairs and improvements. Other major construction initiatives that are primarily funded with grants include the reconstruction of Highway 63 through the northern part of the city, which was completed in 2020, with pedestrian enhancements expected to be complete in 2022.The reconstruction of University Avenue from Midway Dr. to U.S. Highway 63 is substantially complete, and opened to the public in October 2021.

The City has been awarded $12.5 million in federal competitive bridge funds and a $1.7 million State of Iowa RISE grant to assist with the reconstruction of the Park Avenue and 11th St. bridges in the downtown area. Construction of the bridge project is slated to begin in the spring of 2022.

Design is underway for the La Porte Road corridor to improve streets and bike trails near the new Lost Worlds Theme Park and the Crossroads Shopping Center area. The La Porte Road segments include over $5 million in federal roadway funding, and the City was awarded a $.34 million RISE grant for improvements to the adjoining Shaulis Road area for additional improvements to turning lanes, flood control, and intersection improvements to accommodate anticipated theme park traffic.

Recreational Facilities

The City is also continuing to develop its extensive system of bike trails, which are being connected to countywide and regional trail networks, creating a system of more than 117 miles of trails. The Riverwalk Loop trail in downtown Waterloo has been completed and a new trail has been constructed along the newly constructed Shaulis Road connection from Highway 63 to the Isle of Capri Boulevard. This trail system connects directly into the American Discovery Trail. Major trail facilities have been added as part of the University Avenue reconstruction project, including a new 10 ft. wide concrete recreational trail from the West Waterloo city limits to U.S. Highway 63. A new trailhead, parking lot, and trail underpass has been constructed at the University Avenue and Highway 63 intersection. A recreational area for all-terrain vehicle trails has also been developed in the Riverview neighborhood. The City has received a grant for the construction of the Shaulis Road Recreational Trail in the southeast part of the City, which will be completed in 2022.

Phase 1 of the Greenbelt Lake Improvements Project has been completed with a REAP grant for a $200,000 investment in a new accessible fishing pier with several shoreline fishing points and a large pollinator planting.

Master Plans are currently underway for Waterloo's aquatic facilities and for Gates Park.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Waterloo, Iowa for its Annual Comprehensive Financial Report (ACFR) for fiscal year 2020. This is the seventeenth year that the City received this award, which is a prestigious national award, recognizing conformance with the highest standards for the preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. The ACFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes that the current report continues to meet the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

FINANCIAL MANAGEMENT INFORMATION

Budgetary Controls - The City's management staff is responsible and is actively involved in the financial planning and management of the City's daily operations and long-range strategic planning. The objective of budgetary controls is to ensure compliance with the annual budget approved by the City Council, as well as budget control procedures mandated by the State of Iowa.

Management control policies adopted by the City Council require that departmental and activity budgets comply with departmental appropriations. Amendments exceeding de minimus guidelines require the specific approval of the City Council Finance Committee. These policies also require certain non-routine expenditures exceeding $2,500 to be pre-authorized by the City Council Finance Committee.

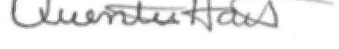
Long-term financial and capital improvement planning are crucial strategic functions of the City. The City's management staff, coordinated by the Planning Department, prepares and presents the five-year Capital Improvement Program (CIP) to the Mayor and City Council for their review and approval annually. The CIP outlines the City's planned schedule of capital project construction over the next five-year cycle. The CIP provides an analysis of the financial funding impact and capital debt impact of the planned construction project program.

The City met the minimum fund balance requirement for the General Fund and adhered to all other financial policies approved by the City Council.

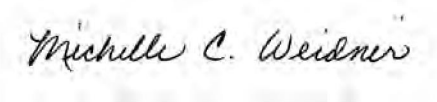
ACKNOWLEDGMENTS

This report could not have been completed without the dedicated service of the entire Finance department and other City staff in addition to the RSM US LLP audit team. We want to thank all of the City departments for their assistance in providing data necessary for this report.
Special thanks go to Emily Graham, Brent Bohlen and Kimberly Bahr in the Finance Department and also the City Clerk staff. Each of you has our appreciation and respect for your contributions to this report. We also want to thank the members of the City Council for their support of our efforts to conduct the financial operations of the City in a responsible and progressive manner.

Sincerely,



Quentin M. Hart
Mayor



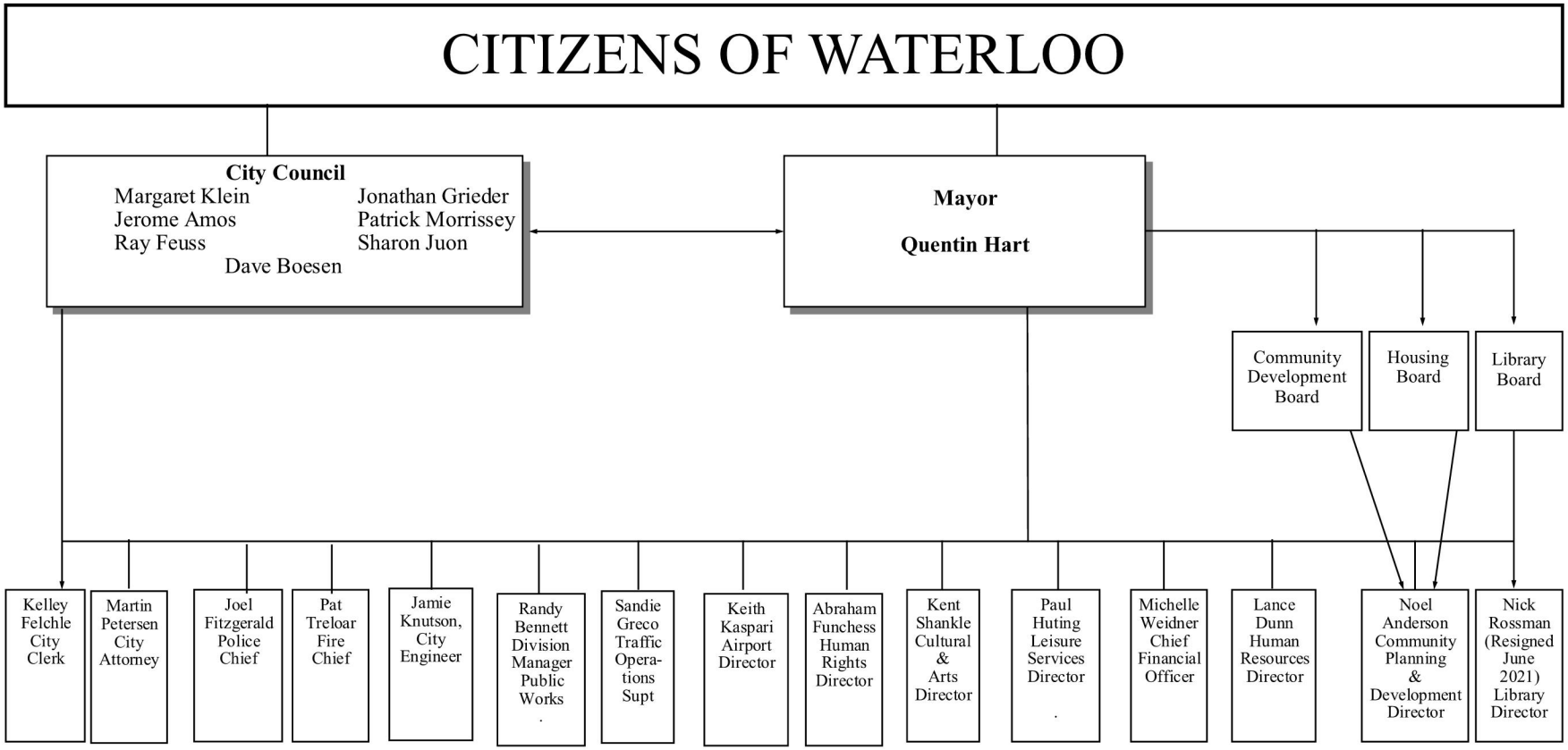
Michelle C. Weidner, CPA
Chief Financial Officer

City of Waterloo, Iowa

Officials
As of June 30, 2021

Name	Title	Term Expires
	Elected	
Quentin Hart	Mayor	January 2022
Margaret Klein	Council Member - 1st Ward	January 2022
Jonathan Grieder	Council Member - 2nd Ward	January 2024
Patrick Morrissey	Council Member - 3rd Ward	January 2022
Jerome Amos	Council Member - 4th Ward	January 2024
Ray Feuss	Council Member - 5th Ward	January 2022
Sharon Juon	Council Member - At-Large	January 2022
Dave Boesen	Council Member - At-Large	January 2024
	Appointed	
Michelle Weidner, CPA	Chief Financial Officer	Indefinite
Kelley Felchle, CMC	City Clerk	Indefinite
Jamie Knutson, PE	City Engineer	Indefinite
Martin Petersen	City Attorney	Indefinite
Joel Fitzgerald, Sr., Phd.	Chief of Waterloo Police Department	Indefinite
Pat Treloar	Chief of Fire Services	Indefinite

CITY OF WATERLOO, IOWA — ORGANIZATIONAL STRUCTURE



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Waterloo
Iowa

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

RSM US LLP

Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Waterloo, Iowa

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Waterloo, Iowa (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units, Waterloo Water Works and Waterloo Convention & Visitors Bureau, Inc., which collectively represent 100% of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 financial statement presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions
In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Waterloo, Iowa as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Visit rsmus.com/aboutus for more information regarding RSM US LLP and RSM International.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the schedule of changes in the City's total OPEB liability and related ratios, the schedule of the City's proportionate share of the net pension liability and schedule of contributions for the Iowa Public Employees' Retirement System, the schedule of the City's proportionate share of the net pension liability and schedule of City contributions for the Municipal Fire and Police Retirement System of Iowa, budgetary comparison schedule, and the Schedule of Contributions for Waterloo Water Works Pension Plan and Schedule of changes in net pension liability and related ratios for the Waterloo Water Works Pension Plan, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 do 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.

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining individual and nonmajor fund financial statements and other schedules and statements, listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit and the procedures performed as described above, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

RSM US LLP

Davenport, Iowa
March 16, 2022

As management of the City of Waterloo, we offer readers of the City of Waterloo's financial statements this narrative overview and analysis of the financial activities of the City of Waterloo for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at pages iii–ix of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Waterloo exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $458,003,292 (net position). Of this amount, the City's unrestricted net position ($31,533,724) is negative, due to recording the City's share of postemployment benefit liabilities and pension liabilities.
- The City's total net position increased by $18,908,854 compared to the 2020 ending net position of $439,094,438.
- As of the close of this current fiscal year, the City of Waterloo's governmental funds reported combined ending fund balances of $83,476,483, a decrease of $6,157,900 in comparison with the prior year. Approximately 6,9% of this total amount, $5,780,395, is available for spending at the City's discretion (unassigned fund balance), although some funds are legally limited for specified purposes.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was $12,736,746, or 20.8% of total General Fund expenditures.
- The City of Waterloo's total long-term liabilities increased by $27,045,417 or 14.4% during the current fiscal year, due to increased general obligation bonds and state revolving fund capital loans issued for construction projects and the issuance of a capital lease for police equipment.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Waterloo's basic financial statements. The City of Waterloo's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Waterloo's finances in a manner similar to a private-sector business.

The statement of net position presents information about all of the City of Waterloo's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Waterloo is improving or deteriorating.

The statement of activities presents information illustrating how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Waterloo that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Waterloo include public safety, public works, health and social services, culture and recreation, community and economic development and general government. In addition, the convention bureau provides marketing services for tourism operated as a separate discretely presented component unit of the City. The business-type activities of the City of Waterloo include the sanitary sewer system and the solid waste system. The water utility is operated as a separate discretely presented component unit of the City. For detailed information about the Waterloo Convention & Visitors Bureau, Inc. or the Waterloo Water Works, please see their separate audited financial statements.

The government-wide financial statements include only the City of Waterloo itself (known as the primary government) and its discretely presented component units, the Waterloo Water Works and Waterloo Convention and Visitors Bureau, Inc. The Waterloo Community School District and the Metropolitan Transit Authority provide services to the citizens of Waterloo but do not meet established criteria as component units of the City and thus are not included in this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Waterloo, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Waterloo can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Waterloo maintains 18 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Trust and Agency Fund, Tax Increment Financing Fund, and Road Use Tax Fund, all of which are considered to be major funds. Data from the other 14 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. The City of Waterloo maintains two proprietary funds, which are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the sanitary sewer fund and the sanitation fund. The sanitary sewer fund is considered to be a major fund of the City of Waterloo.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Waterloo's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has one type of fiduciary fund, a custodial fund.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. The City's budgetary comparison schedule and the other postemployment benefit plan schedule of funding progress are presented as required supplementary information immediately following the notes to the financial statements. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Waterloo, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $458,003,292 at the close of the fiscal year ended June 30, 2021.

By far the largest portion of the City of Waterloo's net position (98%) reflects its investment in capital assets (e.g., land, buildings and improvements, infrastructure and vehicles and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Waterloo uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Waterloo's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position

A condensed version of the Statement of Net Position as of June 30, 2021 and 2020 follows:

	City of Waterloo's Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	**2021**	2020	**2021**	2020
Assets						
Current and other assets	**$ 168,931,889**	$ 155,294,742	**$ 25,312,452**	$ 22,615,485	**$ 194,244,341**	$ 177,910,227
Capital assets	**428,326,093**	396,727,431	**121,928,678**	103,850,948	**550,254,771**	500,578,379
Total assets	**597,257,982**	552,022,173	**147,241,130**	126,466,433	**744,499,112**	678,488,606
Deferred outflows of resources	**18,333,071**	14,460,706	**1,068,660**	1,057,253	**19,401,731**	15,517,959
Liabilities						
Current liabilities	**41,465,540**	23,067,451	**7,620,284**	4,954,394	**49,085,824**	28,021,845
Long-term liabilities	**169,564,952**	153,341,347	**33,309,943**	20,625,573	**202,874,895**	173,966,920
Total liabilities	**211,030,492**	176,408,798	**40,930,227**	25,579,967	**251,960,719**	201,988,765
Deferred inflows of resources	**53,753,975**	52,427,932	**182,857**	495,430	**53,936,832**	52,923,362
Net position						
Net investment in capital assets	**357,396,168**	338,162,674	**92,076,756**	87,857,186	**449,472,924**	426,019,860
Restricted	**39,925,625**	44,923,907	**138,467**	19,491	**40,064,092**	44,943,398
Unrestricted	**(46,515,207)**	(45,440,432)	**14,981,483**	13,571,612	**(31,533,724)**	(31,868,820)
Total net position	**$ 350,806,586**	$ 337,646,149	**$ 107,196,706**	$ 101,448,289	**$ 458,003,292**	$ 439,094,438

$40,064,092 of the City of Waterloo's net position (8.7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($31,533,724) is a negative position, due to the net pension liabilities for the city's share of liabilities in the IPERS and MFPRSI pension plans and the city's liability for other postemployment health care benefits.

The separate governmental activities had positive balances in the net investment in capital assets and fund balances restricted for specific purposes. Business-type activities also reported positive balances in all categories. The same situation held true for the prior fiscal year.

The City's total net position increased compared to the 2020 ending net position. Governmental-type activities' net position increased by $13,160,437, from the 2020 net position of $337,646,149. This increase was largely related to capital invested in City infrastructure projects. See page 26 for a reconciliation of this increase. The total business-type activities' net position increased by $5,748,417 from the 2020 net position of $101,448,289, due to capital invested in City infrastructure projects and debt retirement payments.

Statement of Activities

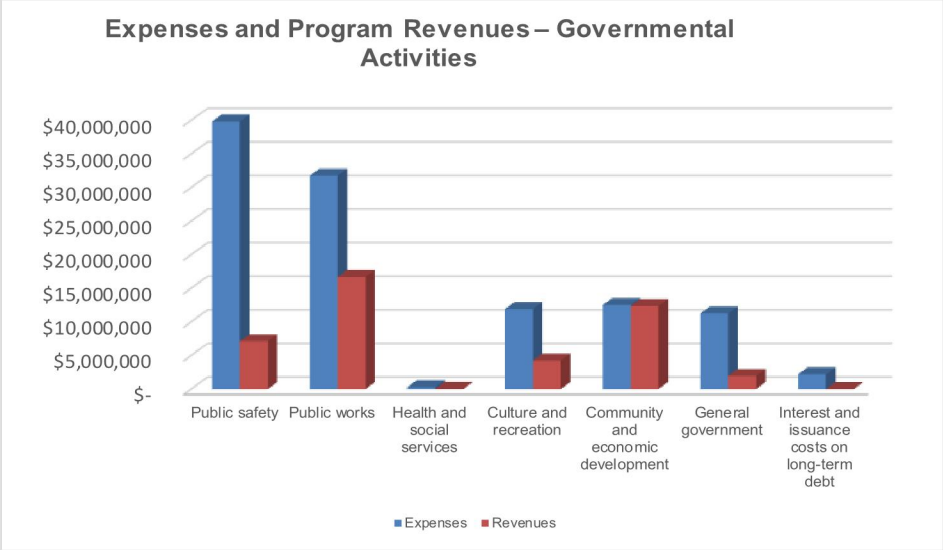
A condensed version of the Statement of Activities as of June 30, 2021 and 2020 follows:

City of Waterloo's Changes in Net Position

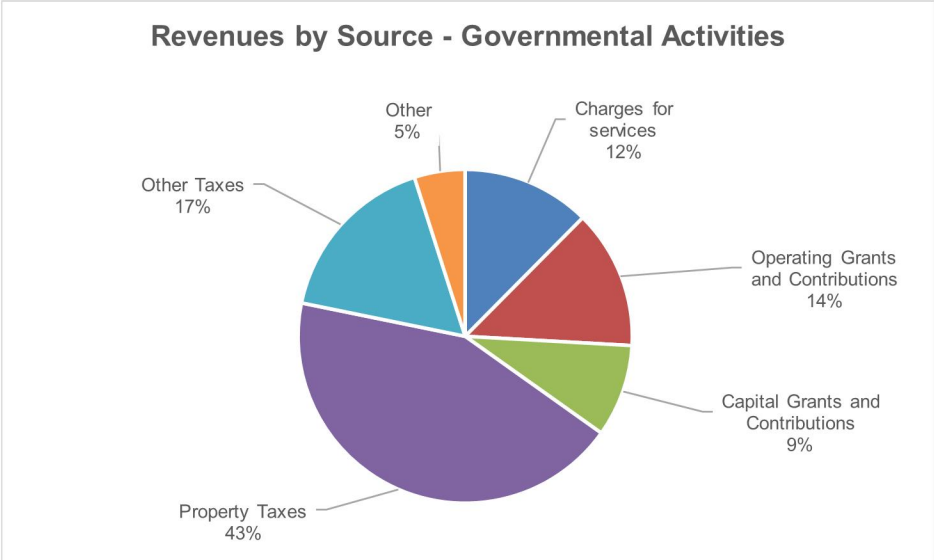
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	**2021**	2020	**2021**	2020
Revenues:						
Program revenues:						
Charges for services	**$ 15,151,064**	$ 13,938,071	**$ 22,632,728**	$ 21,702,047	**$ 37,783,792**	$ 35,640,118
Operating grants and contributions	**16,409,982**	12,158,925	**274,551**	275,862	**16,684,533**	12,434,787
Capital grants and contributions	**10,923,191**	7,151,415	**204,889**	356,837	**11,128,080**	7,508,252
General revenues:						
Property taxes	**52,877,346**	49,332,480	**-**	-	**52,877,346**	49,332,480
Other taxes	**20,577,471**	19,039,780	**-**	-	**20,577,471**	19,039,780
Other	**5,995,168**	6,433,598	**18,999**	245,204	**6,014,167**	6,678,802
Total revenues	**121,934,222**	108,054,269	**23,131,167**	22,579,950	**145,065,389**	130,634,219
Expenses:						
Public safety	**39,844,040**	38,539,492	**-**	-	**39,844,040**	38,539,492
Public works	**31,393,797**	27,453,883	**-**	-	**31,393,797**	27,453,883
Health and social services	**281,594**	265,757	**-**	-	**281,594**	265,757
Culture and recreation	**11,878,940**	11,297,723	**-**	-	**11,878,940**	11,297,723
Community and economic development	**12,518,489**	11,778,352	**-**	-	**12,518,489**	11,778,352
General government	**10,644,609**	9,792,001	**-**	-	**10,644,609**	9,792,001
Interest on long-term debt	**2,212,316**	2,413,402	**-**	-	**2,212,316**	2,413,402
Sanitary sewer	**-**	-	**12,110,438**	12,287,197	**12,110,438**	12,287,197
Sanitation	**-**	-	**5,272,312**	4,963,445	**5,272,312**	4,963,445
Total expenses	**108,773,785**	101,540,610	**17,382,750**	17,250,642	**126,156,535**	118,791,252
Increase in net position before transfers	**13,160,437**	6,513,659	**5,748,417**	5,329,308	**18,908,854**	11,842,967
Transfers	**-**	-	**-**	-	**-**	-
Change in net position	**13,160,437**	6,513,659	**5,748,417**	5,329,308	**18,908,854**	11,842,967
Net position, beginning	**337,646,149**	331,132,490	**101,448,289**	96,118,981	**439,094,438**	427,251,471
Net position, ending	**$ 350,806,586**	$ 337,646,149	**$ 107,196,706**	$ 101,448,289	**$ 458,003,292**	$ 439,094,438

Total governmental activities' revenue for the current fiscal year was $121,934,222. The largest single revenue source for the City was property taxes of $52,877,346. Property taxes increased by $3,544,866 (7.2%) during the year. This increase is a result of a combination of factors, including an increase in the assessed value of property of 2.27%, a reduction of 0.08% in the taxable value of property and an increase of 5.08% in the levy rate.

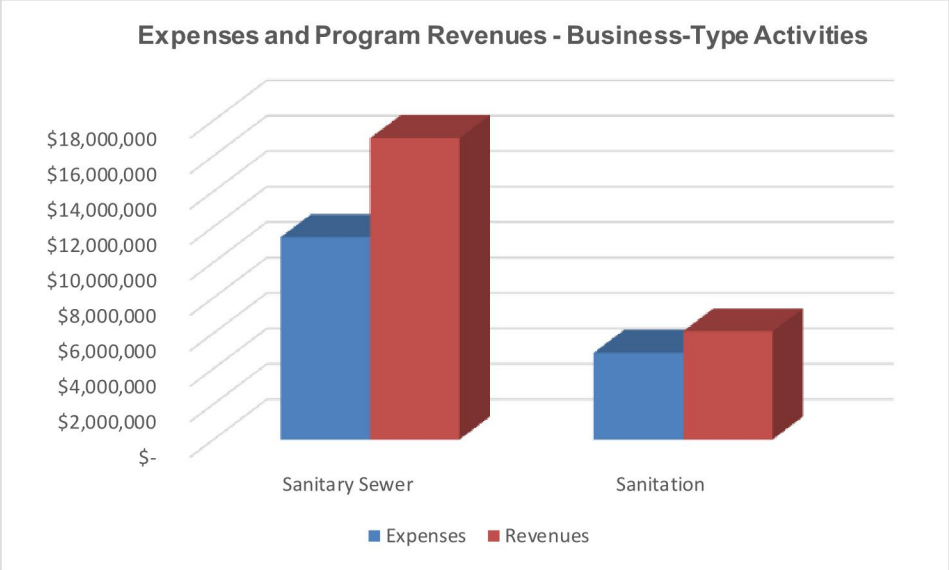
Certain revenues are generated that are specific to governmental program activities. These totaled $42,484,237 during the fiscal year ended June 30, 2021. The graph below illustrates the comparison between the expenses by governmental activity type and the revenues generated that are specific to those activities.



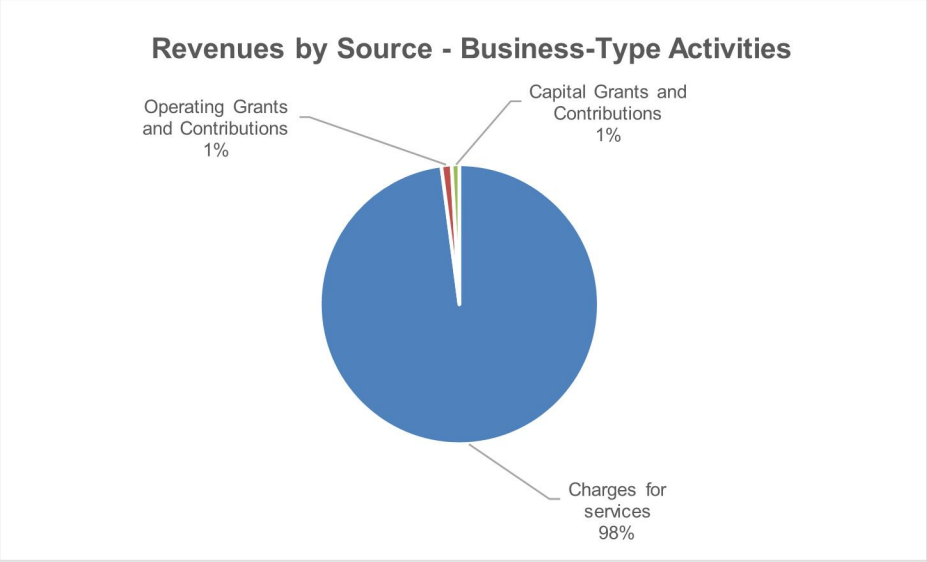
The graph below shows the percentage of the total governmental revenues allocated by each revenue type.



Total business-type activities' revenue for the fiscal year was $23,131,167. $23,112,168 of this revenue was generated for specific business-type activity expenses. The graph below shows a comparison between the business-type activity expenses and program revenues.



The graph below shows the breakdown of revenues by source for the business-type activities.



Business-type activities. Business-type activities increased the City of Waterloo's net position by $5,748,417 from the 2020 net position of $101,448,289, accounting for 30.4% of the increase in the City's net position.

Financial Analysis of the Government's Funds

As noted earlier, the City of Waterloo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Waterloo's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City of Waterloo's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Waterloo's governmental funds reported combined ending fund balances of $83,476,483, a decrease of $6,157,900 in comparison with the prior year. Fund balance in the amount of $77,696,088 is not available for new spending because it represents amounts previously paid for items that were not exhausted at year-end (nonspendable) or has already been restricted, committed or assigned to be used for a variety of purposes. Approximately 6.9% of total fund balance or $5,780,395, constitutes unassigned fund balance.

The General Fund is the chief operating fund of the City of Waterloo. At the end of the current fiscal year, unassigned fund balance of the General Fund was $12,736,746, while total fund balance was $26,534,227. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 20.8% of total General Fund expenditures, while total fund balance represents 43.3% of that same amount.

Net general fund operations resulted in an increase in total general fund balance of $3,010,287, and an increase in unassigned fund balance of $1,548,699 for the year.

Federal funds received for COVID-19 response through the State of Iowa were used for public safety salaries of approximately $1,600,000.

A significant source of increased revenue was again due to a program implemented by the state that the City participated in that resulted in increased ambulance fee revenue during the year. This resulted in a substantial increase in revenue, net of related expense, for the year in the amount of $1,300,000.

Other than the ambulance program, several consequences of the pandemic affected city revenue. Building inspection fees were $255,000 less than budgeted, reflecting supply chain delays.

The COVID-19 pandemic resulted is reduced attendance and participation in many cultural and recreational programs. The city reduced part-time staffing and delayed filling selected full-time positions as programming was curtailed in many areas and worked to match spending to anticipated revenues. Positions that were vacant for portions of the year also contributed to general fund performance being better than expected.

One bright spot in the pandemic was that golf rounds increased. Golf revenue was $222,000 more than budgeted. However, Young Arena, which serves as the home to the Black Hawks ice hockey team, had reduced revenue, partly due to pandemic-required attendance restrictions. Revenue was less than budget by $358,000 or 50%.

The city's airport revenue was negatively affected by the pandemic. However, FAA COVID-19 assistance was substituted to support airport operations.

The City took over operations of the Convention Center in January 2020. The City elected to begin major renovations while events were being delayed or cancelled due to the pandemic to hopefully allow better future performance. As a result, Convention Center operations incurred a loss of $505,000.

Due to the city's payroll schedule, there will be an additional 27th pay period during the fiscal year ending June 30, 2023. The city set aside a portion of the increase in general fund revenue over expenses to cover this payroll so that property taxes will not need to be increased for that expense.

These items all contributed to the increase in unassigned fund balance of $1,548,699 and the overall increase of $3,010,287.

Trust and Agency Fund – The net increase in fund balance of $279,188 during the current year is due primarily to property taxes collected for prior years.

TIF Fund - The total fund balance of $5,127,534 is restricted for the payment of debt service related to tax increment financing district projects. The net increase in fund balance during the current year was $2,598,888 and is the result of timing differences between revenue collections and the payment of TIF obligations.

Road Use Tax Fund – The net decrease in fund balance in the road use tax fund of $6,788,960 is due primarily to the use of transfer of jurisdiction funds received in prior years from the State of Iowa for University Avenue that were spent on construction during the current year.

Proprietary funds. The City of Waterloo's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the sanitary sewer fund at the end of the year was $102,118,285, an increase of $4,905,460 from the 2020 net position of $97,212,825. This increase was due primarily to investments in the construction of mandated sewer infrastructure projects.

Other factors concerning the finances of the sanitary sewer fund have already been addressed in the discussion of the City of Waterloo's business-type activities.

Budgetary Highlights

In accordance with the Code of Iowa, the City Council annually adopts a budget on the modified cash basis following required public notice and hearing for all funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon ten major classes of disbursements known as functions, not by fund or fund type. These ten functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, business-type and non-program. Function disbursements required to be budgeted include disbursements for the general fund, special revenue funds, debt service fund, capital projects funds and permanent funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not at the fund or fund type level. These budget amendments are reflected in the final budgeted amounts.

Differences between the original budget and the final amended budget for the City of Waterloo are summarized below.

The total original expenditure budget of $219,146,662, including transfers out, was increased to $259,208,590 (an increase of $40,061,928).

- In the Public Safety program category, expenses and related revenue for various law enforcement grants and non-property tax funded projects were increased ($1.7 million).
- In the Public Works category, the use of Road Use Tax fund balance was added to fund the anticipated increase in expenses for the University Avenue reconstruction, the use of Local Option Tax fund balance was added to fund the anticipated increase in expenses for street reconstruction, ($9.5 million).
- The Culture & Recreation program category was increased to reflect a number of additional grants and donations received by the Cultural and Arts department, the Library and Leisure Services. Revenue and expenses were increased for the Sportsplex to more closely match operations and the use of unassigned fund balance was increased for Young Arena operations ($.2 million).
- Additional federal revenue and expense expected to be completed using Block Grant and Housing funds were added to the Community and Economic Development category ($4.5 million).
- Amendments reflecting the use of restricted health insurance reserves and insurance refunds to fund additional claims were made in the General Government category ($.6 million).
- Expenses were added relating to refunding several bond issues to achieve reduced interest expense ($9.6 million).
- In the Capital Projects program, additional expenses relating to grant revenue awarded during the year that was not originally budgeted were added. Several construction project budgets were adjusted to more accurately reflect the work expected to be completed by June 30, 2021 ($6 million).
- In the Business Type/Enterprises activity, which accounts for the activities of the sewer and garbage funds, line item adjustments were made to more accurately reflect the amount that will be spent for capital improvement projects and operations by June 30, 2021 ($1.9 million).
- Transfers Out were increased to reflect the portion of the refunded bond issues paid by the Sewer Fund ($6 million).

The total original revenue budget, including other financing sources of $202,270,919 was increased to $230,153,230 (an increase of $27,882,311).

- State and federal grant revenue was increased to reflect additional grants awarded after the original budget certification for a variety of programs, including community development block grants, public safety projects, airport and traffic improvements, and storm water lift stations ($8.1 million).
- Other city tax revenue was increased to reflect an increase in local option sales tax revenue estimate ($2.1 million).
- Amendments were made to various charges for services to reflect higher revenues than originally anticipated with the certified budget ($1.2 million).
- Miscellaneous revenue was increased to reflect additional donations received for various City projects, insurance and other refunds received that exceeded original budget projections ($.4 million).
- Other financing sources were increased to reflect the issuance of refunding bond issues ($9.9 million).
- Transfers In were increased to reflect the portion of the refunded bond issues paid by the Sewer Fund ($6 million).

See pages 91 through 97 for the Budgetary Comparison Schedule - Budget and Actual (Modified Cash Basis) – All Governmental Funds and Proprietary Funds.

Capital Asset and Debt Administration

Capital Assets. The City of Waterloo's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to $550,254,771 (net of accumulated depreciation) as reflected in the following table. The total increase in the City of Waterloo's investment in capital assets for the current fiscal year was 9.9% (a 7.4% increase for governmental activities and a 14.9% increase for business-type activities).

This investment in capital assets includes land, buildings and improvements, park facilities, vehicles and equipment, and roads, highways and bridges (also referred to as infrastructure assets) placed in service since July 1, 1980.

City of Waterloo's Capital Assets at Fiscal Year End (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	**2021**	2020	**2021**	2020
Land	**$ 46,104,367**	$ 46,081,492	**$ 759,233**	$ 657,900	**$ 46,863,600**	$ 46,739,392
Land held for redevelopment	**18,227,365**	16,640,416	**-**	-	**18,227,365**	16,640,416
Buildings and improvements	**61,439,241**	63,108,990	**41,215,339**	42,628,505	**102,654,580**	105,737,495
Other improvements	**-**	-	**49,815,260**	47,909,270	**49,815,260**	47,909,270
Software	**25,779**	50,607	**-**	-	**25,779**	50,607
Infrastructure	**242,982,791**	245,310,129	**-**	-	**242,982,791**	245,310,129
Furniture, vehicles, machinery and equipment	**13,094,532**	9,531,033	**4,778,338**	4,918,931	**17,872,870**	14,449,964
Construction-in-progress	**46,452,018**	16,004,764	**25,360,508**	7,736,342	**71,812,526**	23,741,106
	$ 428,326,093	$ 396,727,431	**$ 121,928,678**	$ 103,850,948	**$ 550,254,771**	$ 500,578,379

Major capital assets events during the current fiscal year included the following:

- The City acquired properties for economic development ($1.8 million). Land held for redevelopment was transferred to private parties for redevelopment ($.2 million).
- New additions to buildings and improvements totaled $1.5 million, including the Riverside Skate Park project, Hope Martin park shelter reconstruction, W 5th Street parking ramp repairs and Truck Wash area improvements. Disposals included one runway at the airport that was taken out of service ($1.27 million).
- The City invested $4.6 million in new vehicles, equipment, computers and software for various city departments. The most significant of these included Police body cameras and in car recorders at $3.9 million, a fire engine pumper($.65 million) and a forestry lift truck ($.19 million).
- New investments in infrastructure assets totaled $8.3 million, including several street reconstruction projects, and the Exhibition Hall Ceiling Renovation at the Convention Center.
- The City invested $3.2 million in a number of sewer reconstruction projects during the year and $.9 million in new vehicles and equipment for the sewer and sanitation departments, including a garbage truck and a street sweeper.
- There were a number of projects under construction that are included in Construction-in-progress. $6.1 million was invested in renovations to the Convention Center. $32.6 million was invested in street flood control projects, including $10.2 million for University Avenue reconstruction, $3.5 million for new roads and $9.6 million for improvements to existing roads.
- The City invested $3.3 million in various sewer system projects, including $1.6 mil in reconstructed sewer lines, the completion of wing dike repairs ($.5 million), and treatment plant improvements in the business enterprise funds.

- There were several major construction projects underway for business-enterprise activities at year-end. Significant projects include $10 million that was invested in biosolids processing equipment and $3.3 million that was invested in the Dry Run Creek Sewer Interceptor. Numerous other sewer lines were reconstructed or lined ($2.1 million) as well as other treatment system improvements.

Additional information about the City of Waterloo's capital assets can be found in Note 6 of this report.

Long-term liabilities. At the end of the current fiscal year, the City of Waterloo had total bonded debt outstanding of $103.4 million. This entire amount is comprised of debt backed by the full faith and credit of the government. This was an increase of $3.1 million from the prior year, net of premiums and discounts. The additional debt was issued for a variety of capital improvements, including Convention Center renovations, Shaulis Road construction and the reconstruction of the Park Avenue and 11th Street bridges.

The long-term portion of the state revolving fund capital loans being issued for sewer improvements increased by $15.4 million during the year. Funds were borrowed for the construction of the biosolids treatment system improvements, new instrumentation controls and the construction of the Dry Run Creek Sewer interceptor, as well as for sewer pipe lining.

The amount of other loans, originally issued to purchase land in the City's industrial parks for economic development projects and to provide developer incentives, increased by $51 thousand. A new loan of $1.1 million was entered into for the Fusion Investments development, while debt retirement on outstanding loans totaled $1.05 million. The City has obligations to employees for benefit time not used at fiscal year-end. During the current fiscal year the balance due on these obligations increased by $28 thousand due to additional benefits accrued.

The City of Waterloo's total long-term liabilities increased by $31.0 million (19.7%) during the current fiscal year, due to the items discussed above and increases in estimated pension liabilities of $9.4 million.

The City of Waterloo maintains an Aa2 rating from Moody's Investor Services, Inc. for general obligation debt.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its total assessed valuation. The current debt limitation for the City of Waterloo is $202,158,094 which is significantly greater than the City of Waterloo's outstanding general obligation debt ($105,024,478) and other debt subject to debt limitation ($9,676,442). The total debt subject to this limitation is $114,700,920, resulting in available debt margin of $87,457,174.

Additional information about the City of Waterloo's long-term liabilities can be found in Note 9 of this report.

Economic Factors and Next Year's Budgets and Rates
Property taxes provide 43% of General Fund revenues. Over the past five years, citywide assessed valuations have risen an average of 2% annually, while property tax regulations imposed by the State of Iowa resulted in taxable values increasing by an average of 1.4% over that same time period. The fiscal 2022 budget reflects an increase in total property tax and utility excise tax revenue of 1.8%. As discussed elsewhere in this report, the City budgeted to use $750,000 in general fund reserves for general operations for the year ended June 30, 2021.

Personnel costs comprise a significant portion of City operating costs. Wage increases identified in contractual bargaining agreements range from 2% to 3% for fiscal year 2022. The employer contribution rate required for the Municipal Fire and Police Retirement System will increase by 3.44% to 26.18% of eligible compensation. Anticipated health care costs for the year ending June 30, 2022 are expected to increase at a rate of approximately 18%. The City had been using excess health insurance reserves to reduce the rates for past several years.

Federal and state mandates for clean water continue to result in additional costs both for sewer system users and property taxpayers. Significant construction and revolving fund loan borrowing are anticipated during the next fiscal year. Sanitary and storm water rates were increased effective July 1, 2021 to address these issues.

These factors were considered in preparing the City of Waterloo's budget for fiscal year 2022.

Requests for Information
This financial report is designed to provide a general overview of the City of Waterloo's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Michelle C. Weidner, CPA, Chief Financial Officer, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa 50703.

City of Waterloo, Iowa

Statement of Net Position
June 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Waterloo Water Works	Waterloo Convention & Visitors Bureau, Inc.
Assets					
Current assets:					
Cash and cash equivalents	$ 75,137,720	$ 17,911,690	$ 93,049,410	$ 19,248,240	$ 499,161
Restricted cash and cash equivalents	835,947	-	835,947	-	-
Investments	-	-	-	548,405	252,793
Receivables:					
Customer accounts, net of allowance for uncollectible accounts	2,293,711	4,603,639	6,897,350	1,889,199	-
Property taxes:					
Delinquent	698,369	-	698,369	-	-
Succeeding year	52,066,688	-	52,066,688	-	-
Internal accounts	(38,704)	38,704	-	-	-
Due from other governments:					
Component unit	115,479	1,572,207	1,687,686	-	-
Primary government	-	-	-	-	185,895
Other	10,177,992	46,636	10,224,628	-	-
Accrued interest	9,844	-	9,844	14,236	1,018
Special assessments	-	307,662	307,662	-	-
Inventories and prepaids	1,211,578	131,608	1,343,186	482,255	18,176
Total current assets	142,508,624	24,612,146	167,120,770	22,182,335	957,043
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	25,844,853	700,306	26,545,159	-	-
Investments	-	-	-	202,628	190,204
Receivables	9,803	-	9,803	-	42,605
Special assessments receivable	568,609	-	568,609	189,146	-
Capital assets, net of accumulated depreciation	317,542,343	95,808,935	413,351,278	29,142,394	35,173
Capital assets not being depreciated	110,783,750	26,119,743	136,903,493	4,147,993	-
Total noncurrent assets	454,749,358	122,628,984	577,378,342	33,682,161	267,982
Total assets	597,257,982	147,241,130	744,499,112	55,864,496	1,225,025
Deferred Outflows of Resources					
Pension related amounts	16,272,514	753,318	17,025,832	473,260	-
OPEB related amounts	2,060,557	315,342	2,375,899	-	-
Total deferred outflows of resources	18,333,071	1,068,660	19,401,731	473,260	-

See notes to basic financial statements.

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Waterloo Water Works	Waterloo Convention & Visitors Bureau, Inc.
Liabilities					
Current liabilities:					
Accounts and retainages payable	$ 7,308,578	$ 3,888,329	$ 11,196,907	$ 168,559	$ 9,257
Accrued liabilities and other	2,433,458	262,881	2,696,339	94,167	11,977
Due to primary government	-	-	-	1,564,776	-
Due to component unit	185,895	-	185,895	-	-
Due to other governments	-	-	-	40,972	-
Noncurrent liabilities due and payable within one year	13,729,515	3,428,924	17,158,439	64,162	-
Unearned revenues	16,258,428	-	16,258,428	-	29,150
Current liabilities payable from restricted assets:					
Health claims	835,947	-	835,947	-	-
Other	452,865	-	452,865	-	-
Accrued interest	260,854	40,150	301,004	-	-
Total current liabilities	41,465,540	7,620,284	49,085,824	1,932,636	50,384
Noncurrent liabilities:					
Customer deposits	45,030	417,030	462,060	202,628	-
Worker's compensation claims	639,327	-	639,327	-	-
General obligation bonds and notes, net of bond discounts and premium	83,572,511	10,526,967	94,099,478	-	-
State revolving fund capital loan	-	16,186,491	16,186,491	-	-
Other loans and notes and capital lease	8,154,776	-	8,154,776	-	53,720
Total postemployment benefits liability	18,442,207	2,822,343	21,264,550	-	-
Compensated absences	1,761,361	39,200	1,800,561	-	-
Net pension liability	56,949,740	3,317,912	60,267,652	1,899,437	-
Total noncurrent liabilities	169,564,952	33,309,943	202,874,895	2,102,065	53,720
Total liabilities	211,030,492	40,930,227	251,960,719	4,034,701	104,104
Deferred Inflows of Resources					
Property taxes	52,066,687	-	52,066,687	-	-
Pension related amounts	1,502,626	154,596	1,657,222	1,063,847	-
OPEB related amounts	184,662	28,261	212,923	-	-
Total deferred inflows of resources	53,753,975	182,857	53,936,832	1,063,847	-
Net Position					
Net investment in capital assets	357,396,168	92,076,756	449,472,924	33,290,388	35,173
Restricted for:					
Debt service	5,201,258	138,467	5,339,725	-	-
Tourism promotion	2,011,806	-	2,011,806	-	-
Public access television	228,668	-	228,668	-	-
Housing	5,072,559	-	5,072,559	-	-
Donor specified	1,006,009	-	1,006,009	-	-
Library	482,339	-	482,339	-	-
Street and right-of-way maintenance	12,396,513	-	12,396,513	-	-
Improvements	9,303,542	-	9,303,542	-	-
Self-funded insurance	3,557,955	-	3,557,955	-	-
Employee benefits	664,976	-	664,976	-	-
Unrestricted (deficit)	(46,515,207)	14,981,483	(31,533,724)	17,948,820	1,085,748
Total net position	$ 350,806,586	$ 107,196,706	$ 458,003,292	$ 51,239,208	$ 1,120,921

City of Waterloo, Iowa

Statement of Activities
Year Ended June 30, 2021

Programs/Functions	Direct Expenses	Indirect Allocations	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government					
Governmental activities:					
Public safety	$ 39,844,040	$ -	$ 6,120,115	$ 1,021,230	$ -
Public works	31,773,797	(380,000)	2,448,785	10,996,193	3,250,527
Health and social services	281,594	-	-	31,038	-
Culture and recreation	11,928,940	(50,000)	3,897,666	362,367	-
Community and economic development	12,518,489	-	2,330,488	2,378,000	7,672,664
General government	11,283,109	(638,500)	354,010	1,621,154	-
Interest and issuance costs on long-term debt	2,212,316	-	-	-	-
Total governmental activities	109,842,285	(1,068,500)	15,151,064	16,409,982	10,923,191
Business-type activities:					
Sanitary Sewer	11,418,438	692,000	16,797,429	1,001	204,889
Sanitation	4,895,812	376,500	5,835,299	273,550	-
Total business-type activities	16,314,250	1,068,500	22,632,728	274,551	204,889
Total primary government	$ 126,156,535	$ -	$ 37,783,792	$ 16,684,533	$ 11,128,080
Component unit, Waterloo Water Works	$ 8,001,301	$ -	$ 11,013,555	$ -	$ 7,818
Component unit, Waterloo Convention & Visitors Bureau, Inc.	$ 609,330	$ -	$ -	$ 503,049	$ -
General Revenues					
Taxes:					
Property taxes					
Other taxes:					
Local option sales					
Utility excise					
Gaming					
Hotel/motel					
Gas and electric					
Cable television					
Mobile home					
Bank/credit union					
Investment earnings					
Miscellaneous					
Gain on sale of capital assets					
Total general revenues and transfers					
Changes in net position					
Net position, beginning of year					
Net position, end of year					

See notes to basic financial statements.

Net (Expense) Revenue and Changes in Net Position					
Primary Government				Component Units	
Governmental Activities	Business-Type Activities	Total		Waterloo Water Works	Waterloo Convention & Visitors Bureau, Inc.
$ (32,702,695)	$ -	$ (32,702,695)		$ -	$ -
(14,698,292)	-	(14,698,292)		-	-
(250,556)	-	(250,556)		-	-
(7,618,907)	-	(7,618,907)		-	-
(137,337)	-	(137,337)		-	-
(8,669,445)	-	(8,669,445)		-	-
(2,212,316)	-	(2,212,316)		-	-
(66,289,548)	-	(66,289,548)		-	-
-	4,892,881	4,892,881		-	-
-	836,537	836,537		-	-
-	5,729,418	5,729,418		-	-
(66,289,548)	5,729,418	(60,560,130)		-	-
-	-	-		3,020,072	-
-	-	-		-	(106,281)
52,877,346	-	52,877,346		-	-
11,957,710	-	11,957,710		-	-
1,403,017	-	1,403,017		-	-
1,324,236	-	1,324,236		-	-
799,936	-	799,936		-	-
4,161,915	-	4,161,915		-	-
648,817	-	648,817		-	-
81,164	-	81,164		-	-
200,676	-	200,676		-	-
124,727	10,999	135,726		114,888	12,833
5,870,441	-	5,870,441		859,390	11,274
-	8,000	8,000		19,800	-
79,449,985	18,999	79,468,984		994,078	24,107
13,160,437	5,748,417	18,908,854		4,014,150	(82,174)
337,646,149	101,448,289	439,094,438		47,225,058	1,203,095
$ 350,806,586	$ 107,196,706	$ 458,003,292		$ 51,239,208	$ 1,120,921

City of Waterloo, Iowa

Balance Sheet
Governmental Funds
June 30, 2021

	General	Trust and Agency
Assets		
Cash and cash equivalents	$ 14,220,754	$ 844,776
Receivables:		
Customer accounts, net	2,274,748	-
Property tax:		
Delinquent	320,405	193,723
Succeeding year	20,731,638	12,507,293
Special assessments	568,609	-
Accrued interest	193	9
Due from other funds	7,004,681	-
Due from other governments:		
Federal	224,863	-
Iowa	438,806	-
Other	245,142	137,529
Inventories and prepaids	898,156	-
Restricted assets:		
Cash and cash equivalents	21,226,204	1,844,107
Receivables	9,803	-
Advances to other funds	-	-
Total assets	$ 68,164,002	$ 15,527,437

(Continued)

Tax Increment Financing	Road Use Tax	Other Governmental	Total
$ 5,168,468	$ 12,959,342	$ 41,944,380	$ 75,137,720
-	4,556	14,407	2,293,711
74,273	-	109,968	698,369
10,821,510	-	8,006,247	52,066,688
-	-	-	568,609
17	-	9,625	9,844
-	-	-	7,004,681
-	-	2,190,770	2,415,633
-	1,705,693	4,906,487	7,050,986
58,413	6,059	379,709	826,852
-	281,977	31,445	1,211,578
-	-	3,610,489	26,680,800
-	-	-	9,803
-	108,189	21,423	129,612
$ 16,122,681	$ 15,065,816	$ 61,224,950	$ 176,104,886

City of Waterloo, Iowa

Balance Sheet (Continued)
Governmental Funds
June 30, 2021

	General	Trust and Agency
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 451,085	$ 76,141
Retainages payable	10,203	-
Accrued liabilities	1,852,381	241,194
Due to other funds	-	-
Unearned revenue	15,657,137	-
Compensated absences	103,229	-
Due to Waterloo Convention & Visitors Bureau, Inc.	185,895	-
Payables from restricted assets	1,288,812	-
Advances from other funds	168,316	-
Total liabilities	19,717,058	317,335
Deferred Inflows of Resources		
Unavailable revenue—property tax	21,052,042	12,701,016
Unavailable revenue—local option sales tax	-	-
Unavailable revenue—special assessments	568,609	-
Unavailable revenue—intergovernmental and other	292,066	-
Total deferred inflows of resources	21,912,717	12,701,016
Fund balances		
Nonspendable	898,156	-
Restricted	5,027,951	2,509,086
Assigned	7,871,374	-
Unassigned	12,736,746	-
Total fund balances	26,534,227	2,509,086
Total liabilities, deferred inflows of resources and fund balances	$ 68,164,002	$ 15,527,437

See notes to basic financial statements.

Tax Increment Financing	Road Use Tax	Other Governmental	Total
$ 99,364	$ 761,870	$ 3,422,387	$ 4,810,847
-	1,405,831	1,081,697	2,497,731
-	209,750	130,133	2,433,458
-	-	7,004,681	7,004,681
-	-	601,291	16,258,428
-	5,390	9,707	118,326
-	-	-	185,895
-	-	45,030	1,333,842
-	-	-	168,316
99,364	2,382,841	12,294,926	34,811,524
10,895,783	-	8,116,215	52,765,056
-	-	2,105,523	2,105,523
-	-	-	568,609
-	6,059	2,079,566	2,377,691
10,895,783	6,059	12,301,304	57,816,879
-	281,977	31,445	1,211,578
4,457,619	12,394,939	41,284,116	65,673,711
669,915	-	2,269,510	10,810,799
-	-	(6,956,351)	5,780,395
5,127,534	12,676,916	36,628,720	83,476,483
$ 16,122,681	$ 15,065,816	$ 61,224,950	$ 176,104,886

City of Waterloo, Iowa

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2021

Total governmental fund balances		$ 83,476,483
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds		428,326,093
Certain revenues are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the funds		5,750,192
Pension and other post employment benefits obligation (OPEB) related deferred outflows of resources and deferred inflows of resources are not reported in the governmental funds, but are amortized and recognized as a component of pension/OPEB expense in the government-wide financial statements, as follows:		
Deferred outflows of resources—IPERS	$ 3,010,744	
Deferred outflows of resources—MFPRSI	13,261,770	
Deferred outflows of resources—OPEB	2,060,557	
Deferred inflows of resources—IPERS	(624,783)	
Deferred inflows of resources—MFPRSI	(877,843)	
Deferred inflows of resources—OPEB	(184,662)	16,645,783
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds:		
General obligation bonds	(91,085,000)	
Other loans and notes	(5,913,512)	
Capital lease	(3,762,930)	
Bond discount	164,664	
Bond premium	(1,612,175)	
Total OPEB liability	(18,442,207)	
Workers' compensation claims payable	(639,327)	
Compensated absences	(4,890,884)	
Net pension liability—IPERS	(13,310,754)	
Net pension liability—MFPRSI	(43,638,986)	
Accrued interest payable	(260,854)	(183,391,965)
Net position of governmental activities		$ 350,806,586

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2021

	General	Trust and Agency
Revenues:		
Property taxes	$ 21,568,319	$ 13,046,309
Other taxes	8,087,266	464,588
Licenses and permits	1,366,440	-
Investment income	59,453	9,871
Rent	1,034,826	-
Intergovernmental	3,004,751	-
Charges for services	9,659,969	-
Interfund charges for services	2,366,493	-
Special assessments	169,139	-
Miscellaneous	2,095,867	-
Total revenues	49,412,523	13,520,768
Expenditures:		
Current operating:		
Public safety	30,788,173	4,610,638
Public works	3,200,908	-
Health and social services	286,771	-
Culture and recreation	9,518,432	-
Community and economic development	2,348,565	-
General government	10,460,828	11,875
Debt service:		
Principal	202,035	-
Interest and fees	-	-
Capital outlay	4,503,811	-
Total expenditures	61,309,523	4,622,513
Excess (deficiency) of revenues over expenditures	(11,897,000)	8,898,255
Other financing sources (uses):		
Transfers in	8,619,067	-
Transfers out	-	(8,619,067)
Bond premium	-	-
Proceeds from sale of capital assets	336,362	-
Payment to escrow for refunding bonds	-	-
Issuance of capital lease and other long-term debt	3,964,965	-
Proceeds from insurance	1,986,893	-
Issuance of refunding bonds	-	-
Issuance of general obligation bonds	-	-
Total other financing sources (uses)	14,907,287	(8,619,067)
Net changes in fund balances	3,010,287	279,188
Fund balances, beginning of year	23,523,940	2,229,898
Fund balances, end of year	$ 26,534,227	$ 2,509,086

See notes to basic financial statements.

Tax Increment Financing	Road Use Tax	Other Governmental	Total
$ 10,245,025	$ -	$ 8,017,693	$ 52,877,346
-	-	12,213,737	20,765,591
-	25,733	-	1,392,173
9,573	-	45,830	124,727
-	-	234,114	1,268,940
-	10,314,451	12,415,809	25,735,011
-	82,376	331,113	10,073,458
-	50,000	-	2,416,493
-	-	-	169,139
-	26,687	1,817,554	3,940,108
10,254,598	10,499,247	35,075,850	118,762,986
-	-	-	35,398,811
-	7,857,883	16,983,413	28,042,204
-	-	-	286,771
-	-	792,397	10,310,829
3,364,668	-	8,841,655	14,554,888
-	-	67,358	10,540,061
189,518	-	9,487,575	9,879,128
50,482	-	2,583,138	2,633,620
-	9,430,324	21,019,608	34,953,743
3,604,668	17,288,207	59,775,144	146,600,055
6,649,930	(6,788,960)	(24,699,294)	(27,837,069)
-	-	5,306,315	13,925,382
(5,206,495)	-	(99,820)	(13,925,382)
-	-	557,496	557,496
-	-	-	336,362
-	-	(6,472,000)	(6,472,000)
1,155,453	-	-	5,120,418
-	-	-	1,986,893
-	-	6,360,000	6,360,000
-	-	13,790,000	13,790,000
(4,051,042)	-	19,441,991	21,679,169
2,598,888	(6,788,960)	(5,257,303)	(6,157,900)
2,528,646	19,465,876	41,886,023	89,634,383
$ 5,127,534	$ 12,676,916	$ 36,628,720	$ 83,476,483

City of Waterloo, Iowa

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2021

Net change in fund balances—governmental funds			$ (6,157,900)
Amounts reported for governmental activities in the statement of activities are different because:			
Capital outlays to purchase or construct capital assets are reported in the governmental funds as expenditures. However, those costs are reported in the statement of net position and are allocated over their estimated useful lives as depreciation expense in the statement of activities. The amounts of capital outlay and depreciation expense for the year are as follows:			
Capital outlay	$ 46,089,860		
Depreciation	(16,032,557)		30,057,303
The net effect of various miscellaneous transactions involving capital assets is to increase/decrease net position:			
Proceeds from sale of capital assets	(336,362)		
Capital asset contributions	1,883,824		
Net (loss) on disposal of capital assets	(6,103)		1,541,359
The issuance of long-term debt provides current financial resources to governmental funds while repayment of the principal of long-term debt consumes current financial resources. These transactions have no effect on the change in net position in the statement of activities. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In addition, interest is accrued on outstanding debt in the statement of net position whereas in the governmental funds an interest expenditure is reported only when due. The following is a detail of the net effect on these differences in the treatment of long-term debt and related items:			
General obligation bonds issued for governmental purposes	(20,150,000)		
Issuance of other long-term debt, inlcuding capital lease	(5,120,418)		
Repayment of general obligation bond principal	15,045,000		
Repayment of other long-term debt principal, inlcuding capital lease	1,306,128		
Bond premium	(557,496)		
Amortization of bond discounts and premiums	406,777		
Change in accrued interest	14,527		(9,055,482)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the governmental funds:			
Current year			5,750,192
Prior year			(5,427,673)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:			
OPEB expense			538,723
Change in workers' compensation claims payable			(78,004)
Change in compensated absences and deferred compensation liabilities			(29,015)
Pension expense—IPERS			(568,641)
Pension expense—MFPRSI			(3,410,425)
Change in net position of governmental activities			$ 13,160,437

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Net Position
Enterprise Funds
June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 14,353,188	$ 3,558,502	$ 17,911,690
Customer accounts receivable, net	3,568,042	1,035,597	4,603,639
Special assessments receivable	3,154	304,508	307,662
Due from other governments:			
Waterloo Water Works	1,008,037	564,170	1,572,207
Other	1,860	44,776	46,636
Inventories	36,284	95,324	131,608
Total current assets	18,970,565	5,602,877	24,573,442
Noncurrent assets:			
Advances to other funds	27,003	11,701	38,704
Restricted cash and cash equivalents	570,476	129,830	700,306
Capital assets, net of accumulated depreciation	94,034,292	1,774,643	95,808,935
Capital assets not being depreciated	26,119,743	-	26,119,743
Net capital assets	120,154,035	1,774,643	121,928,678
Total noncurrent assets	120,751,514	1,916,174	122,667,688
Total assets	139,722,079	7,519,051	147,241,130
Deferred Outflows of Resources			
Pension related amounts	542,395	210,923	753,318
OPEB related amounts	185,115	130,227	315,342
Total deferred outflows of resources	727,510	341,150	1,068,660
Liabilities, Deferred Inflows of Resources, and Net Position			
Liabilities:			
Current liabilities:			
Accounts payable	2,615,244	298,559	2,913,803
Retainages payable	974,526	-	974,526
Accrued liabilities	175,309	87,572	262,881
Current maturities of general obligation and capital loans	3,182,240	-	3,182,240
Compensated absences and deferred compensation	171,555	75,129	246,684
Accrued interest	40,150	-	40,150
Total current liabilities	7,159,024	461,260	7,620,284
Noncurrent liabilities:			
Security deposits	287,200	129,830	417,030
General obligation bonds, net bond discount and premium	10,526,967	-	10,526,967
State revolving fund capital loan	16,186,491	-	16,186,491
Total other postemployment benefits liability	1,656,797	1,165,546	2,822,343
Compensated absences and deferred compensation	19,110	20,090	39,200
Net pension liability	2,369,387	948,525	3,317,912
Total noncurrent liabilities	31,045,952	2,263,991	33,309,943
Total liabilities	38,204,976	2,725,251	40,930,227
Deferred Inflows of Resources			
Pension related amounts	109,738	44,858	154,596
OPEB related amounts	16,590	11,671	28,261
Total deferred inflows of resources	126,328	56,529	182,857
Net Position			
Net investment in capital assets	90,302,113	1,774,643	92,076,756
Restricted for debt service	138,467	-	138,467
Unrestricted	11,677,705	3,303,778	14,981,483
Total net position	$ 102,118,285	$ 5,078,421	$ 107,196,706

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
Year Ended June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Operating revenues:			
Charges for sales and service	$ 16,576,262	$ 5,818,547	$ 22,394,809
Miscellaneous	221,167	16,752	237,919
Total operating revenues	16,797,429	5,835,299	22,632,728
Operating expenses:			
Salaries and benefits	4,127,673	1,779,064	5,906,737
Contractual services	2,012,222	2,239,600	4,251,822
Intra-city reimbursements	692,000	376,500	1,068,500
Commodities	1,394,143	483,861	1,878,004
Depreciation	3,443,779	393,287	3,837,066
Total operating expenses	11,669,817	5,272,312	16,942,129
Operating income	5,127,612	562,987	5,690,599
Nonoperating revenues (expenses):			
Interest income	4,579	6,420	10,999
Intergovernmental	1,001	273,550	274,551
Interest expense	(467,284)	-	(467,284)
Amortization	26,663	-	26,663
Gain on sale of capital assets	8,000	-	8,000
Total nonoperating revenues (expenses)	(427,041)	279,970	(147,071)
Income prior to capital contributions	4,700,571	842,957	5,543,528
Capital contributions	204,889	-	204,889
Change in net position	4,905,460	842,957	5,748,417
Net position, beginning of year	97,212,825	4,235,464	101,448,289
Net position, end of year	$ 102,118,285	$ 5,078,421	$ 107,196,706

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Cash Flows
Enterprise Funds
Year Ended June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Cash flows from operating activities:			
Receipts from customers and users	$ 16,573,908	$ 5,873,289	$ 22,447,197
Payments to suppliers	(5,004,418)	(2,760,538)	(7,764,956)
Payments to or on behalf of employees	(3,973,483)	(1,877,263)	(5,850,746)
Payment for interfund services used	(692,000)	(376,500)	(1,068,500)
Net cash provided by operating activities	6,904,007	858,988	7,762,995
Cash flows from noncapital financing activities, intergovernmental proceeds	2,034	245,152	247,186
Cash flows from capital and related financing activities:			
Purchase and construction of capital assets	(18,194,362)	(351,567)	(18,545,929)
Proceeds from disposal of capital assets	41,783	-	41,783
Proceeds from bonds and notes	18,657,663	-	18,657,663
Principal paid on debt	(5,307,473)	-	(5,307,473)
Interest paid on debt	(461,971)	-	(461,971)
Net cash used in capital and related financing activities	(5,264,360)	(351,567)	(5,615,927)
Cash flows from investing activities, interest received	4,579	6,420	10,999
Increase in cash and cash equivalents	1,646,260	758,993	2,405,253
Cash and cash equivalents, beginning of year	13,277,404	2,929,339	16,206,743
Cash and cash equivalents, end of year	$ 14,923,664	$ 3,688,332	$ 18,611,996
Reconciliation of cash and cash equivalents to statement of net position:			
Unrestricted cash and cash equivalents	$ 14,353,188	$ 3,558,502	$ 17,911,690
Restricted cash and cash equivalents	570,476	129,830	700,306
	$ 14,923,664	$ 3,688,332	$ 18,611,996

(Continued)

City of Waterloo, Iowa

Statement of Cash Flows (Continued)
Enterprise Funds
Year Ended June 30, 2021

	Sanitary Sewer	Nonmajor - Sanitation	Total
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 5,127,612	$ 562,987	$ 5,690,599
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	3,443,779	393,287	3,837,066
(Increase) decrease in accounts receivable	(122,386)	78,130	(44,256)
Increase in due from Waterloo Water Works	(101,135)	(40,140)	(141,275)
(Increase) decrease in inventories and prepaids	16,506	(95,324)	(78,818)
Increase (decrease) in accounts payable	(1,614,559)	58,247	(1,556,312)
Increase in accrued liabilities	10,559	21,628	32,187
Increase (decrease) in other post employment benefits liability	45,747	(178,136)	(132,389)
Decrease in compensated absences and deferred compensation	(5,665)	(5,410)	(11,075)
Increase in net pension liability	84,548	34,755	119,303
Decrease in deferred outflows of resources	37,266	39,494	76,760
Decrease in deferred inflows of resources	(18,265)	(10,530)	(28,795)
Net cash provided by operating activities	$ 6,904,007	$ 858,988	$ 7,762,995
Schedule of noncash capital and related financing activities:			
Payables for acquisition of capital assets	$ 3,197,762	$ -	$ 3,197,762
Capital assets contributed	204,889	-	204,889

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Fiduciary Net Position
Custodial Fund
June 30, 2021

	Custodial Fund
Assets	
Cash and cash equivalents	$ 25,957
Liabilities	
Due to other governments	25,957
Net Position	
Restricted for others	$ -

See notes to basic financial statements.

City of Waterloo, Iowa

Statement of Changes in Fiduciary Net Position
Custodial Fund
Year Ended June 30, 2021

	Custodial Fund
Additions:	
Property taxes collected for others	$ 2,149,213
Building permits	129,979
Other additions	57,980
Total additions	2,337,172
Deductions:	
Payments to other governments	2,337,172
Change in net position	-
Net position, beginning of year	-
Net position, end of year	$ -

See notes to basic financial statements.

City of Waterloo, Iowa

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Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies

Nature of operations:

The City of Waterloo, Iowa (City) is a political subdivision of the state of Iowa located in Black Hawk County. It was incorporated in 1868 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the full-time Mayor and seven part-time City Council members elected on a nonpartisan basis. The Mayor is elected for a two-year term. City Council members from five wards plus two at-large are elected for staggered four-year terms. The City provides numerous services to citizens including public safety, public works, health and social services, culture and recreation, community and economic development and general government services. The City also provides sanitary sewer and sanitation (garbage pickup) utilities for its citizens. Through its component unit, Waterloo Water Works, water utility services are also provided.

Reporting entity:

In accordance with Governmental Accounting and Financial Reporting Standards, the basic financial statements include all funds, organizations, agencies, boards, commissions, authorities and material component units and have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The City has considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the City to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on, the City.

These financial statements present the City of Waterloo (the primary government) and its discretely presented component units, the Waterloo Water Works and Waterloo Convention & Visitors Bureau, Inc. Complete financial statements of the Waterloo Water Works component unit can be obtained from the Waterloo Water Works administrative office, 325 Sycamore Street, Waterloo, Iowa. Complete financial statements of the Waterloo Convention & Visitors Bureau, Inc. can be obtained from their office at 500 Jefferson Street, Waterloo, Iowa.

Blended component unit: The Waterloo Housing Authority (Authority) is governed by a board that includes all seven members of the City Council plus two members appointed by the Mayor, subject to approval of a majority of the City Council, for a total of nine members. Although the Authority is considered legally separate from the City, it has a financial benefit/burden relationship with the City. Due to the nature of its relationship with the City, the Authority is considered part of the primary government. The Authority is reported as a special revenue fund.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Discretely presented component units:

***Waterloo Water Works*:** The Waterloo Water Works is a component unit that is legally separate from the City, but is financially accountable to the City. The Waterloo Water Works is governed by a three-member board appointed by the City Council and its operating budget is subject to the review of the City Council. The Waterloo Water Works operates on a calendar year-end and prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. Due to the different year-end, the amount reported by the Waterloo Water Works as due to the primary government and the primary government's due from the Waterloo Water Works do not agree by $122,910.

***Waterloo Convention & Visitors Bureau, Inc.*:** The Waterloo Convention & Visitors Bureau, Inc. (the Organization) is a nonprofit corporation and a component unit of the City whose purpose is to strengthen the local economy by competitively marketing the area as a destination for conventions, tour groups, sporting events and individual travelers.

The Organization's operations are funded primarily by an allocation of the local hotel/motel tax from the City's local transient guest tax. By ordinance, the City allocates 50% of the tax to the Organization.

The Organization is governed by a 15-member Board of Directors. Five members are appointed by the City, and the other ten are elected by other members of the Organization's Board. Although the City does not appoint the voting majority of the Organization's Board of Directors, the Organization has been determined to be fiscally dependent on the City.

Basis of presentation:

Government-wide financial statements: The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate Waterloo Water Works and Waterloo Convention & Visitors Bureau, Inc. component units.

The statement of net position presents the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given program or function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program or function. Program/function revenue includes: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given program/function and (2) grants, contributions and other resources that are restricted to meeting the operational or capital requirements of a particular program/function. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Fund financial statements: Separate financial statements are provided for governmental and proprietary funds. The focus of fund financial statements is on major funds. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other nonmajor governmental funds. The other enterprise fund is reported in a separate column on the enterprise funds financial statements as a nonmajor fund.

Description of funds: The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenue and expenditures or expenses, and other financing sources and uses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into categories as follows:

Governmental Fund Types: Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are paid; and the difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, the fund equity, is referred to as “fund balance.” The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City’s governmental fund types:

General fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on long-term debt.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The City had the following major governmental funds:

General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

Trust and Agency (Employee Benefits) Special Revenue Fund is required by the Code of Iowa to account for property taxes levied for employee benefits. This fund either pays benefits as expenditures (primarily police and fire pension costs) or transfers cash to the General Fund to reimburse allowable benefits paid from that fund.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Tax Increment Financing Fund is a special revenue fund used to account for the accumulation of resources from tax increment financing projects, payment of contracted rebates and other obligations related to the projects and transfers to the GO Debt Service Fund and/or other funds to reimburse the other funds for expenditures on the projects.

Road Use Tax Fund is a special revenue fund required by the Code of Iowa to account for the City's share of fuel taxes collected and allocated by the State which is restricted for local street maintenance.

Proprietary Fund Type: Proprietary fund types are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows.

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to that of a private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The City had the following major enterprise fund:

***Sanitary Sewer Fund*:** Operates the sewage collection system and wastewater treatment plant.

Fiduciary Fund Type: To account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Custodial Fund: This is a custodial fund used to account for property taxes collected on behalf of the Metropolitan Transit Agency, Water Works kill water assessments, Grout Museum District and building permits passed through to Black Hawk County.

Measurement focus and basis of accounting:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied and budgeted for. Grants and similar items are recognized as revenue at the same time the related asset is recorded. For reimbursable grants, the asset is recorded as soon as all eligibility requirements imposed by the provider have been met.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if it is collected within 60 days of the end of the fiscal year.

Property taxes when levied for, other taxes, charges for services, intergovernmental revenue (shared revenue, grants and reimbursements from other governments) and interest are considered to be measurable and are recognized as revenue, if available. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, pension benefits and compensated absences are recorded as expenditures only when payment is due and the liability has matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt, premiums and discounts on the issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Under terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants and general revenue. It is the City's policy to first apply cost-reimbursement grant resources to such programs and then by general revenue.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the City's enterprise funds are charges to customers for services. Operating expenses include the costs of services and administrative expenses. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Budgets and budgetary accounting: The budgetary comparison and related disclosures are reported as required supplementary information.

Summary of significant accounting policies:

The significant accounting policies followed by the City include the following:

Cash and cash equivalents: The cash balances of most City funds are pooled and deposited into interest-bearing demand deposit accounts, certificates of deposit and Iowa Public Agency Investment Trust (IPAIT). Interest earned on investments is allocated among funds in the ratio of cash provided by the fund unless otherwise provided by law. Interest earned by the Road Use Tax Fund is allocated to the General Fund. Investments consist of nonnegotiable certificates of deposit and deposits in IPAIT money market accounts which are stated at amortized cost plus accrued interest.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid (including restricted assets) are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash and, at the day of purchase, have a maturity date no longer than three months.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Receivables and payables: Receivables are reported net of any allowance for uncollectible accounts. As of June 30, 2021, the General Fund and the enterprise funds had allowances for uncollectible customer accounts totaling $746,810 and $289,914, respectively.

Property taxes receivable are recognized on the levy or lien date, which is the date that the tax asking is certified by the City to the County Board of Supervisors. Current year delinquent property taxes receivable represent unpaid taxes from the current year. The succeeding year property taxes receivable represent taxes certified by the City to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the City is required to certify its budget to the County Auditor by March 31 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property taxes receivable have been recorded, the related revenue is reported as a deferred inflow of resources (unavailable revenue) and will not be recognized as revenue until the year for which it is levied and budgeted for.

Property tax revenue which became due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; was based on January 1, 2019 assessed property valuations; was for the tax accrual period July 1, 2020 through June 30, 2021; and reflected the tax asking contained in the budget certified to the County Board of Supervisors in March 2020.

Special assessments are levied against certain property owners and become liens against the property benefited by the improvement. Special assessments receivable consist of current assessments which are due within one-year, delinquent assessments remaining unpaid after the due date, uncollected assessments which have been levied, but are not due within one year.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services.

Loans and notes consist of amounts advanced to private individuals or organizations. Collections of principal and interest from loans and notes made from federal funds are program income of the federal program when received in cash.

Due from other governments consists of grants, shared revenue and amounts collected by other governments on behalf of the City.

Inventories and prepaids: Inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when purchased. Inventories and prepaids recorded in the governmental fund types do not reflect current available resources; therefore, an equivalent portion of fund balance is nonspendable.

Prepaids consist primarily of a deposit for insurance deductibles and premiums paid in advance, which are recorded as an expenditure or an expense when consumed.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Restricted assets: Certain assets of the governmental funds and enterprise funds are classified as restricted assets because their use is completely restricted by donors, bond indentures, contracts or grant agreements.

Bond discounts, premiums and issuance costs: In the government-wide financial statements and proprietary fund types in the fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are reported as an expense in the year the costs are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs are reported as an expenditure in the year the costs are incurred.

Capital assets: Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide statement of net position and in the fund financial statements for proprietary funds. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset useful lives are not capitalized.

Capital assets, other than infrastructure, are defined by the City as assets with an initial, individual cost in excess of $5,000 and estimated useful lives in excess of one year. Infrastructure is defined by the City as assets available for public use, other than buildings, and having a cost of $50,000 or more.

Depreciation is computed using the straight-line method over the estimated useful life of the asset. Estimated useful lives are as follows:

	Years
Governmental activities:	
Buildings and improvements	10 - 40
Infrastructure	15 - 100
Furniture and equipment	3 - 20
Vehicles, machinery and equipment	3 - 25
Software	5
Assets under capital lease	10 - 15
Business-type activities:	
Buildings	15 - 50
Improvements other than buildings	50
Furniture and equipment	5 - 20
Vehicles, machinery and equipment	5 - 10
Software	5
Discretely presented component units:	
Buildings and improvements	8 - 40
Water supply and distribution systems	10 - 99
Meters and equipment	5 - 63
Machinery and equipment	5 - 26
Leasehold improvements	5 - 39

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

The City's collection of works of art, library books and other similar assets are not capitalized. These collections are unencumbered, held for public exhibition and education, protected, cared for and preserved and subject to City policy that requires proceeds from the sale of these items to be used to acquire other collection items.

Deferred outflows of resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. These items are pension and OPEB related deferred outflows of resources, which consists of unrecognized items not yet charged to pension and OPEB expense and pension contributions from the City after the measurement date but before the end of the City's reporting period.

Deferred inflows of resources: In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from four sources: property taxes, local option sales taxes, special assessments and intergovernmental revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In the City's government-wide statements, the property tax revenues are reported as a deferred inflow of resources and will become an inflow in the year for which they are levied and budgeted for. The City's government-wide and enterprise fund statements also include unrecognized pension and OPEB related amounts as deferred inflows.

Pensions: The net pension liability, deferred inflows and outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Iowa Public Employees' Retirement System (IPERS) and the Municipal Fire and Police Retirement System of Iowa (MFPRSI) and additions to/deductions from IPERS' and MFPRSI's fiduciary net position have been determined on the same basis as they are reported by IPERS and MFPRSI. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total OPEB liability: For purposes of measuring the total other postemployment benefit (OPEB) liability, deferred inflows of resources related to OPEB and OPEB expense, information has been based on an actuary report. For that purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total of OPEB liability attributable to governmental activities will be paid primarily by the General Fund.

Interfund transactions: Transactions among City funds that would be treated as revenues and expenditures or expenses if they involved organizations external to City government are accounted for as revenues and expenditures or expenses in the funds involved.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Transactions which constitute reimbursements to a fund for expenditures initially made from it which are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the reimbursed fund.

Transactions, which constitute the transfer of resources from a fund receiving revenues to a fund through which the revenues are to be expended, are separately reported in the respective fund's operating statements.

Activity between funds that are representative of lending/borrowing arrangements at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Noncurrent portions of long-term interfund loan receivables and payables are reported as advances within the governmental and enterprise funds.

Compensated absences: City ordinances and labor contracts with the City call for the accumulation of vacation, compensatory time and sick leave for subsequent use or for payment upon termination or retirement. During 2001, the City began offering an early sick leave payout option for certain employees. Qualifying employees can elect to receive 60% of the time in their frozen sick leave bank over a five-year period prior to their retirement or termination of employment. Vacation and compensatory time are accrued when incurred in the government-wide and the proprietary funds statements and reported as a liability. Matured compensated absences, for example, as a result of employee retirements and resignations, are considered due and expected to be liquidated with expendable available financial resources and are reported as an expenditure and a fund liability of the respective governmental fund. Governmental fund liabilities for unmatured compensated absences are not reported in the fund financial statements.

Long-term liabilities: In the government-wide financial statements and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities.

In the governmental fund financial statements, the face amount of long-term debt issued is reported as an other financing source.

Fund balance: In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Amounts which cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

Committed: Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Note 1. Nature of Operations, Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Summary of Significant Accounting Policies (Continued)

Assigned: Amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated by the City Council to the Chief Financial Officer in accordance with the City's Fund Balance and Reserve Policy.

Unassigned: All amounts not included in other spendable classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Residual deficit amounts of other governmental funds would also be reported as unassigned.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the City's policy is to pay the expenditure from restricted fund balance and then from less-restrictive classifications – committed, assigned and then unassigned fund balances.

Net position: Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. Amounts reported as net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Unspent debt proceeds for the various capital project GO Bonds Funds are $25,365,517. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The government-wide statement of net position reports $39,925,625 of restricted net position for governmental activities of which $7,924,071 is restricted by enabling legislation for debt service, library, tourism promotion and public access television.

The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Indirect allocations: Operating funds, departments and activities receive services from supporting funds, departments and activities. Annually, management estimates the value of those services and records applicable indirect allocations. Activities related to federal grant programs have not been included in the indirect cost calculations, but are reported within the function the grant serves.

Estimates and assumptions: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 2. Cash and Investments

Interest rate risk: The City's policy allows the operating funds to be invested in instruments authorized by the City's investment policy that mature within 397 days and funds not identified as operating funds to be invested with maturities longer than 397 days. However, all investments of the City shall have maturities that are consistent with the liquidity needs of the City.

As of June 30, 2021, the City had investments in the Iowa Public Agency Investment Trust (IPAIT) which were valued at an amortized cost of $19,895,019, pursuant to GASB Statement No. 79. IPAIT is registered with the Securities and Exchange Commission. The City's investment in IPAIT is not subject to interest rate risk.

The discretely presented Waterloo Water Works component unit's certificates of deposit are restricted to comply with debt covenants and to secure customer deposits.

Credit risk: In accordance with the City's investment policy, the City may invest in interest bearing savings accounts, interest bearing money market accounts, and interest bearing checking accounts at any bank, savings and loan associations or credit union in the state of Iowa, obligations of the United States government, its agencies and instrumentalities, certificates of deposit and other evidences of deposit at federally insured Iowa depository institutions, IPAIT, prime bankers' acceptances that mature within 270 days of purchase and are eligible for purchase by a Federal Reserve Bank, commercial paper or other short-term corporate debt that matures within 270 days of purchase and is rated within the two highest classifications, as established by at least one of the standard rating services, repurchase agreements, open-end management investment company organized in trust form, registered with Securities & Exchanges Commission. The policy does not allow the City to invest in reverse repurchase agreements and futures and options contracts.

The investment in the Iowa Public Agency Investment Trust is rated AAAm by Standard & Poors.

Concentration of credit risk: The City's investment policy is to diversify its investment portfolio to eliminate the risk of loss resulting from overconcentration of assets in a specific maturity, a specific issuer or a specific class of securities. Accordingly, the policy limits the City from investing in prime bankers' acceptances or commercial paper of more than 10% of the investment portfolio and more than 5% of the investment portfolio with a single issuer at the time of purchase. In addition, no more than 5% of all amounts invested in commercial paper and other short-term corporate debt shall be invested in paper and debt rated in the second highest classification at the time of purchase. As of June 30, 2021, the City's investments were not subject to concentration of credit risk.

Custodial credit risk: For deposits, this is the risk that in the event of bank failure, the City's deposits may not be returned to it. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City and Waterloo Water Works' deposits as of June 30, 2021 were entirely covered by federal depository insurance, National Credit Union insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure that there will be no loss of public funds. In addition, the City had no investments subject to custodial credit risk since the City does not hold the underlying investments.

Note 3. Leasing Activities

Airport: The Waterloo Municipal Airport has entered into various operating leases with airlines, fixed base operators, auto lease companies, the airport hangar tenants, as well as farm airport land. These agreements range from month-to-month leases to longer-term leases with various specified terms. Some of these lease agreements contain cancellable conditions which eliminate any future guaranteed rentals or are contingent upon income produced by the lessee. The following is a schedule by years of the future minimum lease rentals to be received under these leases as of June 30:

During the years ending June 30:	
2022	$ 328,579
2023	54,969
2024	54,969
2025	8,756
2026	4,375
Total future minimum lease rentals to be received	$ 451,648

Board of Regents, State of Iowa: The City has entered into a lease agreement with the Board of Regents, State of Iowa, for the former Chicago Great Western Depot building. The term of the lease is from August 21, 2001 through August 20, 2021 at a rate of $6,035 per month. The following is a schedule by years of the future minimum lease rentals to be received under the lease as of June 30:

During the year ending June 30, 2022	$ 12,070

Waterloo Convention Center: The City contracted with Global Spectrum, L.P. d/b/a Spectra Venue Management, effective January 15, 2020 for management of the Convention Center operations. The initial term of the agreement expires June 30, 2025 and includes an optional extension period of five additional years and may be terminated with 90 days advance written notice if net operating income benchmarks (set annually) are not met in each of two consecutive operating years or by either party with thirty days written notice for failure to comply with the agreement. The agreement requires the city to pay Global Spectrum, L.P. a fixed management fee of $10,000 per month through June 30, 2025. In addition to the fixed fees, Global Spectrum, L.P. is eligible for qualitative and quantitative incentive fees based on performance.

Global Spectrum, L.P. agreed to contribute $350,000 to be used for transition expenses, improvements or equipment at the Facility designed to increase Revenue. If the agreement is terminated prior to January 15, 2030, a portion of the contribution must be repaid to Global Spectrum, L.P.

Note 4. Loans and Notes

Community Development Block Grant (CDBG) Loans:

Low-income housing loans: The City has provided six loans for low-income housing projects, five of which have a below-market interest rate. All have minimal payments required each year until maturity. The balance of the six loans at June 30, 2021 was $1,073,132. Maturities range from September 2021 to August 2031. Cash received is program income and considered to be charges for services. Given the nature and collection history of the loans, the City has determined these amounts are uncollectible and has recorded an allowance for the full amount of the loans.

Forgivable loans: The City, through its CDBG, HOME program, Economic Development Initiative program, Lead Paint Removal grant, federal and state Jumpstart funds and Iowans Helping Iowans funds, provides forgivable rehabilitation loans to low-income households. The loans are forgiven on a sliding scale over a five-year period, provided the home is not sold or abandoned. If the home is sold or abandoned, the City's lien against the property prevents a clear title transfer unless the unforgiven portion of the note is satisfied. As of June 30, 2021, the City had made 1,785 such loans totaling $35,685,790. The loan balances are considered forgivable and/or uncollectible by the City given the nature and terms of the loans and therefore, have not been recorded as assets on the balance sheet.

Note 5. Interfund Activity

The composition of interfund receivables and payables balances as of June 30, 2021 was as follows:

	Due From	Due To
Major governmental funds:		
General	$ 7,004,681	$ -
Nonmajor governmental funds	-	7,004,681
	$ 7,004,681	$ 7,004,681

Advances to and from other funds as of June 30, 2021, were as follows:

	Advances To	Advances From
Major governmental funds:		
General	$ -	$ 168,316
Road Use Tax	108,189	-
Nonmajor governmental funds	21,423	-
Major Enterprise Fund, sanitary sewer	27,003	-
Nonmajor Enterprise Fund, sanitation	11,701	-
	$ 168,316	$ 168,316

Note 5. Interfund Activity (Continued)

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. The interfund receivables and payables are scheduled to be collected in the subsequent year whereas the interfund advances are not.

Due to/from primary government and component units:

Due to (from) governmental funds:	
Road use tax	$ (6,059)
Aggregate nonmajor	121,538
Due from Water Works	115,479
Due to enterprise funds:	
Sanitary sewer	1,008,037
Sanitation	564,170
Due from Waterloo Water Works	1,572,207
Total due from Water Works	1,687,686
Waterloo Water Works—due to primary government	1,564,776
Difference	$ 122,910

The difference in the above amounts of $122,910 results from the different year ends of the entities as described in Note 1.

Due to Waterloo Convention & Visitors Bureau, Inc. from General Fund	$ 185,895

The following is a schedule of transfers as included in the basic financial statements of the City:

	Transfers In	Transfers Out
Major governmental funds:		
General	$ 8,619,067	$ -
Trust and agency	-	8,619,067
Tax increment financing	-	5,206,495
Nonmajor governmental funds	5,306,315	99,820
	$ 13,925,382	$ 13,925,382

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance June 30, 2020	Additions	Deletions	Transfers	Ending Balance June 30, 2021
Governmental Activities					
Capital assets, not being depreciated:					
Land	$ 46,081,492	$ 22,875	$ -	$ -	$ 46,104,367
Land held for redevelopment	16,640,416	1,860,949	274,000	-	18,227,365
Construction-in-progress	16,004,764	40,344,938	-	(9,897,684)	46,452,018
Total capital assets, not being depreciated	78,726,672	42,228,762	274,000	(9,897,684)	110,783,750
Capital assets, being depreciated:					
Buildings and improvements	137,409,130	79,723	1,652,937	1,428,154	137,264,070
Infrastructure	420,187,540	-	-	8,318,780	428,506,320
Vehicles, machinery, furniture and equipment	33,910,317	5,665,199	928,291	150,750	38,797,975
Software	817,293	-	-	-	817,293
Total capital assets, being depreciated	592,324,280	5,744,922	2,581,228	9,897,684	605,385,658
Less accumulated depreciation for:					
Buildings and improvements	74,300,140	3,125,859	1,601,170	-	75,824,829
Infrastructure	174,877,411	10,646,118	-	-	185,523,529
Vehicles, machinery, furniture and equipment	24,379,284	2,235,752	911,593	-	25,703,443
Software	766,686	24,828	-	-	791,514
Total accumulated depreciation	274,323,521	16,032,557	2,512,763	-	287,843,315
Total capital assets, being depreciated, net	318,000,759	(10,287,635)	68,465	9,897,684	317,542,343
Governmental activities capital assets, net	$ 396,727,431	$ 31,941,127	$ 342,465	$ -	$ 428,326,093

Note 6. Capital Assets (Continued)

	Beginning Balance June 30, 2020	Additions	Deletions	Transfers	Ending Balance June 30, 2021
Business-Type Activities					
Capital assets, not being depreciated:					
Land	$ 657,900	$ 101,333	$ -	$ -	$ 759,233
Construction-in-progress	7,736,342	20,937,685	33,783	(3,279,736)	25,360,508
Total capital assets, not being depreciated	8,394,242	21,039,018	33,783	(3,279,736)	26,119,741
Capital assets, being depreciated:					
Buildings	71,699,337	-	-	-	71,699,337
Improvements other than buildings	68,687,192	-	-	3,279,736	71,966,928
Vehicles, machinery, furniture and equipment	13,825,416	909,561	41,341	-	14,693,636
Total capital assets, being depreciated	154,211,945	909,561	41,341	3,279,736	158,359,901
Less accumulated depreciation for:					
Buildings	29,070,832	1,413,166	-	-	30,483,998
Improvements other than buildings	20,777,922	1,373,746	-	-	22,151,668
Vehicles, machinery, furniture and equipment	8,906,485	1,050,154	41,341	-	9,915,298
Total accumulated depreciation	58,755,239	3,837,066	41,341	-	62,550,964
Total capital assets, being depreciated, net	95,456,706	(2,927,505)	-	3,279,736	95,808,937
Business-type activities capital assets, net	$ 103,850,948	$ 18,111,513	$ 33,783	$ -	$ 121,928,678

Note 6. Capital Assets (Continued)

Discretely Presented Component Unit - Waterloo Water Works Capital Assets	Beginning Balance December 31, 2020	Additions	Deletions	Ending Balance December 31, 2021
Capital assets, not being depreciated:				
Land	$ 472,362	$ -	$ -	$ 472,362
Construction-in-progress	3,967,250	1,013,563	(1,281,182)	3,699,631
Total capital assets, not being depreciated	4,439,612	1,013,563	(1,281,182)	4,171,993
Capital assets, being depreciated:				
Buildings and improvements	1,799,537	-	-	1,799,537
Water supply and distribution systems	35,299,456	1,860,410	-	37,159,866
Meters and equipment	1,179,260	63,453	-	1,242,713
Machinery and equipment	3,927,453	219,610	(75,381)	4,071,682
Total capital assets, being depreciated	42,205,706	2,143,473	(75,381)	44,273,798
Less accumulated depreciation for:				
Buildings and improvements	926,982	25,388	-	952,370
Water supply and distribution systems	10,116,596	799,972	-	10,916,568
Meters and equipment	804,276	14,769	-	819,045
Machinery and equipment	2,276,785	266,017	(75,381)	2,467,421
Total accumulated depreciation	14,124,639	1,106,146	(75,381)	15,155,404
Total capital assets, being depreciated, net	28,081,067	1,037,327	-	29,118,394
Net discretely presented component unit—Waterloo Water Works capital assets, net	$ 32,520,679	$ 2,050,890	$ (1,281,182)	$ 33,290,387

Discretely Presented Component Unit - Waterloo Convention & Visitors Bureau, Inc.	Beginning Balance June 30, 2020	Additions	Deletions	Ending Balance June 30, 2021
Capital assets, being depreciated:				
Equipment	$ 130,104	$ -	$ -	$ 130,104
Leasehold improvements	125,924	-	-	125,924
Total capital assets, being depreciated	256,028	-	-	256,028
Less accumulated depreciation	207,806	13,049	-	220,855
Total capital assets, being depreciated, net	$ 48,222	$ (13,049)	$ -	$ 35,173

Note 6. Capital Assets (Continued)

Depreciation expense was charged by the City as follows for the year ended June 30, 2021:

Governmental activities:	
Public safety	$ 930,563
Public works	12,858,909
Culture and recreation	1,980,566
Community and economic development	149,186
General government	113,333
Total governmental activities	16,032,557
Business-type activities:	
Sanitary sewer	3,443,779
Sanitation	393,287
Total business-type activities	3,837,066
Total primary government	$ 19,869,623
Component unit—Waterloo Water Works	$ 1,106,146
Component unit—Waterloo Convention & Visitors Bureau, Inc.	$ 13,049

Note 7. Compensated Absences

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination or retirement. A calendar year is primarily used for the calculation of vacation pay benefits while sick leave utilizes the City's fiscal year. Vacation days for most bargaining unit employees must be taken or paid during the calendar year with limited exceptions. Nonbargaining unit employees may carry forward up to 10 days' vacation with proper approval. Upon termination, employees receive payment for unused vacation plus a payment for vacation hours accrued from January through the termination date. As of June 30, 2021, there was $3,517,883 accrued for vacation.

Prior to July 1, 1984, sick leave was allowed to accumulate to a maximum of 240 days, except for police and fire personnel who could accumulate a maximum of 260 days. Any unused days as of July 1, 1984 were accumulated into a frozen sick leave bank. The days frozen in the bank are paid upon use, termination or retirement (except for library employees who will only be paid upon use). If paid upon retirement, the amount due to employees is computed as the amount equal to 60% of the total accumulated hours times the employee's current pay rate paid to employees. Retirees have the option of receiving the payout immediately or receiving it as an annuity over 60 months. Active employees could elect to receive a payout of 60% of their frozen sick dollars beginning in July 2001. As of June 30, 2021, there was $48,838 accrued for the frozen sick leave bank.

After July 1, 1984, sick leave is allowed to accumulate up to 12 days per year. At the end of the year, 25% of any unused sick leave is rolled over to the employee's casual leave bank and the balance of 75% of the unused sick leave is added to the employee's sick leave storage bank for future use. The days accumulated in the bank after July 1, 1984 are not payable upon termination or retirement. Certain Fire Department employees are eligible to roll 75% of their unused sick leave, with the balance added to their sick leave storage bank.

Note 7. Compensated Absences (Continued)

Certain employees can elect either to be paid overtime compensation or to accrue the hours as compensatory time, defined as additional time off from regular hours. Employees are required to be paid for these services upon termination of employment. Maximum hours eligible to be used later as compensatory time are limited by law and labor contracts. Governmental funds do not recognize these accumulations as expenditures until paid. As of June 30, 2021, there was $1,658,638 accrued for unused compensatory time, which includes unused sick leave and frozen sick leave bank.

Employees are also eligible to receive pay-outs of a portion of unused casual leave. The accrued casual pay is reported as compensated absences in the applicable fund which includes $118,326 in governmental funds, as the liabilities are considered matured and are expected to be liquidated with expendable available financial resources, and $247 in an enterprise fund. Frozen sick leave, vacation pay and compensatory time liabilities are accrued when incurred in the government-wide and proprietary fund statements and reported as a liability.

Note 8. Long-Term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2021:

	June 30, 2020	Additions	Reductions	June 30, 2021	Due Within One Year
Governmental activities:					
General obligation bonds	$ 85,980,000	$ 20,150,000	$ 15,045,000	$ 91,085,000	$ 8,960,000
Loans and notes (direct borrowing)	5,862,152	1,155,453	1,104,093	5,913,512	1,120,424
Capital lease	-	3,964,965	202,035	3,762,930	401,242
Compensated absences	4,970,231	3,860,748	3,821,769	5,009,210	3,247,849
Total OPEB liability	19,076,867	-	634,660	18,442,207	-
Net pension liability—IPERS	11,435,190	1,875,564	-	13,310,754	-
Net pension liability—MFPRSI	36,614,772	7,024,214	-	43,638,986	-
Subtotal	163,939,212	38,030,944	20,807,557	181,162,599	13,729,515
Unamortized discounts	(172,379)	-	(7,715)	(164,664)	-
Bond premium	1,469,171	557,496	414,492	1,612,175	-
Total long-term liabilities, governmental activities	$ 165,236,004	$ 38,588,440	$ 21,214,334	$ 182,610,110	$ 13,729,515
Business-type activities:					
General obligation bonds	$ 14,365,000	$ 2,830,000	$ 4,880,000	$ 12,315,000	$ 1,965,000
State revolving fund capital loans (direct borrowing)	2,030,495	15,800,709	427,473	17,403,731	1,217,240
Compensated absences	296,959	321,736	332,811	285,884	246,684
Total OPEB liability	2,954,732	-	132,389	2,822,343	-
Net pension liability—IPERS	2,826,664	491,248	-	3,317,912	-
Subtotal	22,473,850	19,443,693	5,772,673	36,144,870	3,428,924
Unamortized discounts	(61,630)	-	(2,328)	(59,302)	-
Bond premium	238,306	26,954	28,991	236,269	-
Total long-term liabilities, business-type activities	$ 22,650,526	$ 19,470,647	$ 5,799,336	$ 36,321,837	$ 3,428,924

Compensated absences and net pension and OPEB liabilities attributable to governmental activities are generally liquidated by the General Fund.

Note 8. Long-Term Liabilities (Continued)

General obligation bonds and notes are direct obligations and pledge the full faith and credit of the City. Bonds are generally issued for the purpose of financing the acquisition and construction of major capital facilities or infrastructure.

Debt indentures require that certain covenants relating to the maintenance and efficiency of the operating system, the rate structure, restrictions on borrowings, leasing or disposition of assets and minimum insurance coverage be adhered to. These covenants are: (a) the interest on the tax-exempt bonds are to be excludable from gross income for federal income tax purposes, (b) the annual report must be submitted within 270 days after year-end, and (c) the City must give notice of significant events including those events causing delinquency of payment, bond calls, defeasances of bonds, or rating changes of bonds no later than ten business days after the event.

On June 22, 2021, the City issued $14,370,000 in tax-exempt General Obligation Bonds, Series 2021A, maturing June 1, 2022, through June 1, 2036, at a stated interest rate of 2 percent. This issue included a portion that refunded the balance outstanding of $2,885,000 of the Series 2012A bonds and $2,920,000 of the Series 2013A bonds. Total debt service requirements were reduced by $116,271, resulting in an economic gain of $112,312 or 3.893% for the 2012A bonds. Total debt service requirements were reduced by $195,971, resulting in an economic gain of $188,159, or 6.444% for the 2013A bonds.

The City also issued $8,610,000 in taxable General Obligation Bonds, Series 2021B, maturing June 1, 2022, through June 1, 2036, at stated interest rates ranging from 0.2 percent to 2.2 percent. The taxable issue included a portion that refunded the balance outstanding of $3,525,000 of the Series 2013B bonds. Total debt service requirements for this issue were reduced by $303,770, which resulted in an economic gain of $290,556, or 8.243 percent.

Reasons for issuances, outside of the portion that refunded existing debt, were to finance a variety of capital improvements, including Convention Center renovations and other facility improvements, construction of the Shaulis Road project, construction of the replacement bridges on Park Avenue and 11th Streets, sidewalks and trails, traffic safety improvements, as well as equipment and technology needs, leisure facilities, demolition of blighted properties and economic development purposes.

Note 8. Long-Term Liabilities (Continued)

The City's outstanding general obligation long-term debt is as follows:

Issue Date	Purpose	Interest Rates	Outstanding June 30, 2021
Publicly issued long-term debt:			
June 2014	Tax-exempt–capital improvements/general	2.00 - 3.12	$ 3,810,000
June 2014	Taxable	1.00 - 4.00	3,205,000
June 2014	Refunding	2.00	570,000
June 2015	Tax-exempt–capital improvements/general	3.00 - 3.50	7,875,000
June 2015	Taxable	1.50 - 4.00	995,000
June 2016	Tax-exempt–capital improvements/general	2.00 - 2.25	5,025,000
June 2016	Taxable	0.80 - 3.10	1,285,000
June 2016	Taxable	0.90 - 3.40	7,465,000
June 2017	Tax-exempt–capital improvements/general	3.00	5,755,000
June 2017	Taxable	1.35 - 3.35	2,755,000
June 2017	Taxable–urban renewal	2.75 - 3.50	6,725,000
June 2018	Tax-exempt–capital improvements/general	3.00	7,240,000
June 2018	Taxable	2.50 - 3.50	780,000
June 2019	Tax-exempt–capital improvements/general	3.00	5,620,000
June 2019	Taxable	2.73	2,640,000
October 2019	Refunding	2.00	1,955,000
October 2019	Taxable refunding	1.56	2,640,000
June 2020	Tax-exempt–capital improvements/general	2.00	6,605,000
June 2020	Taxable	1.52	7,475,000
June 2021	Tax-exempt-capital improvements/general; refunding	2.00	14,370,000
June 2021	Taxable-capital improvements general; refunding	1.56	8,610,000
			$ 103,400,000

Note 8. Long-Term Liabilities (Continued)

Annual debt service on general obligation and revenue bonds as of June 30, 2021 are as follows:

	GO Debt Service General Obligation Bonds	
	Principal	Interest
Years ending June 30:		
2022	$ 8,960,000	$ 2,220,181
2023	8,430,000	2,040,719
2024	8,665,000	1,848,485
2025	8,215,000	1,656,399
2026	8,710,000	4,118,670
2027–2031	35,445,000	4,388,742
2032–2036	12,660,000	919,246
	$ 91,085,000	$ 17,192,442

	Sanitary Sewer Enterprise General Obligation Bonds	
	Principal	Interest
Years ending June 30:		
2022	$ 1,965,000	$ 272,520
2023	1,930,000	233,666
2024	1,485,000	193,596
2025	1,805,000	153,821
2026	1,485,000	115,734
2027–2031	3,645,000	217,249
2032–2033	-	2,400
	$ 12,315,000	$ 1,188,986

Loans and notes: The City has entered into development agreements including rebates of property taxes paid by other parties to the agreements. Most agreements include a set percentage of taxes paid for a specified number of years. The following agreements require a guaranteed amount of principal plus interest to be paid to the developer. As of June 30, 2021, the outstanding balance of these loans was $5,913,512.

- Deer Creek Development, LLC, original loan amount of $1,896,017 plus interest at 7% through March 31, 2011 then at 4.75%, compounded semiannually. In fiscal year 2014, there were additions to the agreement of $6,130. Payable at $300,000 in fiscal year 2011 and semiannual payments of $100,000 are due beginning November 2011 until principal plus interest have been paid. The loan balance was $967,012 at June 30, 2021.
- North Crossing Development, LLC, original loan amount of $7,000,000 plus interest at 1.81% through September 1, 2025. Payable in annual payments of $1,000,000 are due beginning August 29, 2019 until principal plus interest have been paid. The loan balance was $3,831,049 at June 30, 2021.
- Fusion Investments, LLC, original loan amount of $1,155,453 plus interest at 0.56%. Payable in annual payments of $40,000 are due beginning in fiscal year 2021, not to exceed a total of $1,200,000. The loan balance was $1,115,451 at June 30, 2021.

Note 8. Long-Term Liabilities (Continued)

Other loans and notes: Other governmental activity loans and notes mature as follows:

	Governmental Activities	
	Principal	Interest
Years ending June 30:		
2022	$ 1,120,424	$ 146,634
2023	1,144,938	122,565
2024	1,170,045	97,767
2025	1,195,869	72,323
2026	357,927	66,898
2027-2031	924,309	16,319
	$ 5,913,512	$ 522,506

State revolving fund capital notes: During fiscal years 2018 and 2019, the City entered into two agreements with the Iowa Finance Authority for Clean Water Revolving Loans with an approved loan amount totaling $3,677,000. During fiscal year 2021, the City entered into three additional agreements with a total approved loan amount of $25,452,000. During fiscal year 2021, the City made draws on these loans of $15,800,709. As of June 30, 2021, the notes had an outstanding balance of $17,403,731. The notes bear interest at 1.75%, with annual principal and interest payments through 2041.

These notes mature as follows:

	Business-type activities	
	Principal	Interest
Years ending June 30:		
2022	$ 1,217,240	$ 487,762
2023	1,246,000	528,075
2024	1,270,000	503,338
2025	1,296,000	478,123
2026	1,320,000	452,393
2027-2031	7,007,000	1,858,175
2032-2036	3,705,491	477,469
2037-2040	342,000	14,080
	$ 17,403,731	$ 4,799,415

Discretely presented component unit:

	Balance December 31, 2019	Additions	Deletions	Balance December 31, 2020	Due Within One Year
Compensated absences	$ 60,883	$ 64,162	$ 60,883	$ 64,162	$ 64,162

Note 8. Long-Term Liabilities (Continued)

Capital lease: On April 12, 2021, the City entered into a 10-year capital lease agreement for police equipment, including body cameras and tasers. The lease bears interest at 0.56% and annual payments of principal and interest are due through the expiration of the lease term in April 2031. The following schedule reflects the future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2021:

	Governmental Activities Capital Lease
Fiscal year ending:	
2022	$ 422,918
2023	419,938
2024	419,938
2025	419,938
2026	438,578
2027-2013	1,754,312
Total minimum lease payments	3,875,622
Less amount representing interest	(112,692)
	$ 3,762,930

Note 9. Operating Leases

Effective July 1, 1999, the City's sanitary sewer operations entered into a five-year agreement for the management of biosolid by-products produced at the Wastewater Treatment Facility. The agreement included the lease of a storage facility. This lease was extended on October 14, 2019 for another five-year period, at a monthly rental of $4,900. Rental expense for all material operating leases was $149,900 for the year ended June 30, 2021.

Cedar Valley SportsPlex: The Cedar Valley SportsPlex, a 125,000 square foot recreational facility that includes indoor soccer fields, gyms, a leisure pool, fitness facility, running track and multi-purpose activity spaces, opened in January 2014. The facility is a joint project of the City and the Waterloo Development Corporation. The Waterloo Development Corporation raised the funds, through a combination of private donations and grants from the Black Hawk County Gaming Association, to construct the $23 million facility. The City acquired the property where the facility is located and signed a lease purchase agreement to operate the facility for $100 per year. The lease purchase agreement gave the City the option to take ownership of the facility at the end of the lease term or to cease operating the facility at that time. In August 2014, the lease agreement was amended to remove that option, so the property will automatically transfer to the City at the end of the lease term. The Waterloo Development Corporation signed an agreement with the City which guarantees that the fundraising for construction will be completed. Because there was an automatic transfer of the assets at the end of the term of the agreement, and that future lease payments to the Waterloo Development Corporation are nominal, the City has no capital contribution to report for the year ended June 30, 2021, and no capital lease liability as of June 30, 2021.

The Leisure Services department of the General Fund is operating the facility with the intent for it to be self-supporting.

Note 10. Retirement Systems

The City contributes to two employee retirement systems, the Iowa Public Employees Retirement System (IPERS) and the Municipal Fire and Police Retirement System of Iowa (MFPRSI). IPERS is administered by the State of Iowa. MFPRSI is governed by a nine-member Board of Trustees. Though separate and apart from state government, the Board is authorized by the state legislature, which also establishes by statue the pension and disability benefits and the System's funding mechanism. All full-time employees must participate in either IPERS or MFPRSI. Below is a summary of amounts reported by the City as of and for the year ended June 30, 2021:

	IPERS	MFPRSI	Total
Net pension liability	$ 16,628,664	$ 43,638,986	$ 60,267,650
Deferred outflow of resources	3,764,062	13,261,770	17,025,832
Deferred inflow of resources	779,379	877,843	1,657,222
Pension expense	717,579	3,410,425	4,128,004

Iowa Public Employees' Retirement System:

Plan description: Employees of the City are provided with pensions through the Iowa Public Employees Retirement System (IPERS)—a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Benefits provided: IPERS provides retirement, disability and death benefits. Retirement benefits are determined based on the employee's highest five-year average salary and a multiplier based on the years of service. Employees are eligible for full retirement age 65; at age 62 with at least 20 years of covered employment or when the years of service plus the employee's age equals or exceeds 88. Four years of service is required for nonservice-related disability eligibility. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. Death benefits are calculated based on the actuarial present value of the employee's accrued benefit at the time of death or a calculation based on the employee's contributions, highest covered annual wage and years of service.

Contributions: Per Iowa Code Section 97B.4(4)(d) the required contribution rate is determined by the IPERS actuary as the rate necessary to fully fund the benefits as defined by Iowa Code Chapter 97B. Employees are required to contribute 6.29% of their annual pay. The City contractually required contribution rate for the year ended June 30, 2021, was 9.44% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the City were $1,792,019 for the year ended June 30, 2021.

Pension liabilities, pension expense, and deferred inflow and outflows of resources related to pensions: At June 30, 2021, the City reported a liability of $16,628,664 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2020, the City's proportion was 0.238378%, a decrease of .007913% from the City's proportion at June 30, 2020.

Note 10. Retirement Systems (Continued)

For the year ended June 30, 2021, the City recognized pension expense of $717,579. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 18,370	$ (394,142)
Changes of assumptions	853,544	-
Net difference between projected and actual earnings on pension plan investments	934,795	-
Changes in proportion and differences between City contributions and proportionate share of contributions	165,334	(385,237)
Total deferred amounts to be recognized in pension expense in future periods	1,972,043	(779,379)
City contributions subsequent to the measurement date	1,792,019	-
Total deferred amounts related to pensions	$ 3,764,062	$ (779,379)

$1,792,019 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The deferred outflows and deferred inflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. The other deferred inflows and outflows will be recognized in pension expense using the average expected remaining service lives of all IPERS members. The average is determined by taking the calculated total future service years of the Plan divided by the number of the people in the Plan including retirees.

Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Years ended June 30:	
2022	$ 155,934
2023	295,536
2024	292,319
2025	487,928
2026	(39,053)
	$ 1,192,664

Note 10. Retirement Systems (Continued)

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation (effective June 30, 2020)	2.60% per annum
Rates of salary increases (effective June 30, 2020)	3.25% to 16.25%, average, including inflation. Rates vary by membership group.
Long-term effective investment rate of return (effective June 30, 2020)	7.00%, compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2020)	3.25%, per annum, based on 2.60% inflation and 0.65% real wage inflation.

Mortality rates were based on the RP-2014 Employee and Health Annuitant Tables with MP 2017 generational economic adjustments.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an assumption study dated March 24, 2017 and demographic assumption study dated June 28, 2018.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core-plus fixed income	27.0%	1.71%
Domestic equity	22.0	5.60
Global smart beta equity	3.0	5.82
International equity	15.0	6.08
Private equity	11.0	10.31
Private real assets	7.5	4.76
Public real assets	7.0	2.81
Public credit	3.5	3.32
Private credit	3.0	3.01
Cash	1.0	(0.21)
	100.0%	

Note 10. Retirement Systems (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from cities will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00 %)	1% Increase (8.00 %)
City's proportionate share of the net pension liability	$ 27,726,894	$ 16,628,664	$ 7,322,968

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued IPERS financial report; which can be located at www.ipers.org.

Municipal Fire and Police Retirement System of Iowa

Plan description: MFPRSI membership is mandatory for fire fighters and police officers covered by the provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by MFPRSI. MFPRSI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite #201, West Des Moines, Iowa 50266 or at www.mfprsi.org.

MFPRSI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension benefits: Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of service, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% of the member's average final compensation. Additional benefits are available to members who perform more than 22 years of service (2% for each additional year of service, up to a maximum of 8 years). Survivor benefits are available to the beneficiary of a retired member according to the provisions of the benefit option chosen plus an additional benefit for each child. Survivor benefits are subject to a minimum benefit for those members who chose the basic benefit with a 50% surviving spouse benefit.

Note 10. Retirement Systems (Continued)

Active members, at least 55 years of age, with 22 or more years of service have the option to participate in the Deferred Retirement Option Program (DROP). The DROP is an arrangement whereby a member who is otherwise eligible to retire and commence benefits opts to continue to work. A member can elect a 3, 4, or 5 year DROP period. By electing to participate in DROP the member is signing a contract indicating the member will retire at the end of the selected DROP period. During the DROP period the member's retirement benefit is frozen and a DROP benefit is credited to a DROP account established for the member. Assuming the member completes the DROP period, the DROP benefit is equal to 52% of the member's retirement benefit at the member's earliest date eligible and 100% if the member delays enrollment for 24 months. At the member's actual date of retirement, the member's DROP account will be distributed to the member in the form of a lump sum or rollover to an eligible plan.

Disability and death benefits: Disability coverage is broken down into two types, accidental and ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60% of the member's average final compensation or the member's service retirement benefit calculation amount. Ordinary disability occurs outside the call of duty and pays benefits equivalent to the greater of 50% of the member's average final compensation, for those with 5 or more years of service, or the member's service retirement benefit calculation amount, and 25% of average final compensation for those with less than 5 years of service.

Death benefits are similar to disability benefits. Benefits for accidental death are 50% of the average final compensation of the member plus an additional amount for each child, or the provisions for ordinary death. Ordinary death benefits consist of a pension equal to 40% of the average final compensation of the member plus an additional amount for each child, or a lump-sum distribution to the designated beneficiary equal to 50% of the previous year's earnable compensation of the member or equal to the amount of the member's total contributions plus interest.

Benefits are increased (escalated) annually in accordance with Chapter 411.6 of the Code of Iowa which states a standard formula for the increases.

The surviving spouse or dependents of an active member who dies due to a traumatic personal injury incurred in the line of duty receives a $100,000 lump-sum payment.

Contributions: Member contribution rates are set by state statute. In accordance with Chapter 411 of the Code of Iowa as modified by act of the 1994 General Assembly, to establish compliance with the Federal Older Workers Benefit Protections Act, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2021.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1% of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa the employer's contribution rate cannot be less than 17% of earnable compensation. The City's contribution rate was 25.31% for the year ended June 30, 2021.

The City's contributions to MFPRSI for the year ended June 30, 2021 were $4,528,152.

Note 10. Retirement Systems (Continued)

If approved by the state legislature, state appropriation may further reduce the employer's contribution rate, but not below the minimum statutory contribution rate of 17% of earnable compensation. The State of Iowa therefore is considered to be a nonemployer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67—*Financial Reporting for Pension Plans*, (GASB 67).

There were no state appropriations to MFPRSI during their fiscal year ended June 30, 2021.

Net pension liabilities, pension expense, and deferred inflows and outflows of resources related to pensions: At June 30, 2021, the City reported a liability of $43,638,986 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all MFPRSI participating employers. At June 30, 2020, the City's proportion was 5.471285%, a decrease of 0.11086% from the City's proportion at June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense of $3,410,425. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,199,834	$ (237,050)
Changes of assumptions	1,080,988	(52,065)
Net difference between projected and actual earnings on pension plan investments	6,419,812	-
Changes in proportion and differences between City contributions and proportionate share of contributions	32,983	(588,728)
Total deferred amounts to be recognized in pension expense in future periods	8,733,617	(877,843)
City contributions subsequent to the measurement date	4,528,153	-
Total deferred amounts related to pensions	$ 13,261,770	$ (877,843)

Note 10. Retirement Systems (Continued)

$4,528,153 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The deferred outflows and deferred inflows resulting from the difference between projected and actual earnings on pension plan investments will be recognized as a reduction of pension expense over five years. The other deferred inflows and outflows will be recognized in pension expense using the average expected remaining service lives of all MFPRSI members. The average is determined by taking the calculated total future service years of the Plan divided by the number of the people in the Plan including retirees. Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Years ended June 30:	
2022	$ 1,727,682
2023	2,458,162
2024	2,198,809
2025	1,477,244
2026	(6,123)
	$ 7,855,774

Actuarial assumptions: The total pension liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75% to 15.11%, average, including inflation.
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from July 1, 2007 to June 30, 2017.

Mortality rates were based on RP 2014 Blue Collar Combined Healthy table with males set-forward zero years, females set-forward two year and disabled set-forward three year (males only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning 2017.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates (i.e., expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Note 10. Retirement Systems (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Large cap		5.50%
Small cap		5.80
International large cap		7.30
Core plus fixed income		3.30
Emerging markets		9.00
Emerging market debt		6.30
Master limited partnerships		9.00
Core Investments	40.00%	
Private Equity/Debt	15.00	9.00
Private core real estate		6.00
Private non-core real estate		8.00
Real Estate	10.00	
Tactial Asset Allocation	35.00	6.40
	100.00%	

Discount rate: The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions will be made at 9.40% of covered payroll and the City contributions will be made at rates equal to the difference between actuarially determined rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of City's proportionate share of the net pension liability to changes in the discount rate: The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the city's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate.

	1% Decrease (6.50%)	Discount Rate (7.50 %)	1% Increase (8.50 %)
City's proportionate share of the net pension liability	$ 66,933,711	$ 43,638,986	$ 24,343,548

Component unit: Waterloo Water Works contributes to the Waterloo Water Works Pension Plan (WWW Plan) and the Iowa Public Employees' Retirement System (IPERS).

Note 10. Retirement Systems (Continued)

Waterloo Water Works Pension Plan:

Plan description: The Waterloo Water Works Pension Plan is a single-employer defined benefit plan administered by the Pension Committee of Waterloo Water Works. The WWW Plan provides retirement benefits to plan members and beneficiaries. No new WWW Plan members were allowed after December 31, 2007. The WWW Plan does not issue a stand-alone financial report. The actuarial report on the Plan is held at the Waterloo Water Work's office.

The following brief description is provided for general informational purposes only. Refer to the WWW Plan documents for more information.

Pension benefits: Retirement benefits are calculated using the highest three consecutive years of pensionable earnings during the last ten years of employment. The accrued benefit is determined to be 60% of average compensation, reduced if years of service is less than thirty years. Normal retirement age is 65. Married members may receive a benefit for life; however, members are required by law to receive a reduced qualified joint and survivor benefit, unless formally elected otherwise. In no event shall pensionable earnings exceed the limitation specified in Section 401(a)(17) of the Internal Revenue Code. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the Committee.

As of December 31, the following members were covered by the WWW Plan:

Inactive plan members and beneficiaries currently receiving benefits	36
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	11
Total members	48

***Contributions*:** The contribution requirements of the Plan members (employees) and Waterloo Water Works are established and may be amended by Waterloo Water Works. Mandatory contributions to the WWW Plan by WWW Plan members are equal to the IPERS rate effective January 1 of the previous year, 6.29% for the year ending December 31, 2020. Prior to 2010, WWW Plan member contributions were not required and Waterloo Water Works made all the required contributions. Beginning January 1, 2010, WWW Plan members were required to contribute one-third of the full contribution rate of 4.1% and Waterloo Water Works paid the rest of the required contribution. As of January 1, 2011, WWW Plan members were required to contribute two-thirds of the full contribution rate of 4.3% and beginning January 1, 2012, WWW Plan members were required to contribute all of the mandatory contributions. The Waterloo Water Works Board of Trustees has approved Waterloo Water Works contributions to the Plan in excess of the amount determined annually by the actuary in an effort to eliminate over time the net pension liability as computed by the actuary.

Note 10. Retirement Systems (Continued)

Net pension liabilities, pension expense and deferred outflows of resources and deferred inflows of resources related to pensions: At December 31, 2020, the Water Works' recognized pension expense of $98,041. At December 31, 2020, the Water Works' reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (97,416)
Changes of assumptions	157,616	-
Net difference between projected and actual earnings on pension plan investments	-	(919,464)
Total deferred amounts related to pensions	$ 157,616	$ (1,016,880)

Amounts reported as deferred outflows of resources and deferred inflows or resources will be recognized in pension expense as follows:

Years ending December 31:	
2021	$ (188,104)
2022	(170,465)
2023	(363,734)
2024	(136,961)
Total	$ (859,264)

Actuarial assumptions: The Waterloo Water Works' net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	2.50% per annum
Rates of salary increases	3.00% per annum
Long-term investment rate of return	7.00%, compounded annually, net of investment expenses.

Note 10. Retirement Systems (Continued)

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2019 through December 31, 2019. In addition, mortality rates were based on 2020 IRS Combined Mortality Table as appropriate.

The long-term expected rate of return on WWW Plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the WWW Plan's target asset allocation as of December 31, 2020 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Asset Class:		
Cash and fixed income	28%	0.045%
Equity large cap	56	4.50
Equity mid cap	9	4.70
Equity small cap	7	4.70
Real estate	-	3.75
Total	100%	

Discount rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that WWW Plan member contributions will be made at the current contribution rate and that contributions will be made at rates equal to the differences between actuarially determined contribution rates and the member rate. Professional judgement on future contributions has been applied in those cases where contribution patterns deviate from the actuarially determined rates. Based on those assumptions the WWW Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit.

***Sensitivity of the net pension liability to changes in the discount rate*:** The following presents the net pension liability calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower, or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability (asset)	$ 1,488,064	$ 678,763	$ (21,923)

Note 10. Retirement Systems (Continued)

Changes in Waterloo Water Works' net pension liability: Changes in the Waterloo Water Works' net pension liability for the year ended December 31, 2019 were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance, beginning of year	$ 9,037,366	$ 7,319,079	$ 1,718,287
Changes for the year:			
Service cost	55,720	-	55,720
Interest	645,354	-	645,354
Difference between expected and actual experience	(194,832)	-	(194,832)
Changes in assumptions	315,233	-	315,233
Contributions, employer	-	591,000	(591,000)
Contributions, member	-	48,602	(48,602)
Net investment income	-	1,221,397	(1,221,397)
Benefit payments including refunds of employee contributions	(677,004)	(677,004)	-
Balance, end of year	$ 9,181,837	$ 8,503,074	$ 678,763

Payables to the Waterloo Water Works' Plan: All required Waterloo Water Works contributions and required employee contributions which had been withheld from employee wages were remitted to the WWW Plan by December 31, 2020.

IPERS—Waterloo Water Works:

Plan Description: IPERS membership is mandatory for employees of Waterloo Water Works, except for those covered by another retirement system. Employees of Waterloo Water Works are provided with pensions through a cost-sharing multiple-employer defined benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report which is available to the public by mail at 7401 Register Drive, P.O. Box 9117, Des Moines, IA 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general information purposes only. Refer to the plan documents for more information.

Note 10. Retirement Systems (Continued)

Pension benefits: A regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment, or when the member's years of service plus the member's age at the last birthday equals or exceeds 88, whichever comes first. (These qualifications must be met on the member's first month of entitlement to benefits.) Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a regular member's monthly IPERS benefit includes:

- A multiplier (based on years of service).
- The member's highest five-year average salary. (For members with service before June 30, 2012, the highest of three-year average salary as of that date will be used if it is greater than the highest five-year average salary).

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012, the reduction is 0.50% for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1, 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and death benefits: A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member's beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member's accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions: Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS' Contribution Rate Funding Policy and Actuarial Amortization Method. Statute limits the amount rates can increase or decrease each year to one percentage point. IPERS' Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the "entry age normal" actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2020, pursuant to the required rate, regular members contributed 6.29% of covered payroll and Waterloo Water Works contributed 9.44% of covered payroll for a total rate of 15.73%.

Note 10. Retirement Systems (Continued)

The Waterloo Water Works' contributions to IPERS for the year ended December 31, 2020 were $153,186.

As December 31, 2020, the Waterloo Water Works' liability for its proportionate share of the net pension liability totaled $1,220,674. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Water Works' proportion of the net pension liability was based on the Water Works' share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2020, the Water Works' collective proportion was 0.017377%, which was an increase of 0.000940% from its proportion measured as of June 30, 2019.

For the year ended December 31, 2020, the Water Works recognized pension expense of $71,365. At December 31, 2020, the Water Works reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,348	$ (28,933)
Changes of assumptions	62,657	-
Net difference between projected and actual earnings on IPERS' investments	68,622	-
Changes in proportion and differences between Water Works contributions and proportionate share of contributions	98,547	(18,034)
Total deferred amounts to be recognized in pension expense in future periods	231,174	(46,967)
Water Works contributions subsequent to the measurement date	84,470	-
Total deferred amounts related to pensions	$ 315,644	$ (46,967)

Deferred outflows of resources related to pensions of $84,470 represent the amount Waterloo Water Works contributed subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years ended December 31:	
2021	$ 47,203
2022	46,862
2023	34,462
2024	49,723
2025	5,957
	$ 184,207

There were no nonemployer contributing entities at IPERS.

Note 10. Retirement Systems (Continued)

Actuarial assumptions: The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:
The actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience study dated June 28, 2018.

Rate of inflation (effective June 30, 2020)	2.60% per annum
Rates of salary increases (effective June 30, 2020)	3.25% to 16.25%, average, including inflation. Rates vary by membership group.
Long-term effective investment rate of return (effective June 30, 2020)	7.00%, compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2020)	3.25%, per annum, based on 2.60% inflation and 0.65% real wage inflation.

Mortality rates were based on the RP-2014 Employee and Healthy Annuitant Tables with MP-2017 generational adjustments.

The long-term expected rate of return on IPERS' investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
Core-plus fixed income	27.0%	1.71%
Domestic equity	22.0	5.60
Global smart beta equity	3.0	5.82
International equity	15.0	6.08
Private equity	11.0	10.31
Private real assets	7.5	4.76
Public real assets	7.0	2.81
Public credit	3.5	3.32
Private credit	3.0	3.01
Cash	1.0	(0.21)
	100.0%	

Note 10. Retirement Systems (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate and that contributions from Waterloo Water Works will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Waterloo Water Works' proportionate share of the net pension liability to changes in the discount rate: The following presents the Waterloo Water Works' proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Waterloo Water Works' proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate.

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Water Work's proportionate share of the net pension liability	$ 2,035,370	$ 1,220,674	$ 537,563

IPERS' Fiduciary net position: Detailed information about the IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Payables to the pension plan: At December 31, 2020, Waterloo Water Works reported payables to IPERS of $18,515 for legally required Waterloo Water Works' contributions and $12,337 for legally required Waterloo Water Works' contributions which had been withheld from employee wages but not yet remitted to IPERS.

Note 11. Deficit Fund Balances

Funds with deficit balances as of June 30, 2021 were as follows:

Nonmajor governmental:	
Special revenue:	
Grants	$ 1,353,868
Capital projects,	
Capital Improvements	5,480,868

The deficit of the above funds are expected to be eliminated through future transfers from other funds, grant proceeds or bond proceeds.

Note 12. Commitments

Construction: The City is involved in construction of capital assets, mainly streets, riverfront improvements and Brownfields reconstruction. Much of the construction is partially funded through federal, state and local grants and donations. City participation in the programs is generally funded through proceeds of debt issues and local option taxes. As of June 30, 2021, the City was committed to approximately $42.2 million of construction contracts.

Property tax rebates: The City has entered into a number of development agreements with various businesses located in City tax increment financing districts. The agreements generally offer rebates of portions of taxes paid for up to 10 years, depending on each individual agreement. The amount of the rebates are a percentage of the actual taxes paid by the business. Rebates are reported at the time property taxes are received. See Note 19 for additional information.

Loan guarantee: The City has guaranteed a bank loan of Cedar Skyline Corporation d/b/a Main Street Waterloo, a not-for-profit corporation. Main Street Waterloo and the City are not part of the same reporting entity. In 1999, Main Street Waterloo entered into a loan agreement with a financial institution, which was amended in 2006, 2010, 2016 and 2021. The note matures monthly through August 17, 2025. When the loan was entered into, the City voted to extend a nonexchange financial guarantee on the Main Street Waterloo loan. In the event that Main Street Waterloo is unable to repay the loan, the City would be required to make the payment, with no requirements for Main Street Waterloo to repay the City if the City has to pay any amount on the loan. As of June 30, 2021, the loan balance was $172,630. Based on City management's assessment of the qualitative factors and historical data, the City has not recorded a liability for this nonexchange financial guarantee.

Note 13. Other Postemployment Benefits

***Plan description*:** The City's defined benefit OPEB plan, a single-employer health care plan provides OPEB for all active and retired employees and their eligible dependents. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a stand-alone financial report.

Benefits provided: Individuals who are employed by the City are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. As required by state law, employees who retire from service with the City prior to age 65 are eligible for coverage in the plan. Police and fire employees must have completed four years of service, be age 55 and vested in the Municipal Fire and Police Retirement System. All other employees must have completed four years of service (seven years of service after July 1, 2012), be age 55 and be vested in IPERS to participate in the plan. Retirees are allowed to be covered by the plan until they are Medicare eligible at 65. Spouses of retirees are eligible to be covered on the plan for an additional eight ears or until they reach age 65.

Contributions: The current funding policy of the City is to pay health claims as they occur. Contributions are required for both retiree and dependent coverage. Retirees are required to pay the current premium equivalent amounts less a contribution subsidy provided by the City for those employees hired prior to July 1, 1990.

The contribution subsidy available to retirees and their eligible dependents is determined by years of service and the date of retirement. The subsidy is available until a retiree reaches age 65. Once the retiree reaches age 65, the dependent may continue coverage at a 100% subsidy, grading down 20% each year thereafter. This benefit is available only to those hired before July 1, 1990. The percentage of the monthly contribution that the City subsidizes is detailed in the table on the next page.

Note 13. Other Postemployment Benefits (Continued)

Criteria	Employer Subsidy Percentage
Retire prior to September 1, 1990:	
All employees	100%
Retire on or after September 1, 1990:	
Hired prior to July 1, 1990:	
28+ continuous years of service	100
20-27 continuous years of service	80
15-19 continuous years of service	60
10-14 continuous years of service	40
< 10 continuous years of service	-
Hired on or after July 1, 1990:	
All employees	-

The current full premium equivalent amounts as of June 30, 2021 are shown below:

	PPO	Dental
Single	$ 615	$ 40
Subscriber and spouse	1,560	100

Disabled retirees follow a contribution schedule that is slightly different from regular retirees. Work related incidents allow disabled retirees and their dependents a 100% subsidy until age 65. Nonwork related incidents allow a 75% subsidy until age 65. Once the retiree reaches age 65, dependents of disabled retirees receive a 75% subsidy, grading down 20% each year thereafter.

Employees covered by benefit terms: At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	100
Active employees, fully eligible for benefits	25
Active employees, not fully eligible for benefits	504
	629

Note 13. Other Postemployment Benefits (Continued)

Total OPEB liability: The City's total OPEB liability of $21,264,550 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that date.

Actuarial methods and assumptions: The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0% per annum
Salary increases	3.25% per annum
Discount rate	2.21% as of July 1, 2020 and 2.16% as of June 30, 2021
Health care cost trend rates:	
Premedicare medical and Rx benefits	6.0% reduced 0.5% per annum to ultimate of 4.5%
Medicare benefits	5.0% reduced 0.5% per annum to ultimate of 4.5%
Stop loss fees	6.0% reduced 0.5% per annum to ultimate of 4.5%
Administrative fees	4.5% reduced 0.5% per annum to ultimate of 4.5%
Mortality rates	PUB-2010 morality table with generational scale MP-2019

The discount rate was based on Bond Buyer 20-Bond GO index.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study used in the MFPRSI Actuarial Valuation Report as of July 1, 2019 and IPERS Actuarial Valuation as of June 30, 2019.

Changes in the total OPEB liability

	Total OPEB Liability
Balance as of June 30, 2020	$ 22,031,599
Changes for the year:	
Service cost	735,571
Interest	479,230
Changes in assumptions or other inputs	183,252
Contributions and payments made	(2,165,102)
Net changes	(767,049)
Balance as of June 30, 2021	$ 21,264,550

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the total OPEB liability of the City, as well as what the City's approximate total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1% Decrease 1.21%	Discount Rate 2.21%	1% Increase 3.21%
Total OPEB liability	$ 23,402,000	$ 21,264,550	$ 19,420,000

Note 13. Other Postemployment Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Health Care Current Trend	1% Increase
Total OPEB liability	$ 19,913,000	$ 21,264,550	$ 22,749,000

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the year ended June 30, 2021, the City recognized OPEB benefit of $652,784. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflow of Resources
Difference between actual and expected experience	$ 1,582,703	$ -
Changes of assumptions or other inputs	793,196	(212,923)
	$ 2,375,899	$ (212,923)

Amounts reported as the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense over the average future service to retirement of plan participants as follows:

Years ending June 30:	
2022	$ 297,517
2023	297,517
2024	297,517
2025	297,517
2026	297,517
Thereafter	675,391
	$ 2,162,976

Note 14. Employee Health Care Plan

The City provides health care, including dental, vision and prescription coverages, to its employees and certain former employees through a self-funded health insurance plan. Administration is provided by contracted providers. The City accounts for the plan in the General Fund, City Clerk and Finance Department, Health/Life Insurance Activity. Other funds, departments and activities are assessed for costs based on current and former employees within the activity. General Fund costs of these activities are funded by an employee benefits levy in the Trust and Agency Fund. The City is allowed to levy amounts needed to provide benefits.

The City purchases stop-loss insurance, $100,000 specific and 125% aggregate of expected claims.

Note 14. Employee Health Care Plan (Continued)

The City's estimated unpaid claims as of June 30 and its needed reserves for claim fluctuation were determined by an actuarial study performed as of June 30. All outstanding claims are considered matured and expected to be paid in fiscal year 2021, with current available financial resources, and accordingly, a liability payable from restricted resources is reported within the General Fund. Changes and balances are as follows:

	2021	2020
Estimated unpaid claims, beginning of year	$ 929,908	$ 1,050,406
Estimated claims incurred	11,607,771	10,560,167
Claims payments	(11,701,732)	(10,680,665)
Estimated unpaid claims, end of year	$ 835,947	$ 929,908

Note 15. Worker's Compensation Plan

The City provides worker's compensation benefits through a self-funded plan. Administration is provided by a contracted provider. The City accounts for the plan in the General Fund, City Clerk and Finance Department, Self-Funded Worker's Compensation Activity. Costs are funded by an employee benefits levy in the Trust and Agency Fund. The City is allowed to levy amounts needed to provide benefits.

The City's estimated unpaid claims as of June 30 are based on projected costs of future payments for injuries incurred prior to June 30, 2021, and is recorded as a liability in the government-wide statement of net position. $73,194 is considered matured and is recorded in the General Fund and governmental activities with accrued liabilities. Changes and balances are as follows:

	2021	2020
Estimated unpaid claims, beginning of year	$ 585,665	$ 550,508
Estimated claims incurred	1,504,831	977,761
Claims payments	(1,377,975)	(942,604)
Estimated unpaid claims, end of year	$ 712,521	$ 585,665

Note 16. Joint Ventures and Jointly Governed Organizations

The City is a participating member of several organizations including the Black Hawk County Criminal Justice Information System (CJIS), the Consolidated Dispatch Center (Center), the Black Hawk County Solid Waste Management Commission (SWMC) and the Metropolitan Transit Authority (MET). In addition, the City pays its share of costs for CJIS, including debt service, pays its share of costs of the Center, pays landfill fees to SWMC and levies and collects property taxes from Black Hawk County and remits them to MET ($2,207,193 during the year ended June 30, 2021). Also, during the year ended June 30, 2021, the Sanitation Fund received an operating grant of $273,624 from SWMC. This grant was used to offset recycling costs.

The Center's financial information is reported within the Black Hawk County annual financial report. CJIS, SWMC and MET issue their own annual reports. Reports are available on the Iowa Auditor of State's website http://auditor.iowa.gov/reports.

The City has no equity position in any of the organizations.

Note 17. Industrial Development Revenue Bonds

The City has issued a total of $160,401,000 of industrial development revenue bonds under the provisions of Chapter 419 of the Code of Iowa. The amount outstanding as of June 30, 2021 is not reported to the City by either the debtors or creditors. Therefore, outstanding balances are unknown. The bonds and related interest are payable solely from revenue of applicable projects. Bond principal and interest do not constitute liabilities of the City.

Note 18. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance and self-funded worker's compensation. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City assumes the risks of loss of both mobile vehicles and equipment, except for certain pieces of equipment, such are fire and forestry equipment, with large per-unit costs which are insured against loss subject to deductibles.

As of June 30, 2021, the City has assigned $1,884,359 of its General Fund, fund balance for insurable risks retained.

Note 19. Tax Abatements

GASB Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement that has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

City tax abatements: The City provides tax abatements for urban renewal and economic development projects with tax increment financing as provided for in Chapters 15A and 403 of the Code of Iowa. For these types of projects, the City enters into agreements with developers which require the City, after developers meet the terms of the agreements, to rebate a portion of the property tax paid by the developers, to pay the developers an economic development grant or to pay the developers a predetermined dollar amount. No other commitments were made by the City as part of these agreements.

For the year ended June 30, 2021, the City abated $2,480,959 of property tax under the urban renewal and economic development projects.

Note 20. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The details for the City's fund balances are as follows:

Fund balances:	General	Trust and Agency	Tax Increment Financing	Road Use Tax	Nonmajor Governmental	Total
Nonspendable:						
Inventories	$ 817,273	$ -	$ -	$ 281,977	$ -	$ 1,099,250
Prepaids	80,883	-	-	-	31,445	112,328
Total nonspendable	898,156	-	-	281,977	31,445	1,211,578
Restricted:						
Debt service	-	-	4,457,619	-	-	4,457,619
Self-funded health insurance	1,713,845	1,844,110	-	-	-	3,557,955
Tourism promotion	2,011,806	-	-	-	-	2,011,806
Public access television	228,668	-	-	-	-	228,668
Housing	65,949	-	-	-	5,006,610	5,072,559
Donor specified	1,006,109	-	-	-	-	1,006,109
Employee benefits	-	664,976	-	-	-	664,976
Library	-	-	-	-	482,339	482,339
Street and right-of-way maintenance	1,574	-	-	12,394,939	-	12,396,513
Improvements	-	-	-	-	35,795,167	35,795,167
Total restricted	5,027,951	2,509,086	4,457,619	12,394,939	41,284,116	65,673,711
Assigned:						
Insurance	1,884,359	-	-	-	-	1,884,359
Other postemployment benefits	1,040,792	-	-	-	-	1,040,792
Improvements	-	-	-	-	2,175,849	2,175,849
Other	1,048,718	-	669,915	-	93,661	1,812,294
Use of fund balance for future budget	3,897,505	-	-	-	-	3,897,505
Total assigned	7,871,374	-	669,915	-	2,269,510	10,810,799
Unassigned	12,736,746	-	-	-	(6,956,351)	5,780,395
Total fund balances	$ 26,534,227	$ 2,509,086	$ 5,127,534	$ 12,676,916	$ 36,628,720	$ 83,476,483

Note 21. New GASB Statements and Pending Pronouncements

As of June 30, 2021, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities.* This Statement changed the City's previously reported agency fund to a custodial fund. As a result, a statement of changes in fiduciary net position was added to the basic financial statements for the year ending June 30, 2021 and the method of accounting for this fund was changed to full accrual.

This City also adopted GASB Statement No. 98, which changed the name of the City's annual report from the Comprehensive Annual Financial Report to the Annual Comprehensive Financial Report (ACFR).

The GASB has issued several statements not yet implemented by the City. The statements which might impact the City are as follows:

- GASB Statement No. 87, *Leases,* issued June 2017, will be effective for the City beginning with its fiscal year ending June 30, 2022, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short-term leases, financial purchases, leases of assets that are investments and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

- GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for reporting periods beginning after December 15, 2021. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements,* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement (1) defines an SBITA; (2) establishes that an SBITA results in a right-to-us subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including the implementation costs of an SBITA; and (4) requires note disclosure regarding an SBITA. This statement will be effective for the City with its year ending June 30, 2023.

Note 21. New GASB Statements and Pending Pronouncements (Continued)

- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This statement will also enhance the relevance, consistency and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans. Another objective of this statement is to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not
- have a governing board and the primary government performs the duties that a governing board typically would perform. This statement will be effective for the City with its year ended June 30, 2022.

The City's management has not yet determined the effect these Statements will have on the City's financial statements, which may have a material effect on the financial statements.

Note 22. Subsequent Events

Subsequent to June 30, 2021, the City entered into a development agreement with Lost Island Themepark, Inc. for the development of the Lost Worlds Theme Park, including the City's commitment to make a grant to the company in the amount of $14 million and road improvements to Shualis Road. The agreement also requires the payment of tax rebates at 50% of certain property taxes paid for a period of 20 years to the developer. The company will transfer 56 acres of land to the City under the agreement.

The City issued $14,200,000 taxable general obligation bonds January 4, 2022, at stated interest rates ranging from 2% to 2.6%, maturing over 20 years to fund the grant to the developer.

City of Waterloo, Iowa

Required Supplementary Information
Schedule of Changes in the City's Total OPEB Liability and Related Ratios
Last 10 Fiscal Years
(Dollar amounts in thousands)

	2021	2020	2019	2018
Total OPEB liability				
Service cost	**$ 735,571**	$ 719,666	$ 697,815	$ 671,816
Interest	**479,230**	698,071	774,392	804,928
Changes of assumptions or other inputs	**183,252**	2,428,145	474,740	(379,447)
Benefit payments	**(2,165,102)**	(2,079,011)	(1,989,054)	(1,835,828)
Net change in total OPEB liability	**(767,049)**	1,766,871	(42,107)	(738,531)
Total OPEB liability—beginning	**22,031,599**	20,264,728	20,306,835	21,045,366
Total OPEB liability—ending	**$ 21,264,550**	$ 22,031,599	$ 20,264,728	$ 20,306,835
Covered payroll	**$ 34,676,000**	$ 33,584,175	$ 32,673,000	$ 31,567,648
Total OPEB liability as a percentage of covered payroll	**61%**	66%	62%	64%

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2021	**2.16% per annum**
2020	2.21% per annum
2019	3.50% per annum
2018	3.87% per annum
2017	3.58% per annum

In 2018, amounts reflect a 0.5-percentage-point decrease in the health care cost trend rates from the prior year and adjustments to assumptions regarding spousal coverage to better reflect actual plan experience.

In 2019, there was no changes to the benefit terms.

Note: GASB Statement No. 75 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

City of Waterloo, Iowa

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Iowa Public Employees' Retirement System

	2021	2020
Measurement date	**June 30, 2020**	June 30, 2019
City's proportion of the net pension liability	**0.2383780%**	0.2446470%
City's proportionate share of the net pension liability	**$ 16,628,664**	$ 14,261,854
City's covered payroll	**$ 18,786,254**	$ 18,743,655
City's proportionate share of the net pension liability as a percentage of its covered payroll	**88.52%**	76.09%
Plan fiduciary net position as a percentage of the total pension liability	**82.90%**	85.45%

Note: GASB Statement No. 68 requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available. The amounts presented each year are as of the City's measurement date.

See notes to required supplementary information.

2019	2018	2017	2016	2015
June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.2406008%	0.2379165%	0.2438592%	0.2452672%	0.2415504%
$ 15,225,810	$ 15,848,247	$ 15,346,827	$ 12,117,384	$ 9,579,663
$ 18,074,184	$ 17,759,314	$ 17,523,333	$ 16,800,363	18816626
84.24%	89.24%	87.58%	72.13%	50.91%
83.62%	82.21%	81.82%	85.19%	87.61%

City of Waterloo, Iowa

Required Supplementary Information
Schedule of City Contributions
Iowa Public Employees' Retirement System

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contributions Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Fiscal year ending:					
2021	**$ 1,792,019**	**$ 1,792,019**	-	**$ 18,983,244**	**9.44%**
2020	1,773,422	1,773,422	-	18,786,254	9.44
2019	1,769,401	1,769,401	-	18,743,655	9.44
2018	1,614,023	1,614,023	-	18,074,184	8.93
2017	1,585,908	1,585,908	-	17,759,314	8.93
2016	1,564,955	1,564,955	-	17,523,333	8.93
2015	1,500,510	1,500,510	-	16,800,363	8.93
2014	1,420,507	1,420,507	-	15,816,626	8.98
2013	1,358,920	1,358,920	-	N/A	N/A
2012	1,250,399	1,250,399	-	N/A	N/A

N/A - information was not available

Note: The amounts reported in this schedule are as of the City's fiscal year-end.

See notes to required supplementary information.

Note 1. Changes of benefit terms

There are no significant changes in benefit terms.

Note 2. Changes of assumptions

The 2018 valuation implemented the following refinements as a result of an experience study dated June 28, 2018:

- Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
- Adjusted retirement rates.
- Lowered disability rates.
- Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
- Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

- Decreased the inflation assumption from 3.00% to 2.60%.
- Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
- Decreased the discount rate from 7.50% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%.
- Decreased the payroll growth assumption 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

- Decreased the inflation assumption from 3.25% to 3.00%.
- Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
- Adjusted male mortality rates for retirees in the Regular membership group.
- Reduced retirement rates for sheriffs and deputies between the ages of 55 and 64.
- Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

City of Waterloo, Iowa

Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Municipal Fire and Police Retirement System of Iowa

	2021	2020
Measurement date	**June 30, 2020**	June 30, 2019
City's proportion of the net pension liability	**5.471285%**	5.582145%
City's proportionate share of the net pension liability	**$ 43,638,986**	$ 36,614,772
City's covered payroll	**$ 17,382,462**	$ 16,897,902
City's proportionate share of the net pension liability as a percentage of its covered payroll	**251.05%**	216.68%
Plan fiduciary net position as a percentage of the total pension liability	**76.47%**	79.94%

Note: GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available. The amounts presented each year are as of the City's measurement date.

See notes to required supplementary information.

2019	2018	2017	2016	2015
June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
5.600213%	5.703286%	5.688362%	5.724535%	5.720520%
$ 33,343,863	$ 33,448,350	$ 46,723,287	$ 36,408,843	$ 26,777,406
$ 16,277,606	$ 16,060,279	$ 15,365,321	$ 15,012,366	$ 14,608,497
204.85%	208.27%	304.08%	242.53%	183.30%
81.07%	80.60%	78.20%	83.04%	86.27%

City of Waterloo, Iowa

Required Supplementary Information
Schedule of City Contributions
Municipal Fire and Police Retirement System of Iowa

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contributions Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Fiscal year ending:					
2021	**$ 4,528,153**	**$ 4,528,153**	-	**$ 17,890,764**	**25.31%**
2020	4,243,059	4,243,059	-	17,382,462	24.41
2019	4,396,834	4,396,834	-	16,897,902	26.02
2018	4,180,091	4,180,091	-	16,277,606	25.68
2017	4,186,850	4,186,850	-	16,060,279	26.07
2016	4,280,766	4,280,766	-	15,365,321	27.86
2015	4,565,261	4,565,261	-	15,012,366	30.41
2014	4,418,650	4,418,650	-	14,608,497	30.25
2013	3,844,363	3,844,363	-	N/A	N/A
2012	3,522,615	3,522,615	-	N/A	N/A

N/A - information was not available

Note: The amounts reported in this schedule are as of the City's fiscal year-end.

See notes to required supplementary information.

Note 1. Changes of Benefit Terms

There were no significant changes of benefit terms.

Note 2. Changes of Assumptions

The 2018 valuation changed postretirement mortality rates were based on the RP-2014 Blue Collar Healthy Annuitant Table with males set forward zero years, females set forward two years and disabled individuals set forward three years (male only rates), with generational projection of future mortality improvement with 50% of Scale BB beginning in 2017.

The 2017 valuation added five years projection to future mortality improvement scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (male only rates), with no projection of future mortality improvement.

The 2015 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 1/12 of the 1971 Group Annuity Mortality Table and 11/12 of the 1994 Group Annuity Mortality Table.

The 2014 valuation phased in the 1994 Group Annuity Mortality Table for postretirement mortality. This resulted in a weighting of 2/12 of the 1971 Group Annuity Mortality Table and 10/12 of the 1994 Group Annuity Mortality Table.

City of Waterloo, Iowa

Budgetary Comparison Schedule
Budget and Actual (Modified Cash Basis)—All Governmental Funds and Proprietary Funds
Required Supplementary Information
Year Ended June 30, 2021

	Budgeted Amounts	
	Original	Final
Receipts and other financing sources:		
Receipts:		
Property taxes	$ 42,422,199	$ 42,422,199
Tax increment financing	9,388,510	9,388,510
Other City taxes	18,277,691	20,398,441
Licenses and permits	1,434,585	1,434,585
Use of money and property	1,864,528	1,998,872
Intergovernmental	31,324,100	39,450,773
Charges for services	32,993,040	34,285,576
Special assessments	250,000	250,000
Miscellaneous	8,175,752	8,603,760
Total receipts	146,130,405	158,232,716
Other financing sources:		
Transfer from other funds	18,940,514	24,860,514
Issuance of long-term debt	37,200,000	47,060,000
Proceeds from sale of capital assets	-	-
Total other financing sources	56,140,514	71,920,514
Total receipts and other financing sources	202,270,919	230,153,230
Disbursements and other financing uses:		
Governmental-type activities:		
Public safety	35,548,857	37,259,429
Public works	34,111,524	43,639,069
Health and social services	323,760	323,760
Culture and recreation	12,013,361	12,237,173
Community and economic development	18,072,846	22,619,040
General government	10,776,650	11,432,986
Debt service	13,157,973	22,737,973
Capital projects	28,644,365	34,641,834
Business-type activities	47,556,812	49,456,812
Total disbursements	200,206,148	234,348,076
Other financing uses, transfers to other funds	18,940,514	24,860,514
Total disbursements and other financing uses	219,146,662	259,208,590
Receipts and other financing sources over (under) disbursements and other financing uses	(16,875,743)	(29,055,360)
Balances, beginning of year	96,198,146	96,198,146
Balances, end of year	$ 79,322,403	$ 67,142,786

See note to required supplementary information.

Actual Amounts Budgetary Basis	Variance With Final Budget
$ 42,990,863	$ 568,664
10,101,233	712,723
20,360,825	(37,616)
1,415,152	(19,433)
1,607,671	(391,201)
42,743,701	3,292,928
32,809,348	(1,476,228)
215,170	(34,830)
9,641,481	1,037,721
161,885,444	3,652,728
19,853,415	(5,007,099)
39,237,899	(7,822,101)
341,462	341,462
59,432,776	(12,487,738)
221,318,220	(8,835,010)
35,865,343	1,394,086
37,202,342	6,436,727
284,836	38,924
10,066,047	2,171,126
13,723,687	8,895,353
10,450,936	982,050
22,615,474	122,499
26,171,846	8,469,988
33,872,642	15,584,170
190,253,153	44,094,923
19,853,415	5,007,099
210,106,568	49,102,022
11,211,652	40,267,012
109,293,283	96,198,146
$ 120,504,935	$ 136,465,158

City of Waterloo, Iowa

Note to Required Supplementary Information—Budgetary Reporting
Year Ended June 30, 2021

In accordance with the Code of Iowa, the City Council annually adopts a budget on a modified cash basis following required public notice and hearing for all funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon 10 major classes of disbursements known as functions, not by fund or fund type. These 10 functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, business-type and nonprogram. Although the budget document presents function disbursements by fund type, the legal level of control is at the aggregated function level, not at the fund or fund type level. During the year, two budget amendments were adopted which increased budgeted expenditures by $40,061,928. The budget amendments are reflected in the final budgeted amount.

The City uses the same modified cash basis of accounting for budgetary reporting as is used for its internal financial records. Under this basis, cash transactions are modified by certain receivables and payables and by certain noncash revenue and expenditures. In addition, many transactions which could be recorded in and reported by the Sanitary Sewer Enterprise Fund are recorded in and reported by governmental funds.

City of Waterloo, Iowa

Schedule of Comparison
Funds Statements (GAAP Basis) to Budgetary (Modified Cash) Basis
Required Supplementary Information
Year Ended June 30, 2021

	Governmental Fund Types GAAP Basis Actual Amounts	Enterprise Fund Types GAAP Basis Actual Amounts	Total Funds
Revenue/Receipts:			
Property taxes and TIF revenue	$ 52,877,346	$ -	$ 52,877,346
Other taxes	20,765,591	-	20,765,591
Licenses and permits	1,392,173	-	1,392,173
Use of money and property	1,393,667	10,999	1,404,666
Intergovernmental	25,735,011	274,551	26,009,562
Charges for fees and service	10,073,458	22,394,809	32,468,267
Interfund charges for services	2,416,493	-	2,416,493
Special assessments	169,139	-	169,139
Miscellaneous	3,940,108	477,471	4,417,579
Total revenue/receipts	118,762,986	23,157,830	141,920,816
Expenditures and expenses/disbursements:			
Public safety	35,398,811	-	35,398,811
Public works	28,042,204	-	28,042,204
Health and social services	286,771	-	286,771
Culture and recreation	10,310,829	-	10,310,829
Community and economic development	14,554,888	-	14,554,888
General government	10,540,061	-	10,540,061
Debt service	12,512,748	-	12,512,748
Capital projects	34,953,743	-	34,953,743
Business-type activities	-	17,409,413	17,409,413
Total expenditures and expenses/ disbursements	146,600,055	17,409,413	164,009,468
Net	(27,837,069)	5,748,417	(22,088,652)
Other financing sources (uses):			
Transfers in	13,925,382	-	13,925,382
Transfers out	(13,925,382)	-	(13,925,382)
Bond premium	557,496	-	557,496
Proceeds from sale of capital assets	336,362	-	336,362
Payment to escrow from refunding bonds	(6,472,000)	-	(6,472,000)
Issuance of capital lease and other long-term debt	5,120,418	-	5,120,418
Proceeds from insurance	1,986,893	-	1,986,893
Issuance of refunding bonds	6,360,000	-	6,360,000
Issuance of long-term debt	13,790,000	-	13,790,000
Total other financing sources (uses)	21,679,169	-	21,679,169
Change in fund balance/net position	(6,157,900)	5,748,417	(409,483)
Balance, beginning of year	89,634,383	101,448,289	191,082,672
Balance, end of year	$ 83,476,483	$ 107,196,706	$ 190,673,189

Budgetary Basis Exceptions	Property Tax Collected for and Remitted to MET, Grout and Water Works	Other GAAP Conversion Adjustments	Budgetary Basis
$ -	$ 2,207,193	$ (1,992,443)	$ 53,092,096
-	-	(404,766)	20,360,825
-	-	22,979	1,415,152
-	-	203,005	1,607,671
-	-	16,734,139	42,743,701
-	-	341,081	32,809,348
-	-	(2,416,493)	-
-	-	46,031	215,170
-	-	5,223,902	9,641,481
-	2,207,193	17,757,435	161,885,444
-	-	466,532	35,865,343
-	2,207,193	6,952,945	37,202,342
-	-	(1,935)	284,836
-	-	(244,782)	10,066,047
-	-	(831,201)	13,723,687
-	-	(89,125)	10,450,936
-	-	10,102,726	22,615,474
-	-	(8,781,897)	26,171,846
-	-	16,463,229	33,872,642
-	2,207,193	24,036,492	190,253,153
-	-	(6,279,057)	(28,367,709)
-	-	5,928,033	19,853,415
-	-	(5,928,033)	(19,853,415)
-	-	(557,496)	-
-	-	5,100	341,462
-	-	6,472,000	-
-	-	(5,120,418)	-
-	-	(1,986,893)	-
-	-	(6,360,000)	-
-	-	25,447,899	39,237,899
-	-	17,900,192	39,579,361
-	-	11,621,135	11,211,652
-	-	(81,789,389)	109,293,283
$ -	$ -	$ (70,168,254)	$ 120,504,935

City of Waterloo, Iowa

Required Supplementary Information
Schedule of Employer Contributions for Waterloo Water Works Pension Plan
Last Ten Fiscal Years

	2020	2019	2018	2017
Actuarially determined contribution	**$ 587,599**	$ 563,701	$ 529,242	$ 505,125
Contributions in relation to actuarially determined contribution	**639,602**	615,910	577,408	565,374
Contribution deficiency (excess)	**(52,003)**	(52,209)	(48,166)	(60,249)
Covered payroll	**$ 810,194**	$ 979,376	$ 943,430	$ 1,047,371
Contributions as a percentage of covered payroll	**78.9%**	62.9%	61.2%	54.0%

2016	2015	2014	2013	2012	2011
$ 489,448	$ 475,911	$ 481,861	$ 480,199	$ 423,689	$ 383,404
550,161	540,043	570,419	538,658	473,114	445,212
(60,713)	(64,132)	(88,558)	(58,459)	(49,425)	(61,808)
$ 1,004,723	$ 1,045,603	$ 1,064,651	$ 1,100,185	$ 1,105,893	$ 1,248,200
54.8%	51.6%	53.6%	49.0%	42.8%	35.7%

City of Waterloo, Iowa

Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios for Waterloo Water Works Pension Plan

	2021	2020	2019
Total pension liability			
Service cost	**$ 55,720**	$ 42,951	$ 46,090
Interest	**645,354**	672,982	665,421
Difference between expected and actual experience	**(194,832)**	(36,258)	76,594
Changes in assumptions	**315,233**	325,945	(72,427)
Benefit payments including refunds	**(677,004)**	(675,155)	(560,887)
Change in total pension liability	**144,471**	330,465	154,791
Total pension liability, beginning of year	**9,037,366**	8,706,901	8,552,110
Total pension liability, end of year	**9,181,837**	9,037,366	8,706,901
Plan fiduciary net position			
Contributions, employer	**591,000**	563,701	529,242
Contributions, member	**48,602**	52,209	48,166
Net investment income	**1,221,397**	1,594,221	(466,923)
Benefit payments including refunds	**(677,004)**	(675,155)	(560,887)
Change in plan fiduciary net position	**1,183,995**	1,534,976	(450,402)
Plan fiduciary net position, beginning of year	**7,319,079**	5,784,103	6,234,505
Plan fiduciary net position, end of year	**8,503,074**	7,319,079	5,784,103
Net pension liability, end of year	**$ 678,763**	$ 1,718,287	$ 2,922,798
Plan fiduciary net position as a % of total pension liability	**92.6%**	81.0%	66.4%
Covered payroll	**$ 744,456**	$ 810,194	$ 979,376
Net pension liability as a % of covered payroll	**91.2%**	212.1%	298.4%

Additional years will be added going forward as information becomes available.

2018	2017	2016
$ 45,849	$ 53,886	$ 53,008
640,457	616,847	607,558
(45,362)	164,103	(28,037)
225,356	13,141	12,600
(548,118)	(541,494)	(518,306)
318,182	306,483	126,823
8,233,928	7,927,445	7,800,622
8,552,110	8,233,928	7,927,445
507,287	489,448	481,000
58,087	60,713	59,043
821,539	281,674	(157,690)
(548,118)	(541,494)	(518,306)
838,795	290,341	(135,953)
5,395,710	5,105,369	5,241,322
6,234,505	5,395,710	5,105,369
$ 2,317,605	$ 2,838,218	$ 2,822,076
72.9%	65.5%	64.4%
$ 943,430	$ 1,047,371	$ 1,004,723
245.7%	271.0%	280.9%

City of Waterloo, Iowa

Notes to Required Supplementary Information for Waterloo Water Works Pension Plan
For the Year Ended December 31, 2020

Note 1: Valuation Date: Actuarially determined contributions rates are calculated as of December 31 of the current fiscal year.

Note 2: Methods and assumptions used to determine contribution rates.

Actuarial cost method	Entry age cost method
Amortization method	Level dollar
Remaining amortization period	20 years
Asset valuation method	Market value of assets
Inflation	2.50%
Annual pay increases	3.00%
Investment rate of return	7.0%
Retirement age	100% at age 62
Mortality rates	2020 Dataset mortality

City of Waterloo, Iowa

Required Supplementary Information
IPERS Schedule of the Waterloo Water Works' Proportionate Share of the Net Pension Liability

Measurement Date June 30,	**2020**	2019
Water Work's proportion of the net pension liability	**0.017377%**	0.016437%
Water Work's total proportionate share of the net pension liability	**$ 1,220,674**	$ 951,791
Water Work's covered payroll	**$ 1,267,605**	$ 1,270,103
Water Work's proportionate share of the net pension liability as a percentage of its covered payroll	**96%**	75%
IPERS' net position as a percentage of the total pension liability	**81.87%**	85.45%

Additional years will be added going forward as information becomes available.

2018	2017	2016	2015	2014
0.016820%	0.015549%	0.014805%	0.014220%	0.012797%
$ 1,064,406	$ 1,035,776	$ 923,262	$ 706,956	$ 524,011
$ 1,251,971	$ 1,079,261	$ 1,018,040	$ 885,398	$ 791,254
85%	96%	91%	80%	61%
83.62%	82.21%	81.82%	85.19%	87.61%

City of Waterloo, Iowa

Required Supplementary Information
IPERS Schedule of Waterloo Water Works Contributions

	2020	2019	2018	2017
Statutorily required contribution	**$ 153,186**	$ 119,662	$ 116,656	$ 111,801
Contributions in relation to the Statutorily required contribution	**(153,186)**	(119,662)	(116,656)	(111,801)
Contribution deficiency (excess)	**$ -**	$ -	$ -	$ -
Water Work's covered payroll	**$ 1,622,730**	$ 1,267,605	$ 1,270,103	$ 1,251,971
Contributions as a percentage of covered payroll	**9.44%**	9.44%	9.18%	8.93%

2016	2015	2014	2013	2012	2011
$ 96,378	$ 90,911	$ 79,066	$ 70,659	$ 56,189	$ 43,676
(96,378)	(90,911)	(79,066)	(70,659)	(56,189)	(43,676)
$ -	$ -	$ -	$ -	$ -	$ -
$ 1,079,261	$ 1,018,040	$ 885,398	$ 791,254	$ 648,085	$ 541,214
8.93%	8.93%	8.93%	8.93%	8.67%	8.07%

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department
General Fund
Year Ended June 30, 2021

Public safety function	
Mayor	
Blackhawk emergency management agency	
Contractual services	$ 95,815
Total activity and department	95,815
Police department	
Police operations	
Compensation and benefits	13,317,179
Contractual services	1,098,821
Commodities	196,206
Capital outlay	3,964,965
Debt service	202,035
Total activity	18,779,206
Police computer services	
Contractual services	98,229
Commodities	118,224
Total activity	216,453
Police grants	
Compensation and benefits	556,742
Contractual services	10,375
Commodities	66,452
Capital outlay	33,470
Total activity	667,039
Law enforcement programs	
Compensation and benefits	46,499
Contractual services	431,755
Commodities	333,250
Total activity	811,504
Police tobacco enforcement	
Compensation and benefits	3,612
Total activity	3,612
Public safety administration	
Contractual services	5,000
Total activity	5,000
Total Department	20,482,814

City of Waterloo, Iowa

Schedule of Revenues, Expenditures and Changes in Fund Balances (Continued)
General Fund
Year Ended June 30, 2021

Fire Department	
Fire protection	
Compensation and benefits	9,170,939
Contractual services	544,934
Commodities	96,820
Total activity	9,812,693
Fire ambulance	
Compensation and benefits	1,832,261
Contractual services	809,272
Commodities	180,173
Capital outlay	287,905
Total activity	3,109,611
Fire restricted programs	
Compensation and benefits	2,859
Commodities	8,925
Capital outlay	42,903
Total activity	54,687
Hazmat regional training center	
Compensation and benefits	143,258
Contractual services	22,150
Commodities	606
Total activity	166,014
Fire federal CDC grant	
Compensation and benefits	107,474
Contractual services	21,826
Total activity	129,300
Total Department	13,272,305
Building inspection department	
Building & housing safety	
Compensation and benefits	1,062,572
Contractual services	143,250
Commodities	42,076
Total activity and department	1,247,898

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Central Garage	
Fire - garage parts & service	
Compensation and benefits	93,172
Contractual services	5,112
Commodities	64,425
Total activity	162,709
Ambulance - Garage Parts & Services	
Commodities	24,440
Total activity	24,440
Total Department	187,149
Public safety function totals	
Compensation and benefits	26,336,567
Contractual services	3,286,539
Commodities	1,131,597
Capital Outlay	4,329,243
Debt service	202,035
Function total	$ 35,285,981
Public works function	
City engineer	
Sidewalk repair/construction	
Commodities	$ 880
Capital outlay	331,756
Total activity and department	332,636
Traffic Operations	
Parking Maintenance	
Compensation and benefits	12,078
Total activity and department	12,078
Central Garage	
Central Garage	
Compensation and benefits	815,264
Contractual services	19,783
Commodities	103,826
Total activity	938,873
Garage-motor pool service	
Commodities	519,369
Total activity	519,369
Total Department	1,458,242

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Airport Commission	
Airport Administration	
Compensation and benefits	652,495
Contractual services	323,635
Commodities	70,313
Total activity	1,046,443
Airport Administration	
Contractual services	14,500
Total activity	14,500
Total Department	1,060,943
Building Inspection	
Parking Operations	
Contractual services	307,529
Commodities	29,480
Total activity and department	337,009
Public works function totals	
Compensation and benefits	1,479,837
Contractual services	665,447
Commodities	723,868
Capital Outlay	331,756
Function Total	$ 3,200,908
Health and social services function	
Human rights commission	
Human rights	
Compensation and benefits	244,048
Contractual services	10,705
Commodities	955
Total activity	255,708
EEOC Contract	
Compensation and benefits	10,000
Contractual services	17,179
Commodities	701
Capital outlay	3,183
Total activity	31,063
Total Department	286,771
Health and social services function totals	
Compensation and benefits	254,048
Contractual services	27,884
Commodities	1,656
Capital Outlay	3,183
Function Total	$ 286,771

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Culture and recreation function	
Mayor	
Fairview cemetery association	
Contractual services	$ 50,000
Total activity and department	50,000
Cultural/Arts Commission	
Youth Pavilion	
Compensation and benefits	306,606
Contractual services	37,745
Commodities	7,746
Total activity	352,097
Center for the arts	
Compensation and benefits	555,804
Contractual services	61,502
Commodities	31,117
Total activity	648,423
River Loop event facilities	
Compensation and benefits	126
Contractual services	9,356
Commodities	2,000
Total activity	11,482
Cultural/arts grants & projects	
Compensation and benefits	14,980
Contractual services	57,982
Total activity	72,962
Total department	1,084,964
Library	
Library services	
Compensation and benefits	1,354,618
Contractual services	156,331
Commodities	247,798
Total activity	1,758,747
Library Enrich	
Compensation and benefits	6,585
Commodities	3,846
Total activity	10,431

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Library Access Plus	
Commodities	2,985
Total activity	2,985
Library grants & projects	
Contractual services	13,950
Commodities	11,717
Capital outlay	70,538
Total activity	96,205
Library gift & memorial	
Contractual services	20,399
Commodities	16,745
Total activity	37,144
Iowa library services	
Commodities	4,011
Total activity	4,011
County library system	
Compensation and benefits	64,486
Commodities	2,273
Total activity	66,759
County open access	
Contractual services	2,506
Total activity	2,506
Total department	1,978,788
Leisure services	
Leisure services - parks	
Compensation and benefits	1,842,945
Contractual services	246,197
Commodities	188,569
Total activity	2,277,711
Leisure services projects	
Compensation and benefits	8,731
Contractual services	27,237
Commodities	39,292
Capital outlay	122,623
Total activity	197,883
Downtown area maintenance	
Compensation and benefits	300,766
Contractual services	41,532
Commodities	19,910
Total activity	362,208

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Golf courses	
Compensation and benefits	849,429
Contractual services	119,319
Commodities	131,702
Total activity	1,100,450
Golf course improvements	
Contractual services	679
Total activity	679
SportsPlex	
Compensation and benefits	759,384
Contractual services	297,738
Commodities	136,983
Total activity	1,194,105
Sports & youth services	
Compensation and benefits	471,716
Contractual services	36,982
Commodities	107,629
Total activity	616,327
Young arena	
Compensation and benefits	466,382
Contractual services	191,089
Commodities	68,384
Total activity	725,855
Total department	6,475,218
Culture and recreation function totals	
Compensation and benefits	7,002,558
Contractual services	1,370,544
Commodities	1,022,707
Capital Outlay	193,161
Function total	$ 9,588,970

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Community and economic development function	
Mayor	
Iowa Northland Council of Governments	
Contractual services	$ 34,887
Total activity	34,887
Tourism promotion	
Contractual services	66,767
Total activity	66,767
Tourism promotion - discretionary	
Contractual services	13,619
Total activity	13,619
Waterloo Convention Center - operations	
Contractual services	790,221
Commodities	34,400
Total activity	824,621
Waterloo Convention & Visitors Bureau	
Contractual services	493,279
Total activity	493,279
Total department	1,433,173
Planning & zoning	
Planning & zoning	
Compensation and benefits	677,593
Contractual services	13,978
Commodities	3,209
Total activity	694,780
City property management	
Contractual services	107,400
Total activity	107,400
Economic development	
Compensation and benefits	108,371
Total activity	108,371
Special projects	
Capital outlay	137,500
Total activity	137,500
Total department	1,048,051

City of Waterloo, Iowa

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Building Inspections		
Five Sullivans Convention Center - maintenance		
Contractual services		6,308
Total activity and department		6,308
Community and economic development totals		
Compensation and benefits		785,964
Contractual services		1,526,459
Commodities		37,609
Capital Outlay		137,500
Function total	$	2,487,532
General Government function		
Mayor		
Mayor's office		
Compensation and benefits	$	296,017
Contractual services		67,085
Commodities		1,218
Total activity		364,320

Mayor Restricted Projects.	
Contractual services	34,484
Commodities	3,132
Total activity	37,616
Administrative SVCS/MIS	
Compensation and benefits	240,110
Contractual services	138,322
Commodities	46,712
Total activity	425,144
Communications	
Contractual services	2,391
Total activity	2,391
Total department	829,471
City Council	
City Council	
Compensation and benefits	74,313
Contractual services	3,160
Total activity and department	77,473
City Clerk and Finance	
Electronic media	
Compensation and benefits	155,446
Contractual services	260
Commodities	5,489
Total activity	161,195
City Clerk & Finance	
Compensation and benefits	894,980
Contractual services	135,735
Commodities	119,775
Total activity	1,150,490
Liability insurance	
Compensation and benefits	93,891
Contractual services	1,613,529
Total activity	1,707,420
Life/disability insurance	
Compensation and benefits	2,640
Total activity	2,640
Self-funded health insurance	
Contractual services	3,721,561
Commodities	207
Total activity	3,721,768
Self funded workers	
Contractual services	1,423,516
Total activity	1,423,516

Schedule of Expenditures by Function and Department (Continued)
General Fund
Year Ended June 30, 2021

Printing	
Contractual services	11,857
Total activity	11,857
Total department	8,178,886
City Attorney	
City Attorney	
Compensation and benefits	185,736
Contractual services	94,041
Commodities	6,615
Total activity and department	286,392
Human resources	
Employee assistance program	
Contractual services	13,338
Total activity	13,338
Human resources	
Compensation and benefits	417,777
Contractual services	49,002
Commodities	2,132
Total activity	468,911
Safety and wellness	
Commodities	12,794
Total activity	12,794
Total department	495,043
Building inspection	
Facilities maintenance	
Compensation and benefits	366,940
Contractual services	179,830
Commodities	37,048
Total activity	583,818
Facilities restricted project	
Commodities	1,423
Total activity	1,423
Veterans Memorial Hall	
Contractual services	6,855
Total activity	6,855
Total department	592,096
General government totals	
Compensation and benefits	2,727,850
Contractual services	7,494,966
Commodities	236,545
Function total	$ 10,459,361

City of Waterloo, Iowa

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue	Capital Projects	General Obligation Debt Service	Total
Assets				
Cash and cash equivalents	$ 14,272,801	$ 26,959,765	$ 711,814	$ 41,944,380
Receivables:				
Customer accounts	14,407	-	-	14,407
Property taxes:				
Delinquent	9,500	-	100,468	109,968
Succeeding year	613,322	-	7,392,925	8,006,247
Accrued interest	9,562	60	3	9,625
Due from other governments:				
Federal	2,190,770	-	-	2,190,770
Iowa	4,906,487	-	-	4,906,487
Other	128,298	177,746	73,665	379,709
Inventories and prepaids	31,445	-	-	31,445
Restricted assets, cash and cash equivalents	3,354,399	-	256,090	3,610,489
Advances to other funds	21,423	-	-	21,423
Total assets	$ 25,552,414	$ 27,137,571	$ 8,534,965	$ 61,224,950
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	$ 2,259,781	$ 1,125,527	$ 37,079	$ 3,422,387
Retainages payable	390,883	690,814	-	1,081,697
Accrued liabilities	130,133	-	-	130,133
Due to other funds	1,745,846	5,258,835	-	7,004,681
Compensated absences	9,707	-	-	9,707
Payable from restricted assets	45,030	-	-	45,030
Unearned revenue	601,291	-	-	601,291
Total liabilities	5,182,671	7,075,176	37,079	12,294,926
Deferred inflows of resources:				
Unavailable revenue—property taxes	622,822	-	7,493,393	8,116,215
Unavailable revenue—local option sales tax	2,105,523	-	-	2,105,523
Unavailable revenue—intergovernmental and other	1,901,820	177,746	-	2,079,566
Total deferred inflows of resources	4,630,165	177,746	7,493,393	12,301,304
Fund Balances:				
Nonspendable	31,445	-	-	31,445
Restricted	14,847,766	25,431,857	1,004,493	41,284,116
Assigned	2,269,510	-	-	2,269,510
Unassigned	(1,409,143)	(5,547,208)	-	(6,956,351)
Total fund balances	15,739,578	19,884,649	1,004,493	36,628,720
Total liabilities, deferred inflows of resources and fund balances	$ 25,552,414	$ 27,137,571	$ 8,534,965	$ 61,224,950

City of Waterloo, Iowa

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2021

	Special Revenue	Capital Projects	Debt Service	Total
Revenues:				
Property taxes	$ 642,334	$ -	$ 7,375,359	$ 8,017,693
Other taxes	11,980,555	-	233,182	12,213,737
Investment income	22,014	16,557	7,259	45,830
Rent	190,114	-	44,000	234,114
Intergovernmental	12,415,809	-	-	12,415,809
Charges for services	331,113	-	-	331,113
Miscellaneous	2,322	1,600,263	214,969	1,817,554
Total revenues	25,584,261	1,616,820	7,874,769	35,075,850
Expenditures:				
Current:				
Public works	16,983,413	-	-	16,983,413
Culture and recreation	792,397	-	-	792,397
Community and economic development	8,084,155	757,500	-	8,841,655
General government	37,148	30,210	-	67,358
Debt service:				
Principal	-	914,575	8,573,000	9,487,575
Interest expense	-	245,899	2,337,239	2,583,138
Capital outlay	53,523	20,966,085	-	21,019,608
Total expenditures	25,950,636	22,914,269	10,910,239	59,775,144
Revenues over (under) expenditures	(366,375)	(21,297,449)	(3,035,470)	(24,699,294)
Other financing sources (uses):				
Transfers in	-	2,297,972	3,008,343	5,306,315
Transfers out	(99,820)	-	-	(99,820)
Bond premium	-	315,894	241,602	557,496
Payment to escrow from refunding bonds	-	-	(6,472,000)	(6,472,000)
Issuance of refunding bonds	-	-	6,360,000	6,360,000
Issuance of long-term debt	-	13,790,000	-	13,790,000
Total other financing sources (uses)	(99,820)	16,403,866	3,137,945	19,441,991
Net change in fund balance	(466,195)	(4,893,583)	102,475	(5,257,303)
Fund balance, beginning of year	16,205,773	24,778,232	902,018	41,886,023
Fund balance, end of year	$ 15,739,578	$ 19,884,649	$ 1,004,493	$ 36,628,720

City of Waterloo, Iowa

Nonmajor Special Revenue Funds
June 30, 2021

Special Revenue Funds account for the proceeds of specific revenue sources that are legally or contractually restricted for particular purposes. The proceeds are segregated into individual funds to ensure that expenditures are made exclusively for qualified purposes, as follows:

Local Option Tax Fund: This fund is used to account for resources provided from a 1% sales tax approved by the citizens of Waterloo which is restricted for the construction, reconstruction and repair of City streets.

Library Tax Levy Fund: This fund is used to account for property taxes levied, as passed by local referendum, to be used to increase the hours of operation of the Waterloo Public Library.

Community Development Block Grant Fund: This fund accounts for revenue received under the Community Development Block Grant federal entitlement.

Housing Programs Fund: This fund is used to account for resources received to provide housing assistance, primarily Federal Section 8 and Ridgeway Towers.

Grants Fund: This fund is used to account for resources received for various federal and Iowa funded projects which are not accounted for elsewhere and are restricted to specific programs.

Federal Aviation Agency Projects Fund: This fund is used to account for resources from the Federal Aviation Agency and Passenger Facility Charges restricted for airport development.

Iowa Reinvestment District Fund: This fund is used to account for resources received from the State of Iowa to reinvest sales tax monies to improve the quality of life for the City of Waterloo's citizens and substantially benefit the community, region and state.

City of Waterloo, Iowa

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021

	Local Option Sales Tax	Library Tax Levy	Community Development Block Grant
Assets			
Cash and cash equivalents	$ 11,002,424	$ 595,506	$ 110,021
Receivables:			
Customer accounts	-	-	-
Property taxes:			
Delinquent	-	9,500	-
Succeeding year	-	613,322	-
Accrued interest	45	3	9,501
Due from other governments:			
Federal	-	-	309,600
Iowa	3,017,958	-	-
Other	121,538	6,760	-
Inventories and prepaids	-	-	-
Restricted cash and cash equivalents	-	-	-
Advances to other funds	13,598	7,825	-
Total assets	$ 14,155,563	$ 1,232,916	$ 429,122
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)			
Liabilities:			
Accounts payable	$ 930,443	$ -	$ 52,143
Retainages payable	235,929	-	7,524
Accrued liabilities	44,249	31,852	27,418
Due to other funds	-	-	141,001
Compensated absences	-	2,242	3,627
Payable from restricted assets	-	-	-
Unearned revenue	-	-	-
Total liabilities	1,210,621	34,094	231,713
Deferred inflows of resources:			
Unavailable revenue - property taxes	-	622,822	-
Unavailable revenue - local option sales tax	2,105,523	-	-
Unavailable revenue - intergovernmental	-	-	8,646
Total deferred inflows of resources	2,105,523	622,822	8,646
Fund balances (deficit):			
Nonspendable	-	-	-
Restricted	8,665,127	482,339	188,763
Assigned	2,174,292	93,661	-
Unassigned	-	-	-
Total fund balances (deficit)	10,839,419	576,000	188,763
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 14,155,563	$ 1,232,916	$ 429,122

Special Revenue				
Housing Programs	Grants	Federal Aviation Agency Projects	Iowa Reinvestment District	Total
$ 2,525,759	$ -	$ -	$ 39,091	$ 14,272,801
14,407	-	-	-	14,407
-	-	-	-	9,500
-	-	-	-	613,322
13	-	-	-	9,562
788	20,431	1,859,951	-	2,190,770
-	1,829,107	12,403	47,019	4,906,487
-	-	-	-	128,298
31,445	-	-	-	31,445
2,953,553	55,275	345,571	-	3,354,399
-	-	-	-	21,423
$ 5,525,965	$ 1,904,813	$ 2,217,925	$ 86,110	$ 25,552,414
$ 75,626	$ 424,743	$ 776,826	$ -	$ 2,259,781
-	58,637	88,793	-	390,883
26,614	-	-	-	130,133
-	661,274	943,571	-	1,745,846
3,838	-	-	-	9,707
45,030	-	-	-	45,030
336,802	264,489	-	-	601,291
487,910	1,409,143	1,809,190	-	5,182,671
-	-	-	-	622,822
-	-	-	-	2,105,523
-	1,849,538	12,403	31,233	1,901,820
-	1,849,538	12,403	31,233	4,630,165
31,445	-	-	-	31,445
5,006,610	55,275	396,332	53,320	14,847,766
-	-	-	1,557	2,269,510
-	(1,409,143)	-	-	(1,409,143)
5,038,055	(1,353,868)	396,332	54,877	15,739,578
$ 5,525,965	$ 1,904,813	$ 2,217,925	$ 86,110	$ 25,552,414

City of Waterloo, Iowa

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Nonmajor Special Revenue Funds
Year Ended June 30, 2021

	Local Option Sales Tax	Library Tax Levy	Community Development Block Grant
Revenues:			
Property taxes	$ -	$ 642,334	$ -
Other taxes	11,957,710	22,845	-
Investment income	19,883	915	-
Rent	-	-	-
Intergovernmental	-	-	2,153,636
Charges for services	25,722	-	228,246
Miscellaneous	-	-	-
Total revenues	12,003,315	666,094	2,381,882
Expenditures:			
Current:			
Public works	12,586,712	-	-
Culture and recreation	-	608,698	-
Community and economic development	-	-	2,128,209
General government	-	-	-
Capital outlay	-	-	-
Total expenditures	12,586,712	608,698	2,128,209
Excess of revenues over expenditures	(583,397)	57,396	253,673
Other financing uses, transfers out	-	-	-
Total other financing uses	-	-	-
Change in fund balances (deficit)	(583,397)	57,396	253,673
Fund balances (deficit), beginning of year	11,422,816	518,604	(64,910)
Fund balances (deficit), end of year	$ 10,839,419	$ 576,000	$ 188,763

Special Revenue				
Housing Programs	Grants	Federal Aviation Agency Projects	Iowa Reinvestment District	Total
$ -	$ -	$ -	$ -	$ 642,334
-	-	-	-	11,980,555
560	-	505	151	22,014
190,114	-	-	-	190,114
5,899,791	1,546,996	2,744,678	70,708	12,415,809
48,304	-	28,841	-	331,113
2,322	-	-	-	2,322
6,141,091	1,546,996	2,774,024	70,859	25,584,261
-	2,282,629	2,114,072	-	16,983,413
-	183,699	-	-	792,397
5,891,901	64,045	-	-	8,084,155
-	-	37,060	88	37,148
53,523	-	-	-	53,523
5,945,424	2,530,373	2,151,132	88	25,950,636
195,667	(983,377)	622,892	70,771	(366,375)
-	-	-	(99,820)	(99,820)
-	-	-	(99,820)	(99,820)
195,667	(983,377)	622,892	(29,049)	(466,195)
4,842,388	(370,491)	(226,560)	83,926	16,205,773
$ 5,038,055	$ (1,353,868)	$ 396,332	$ 54,877	$ 15,739,578

City of Waterloo, Iowa

Capital Projects Funds
June 30, 2021

Capital Projects Funds account for the City's financial resources used for the acquisition or construction of major nonproprietary capital facilities. The City of Waterloo has capital projects funds as follows:

June 2016 GO Bonds Fund: This fund is used to account for proceeds from the 2016 general obligation bond sale until expended for the restricted purposes.

June 2017 GO Bonds Fund: This fund is used to account for proceeds from the 2017 general obligation bond sale until expended for the restricted purposes.

June 2018 GO Bonds Fund: This fund is used to account for proceeds from the 2018 general obligation bond sale until expended for the restricted purposes.

June 2019 GO Bonds Fund: This fund is used to account for proceeds from the 2019 general obligation bond sale until expended for the restricted purposes.

June 2020 GO Bonds Fund: This fund is used to account for proceeds from the 2020 general obligation bond sale until expended for the restricted purposes.

Capital Improvements Funds: This fund is used to account for the use of resources on governmental capital projects not accounted for in other capital projects funds and are restricted for specific projects.

City of Waterloo, Iowa

Combining Balance Sheet
Capital Projects Funds
June 30, 2021

	June 2017 GO Bonds	June 2018 GO Bonds	June 2019 GO Bonds
Assets			
Cash and cash equivalents	$ 584,704	$ 1,564,578	$ 4,933,338
Receivables, other	-	-	-
Accrued interest	2	4	12
Total assets	$ 584,706	$ 1,564,582	$ 4,933,350
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)			
Liabilities:			
Accounts payable	$ 23,789	$ 57,282	$ 158,336
Retainages payable	10,195	205,991	15,119
Due to other funds	-	-	-
Total liabilities	33,984	263,273	173,455
Deferred inflows of resources, unavailable revenue—other	-	-	-
Fund balances (deficit):			
Restricted	550,722	1,301,309	4,759,895
Unassigned	-	-	-
Total fund balances (deficit)	550,722	1,301,309	4,759,895
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 584,706	$ 1,564,582	$ 4,933,350

June 2020 GO Bonds	June 2021 GO Bonds	Capital Improvements	Total
$ 6,406,580	$ 13,404,225	$ 66,340	$ 26,959,765
-	-	177,746	177,746
15	27	-	60
$ 6,406,595	$ 13,404,252	$ 244,086	$ 27,137,571
$ 253,715	$ 507,710	$ 124,695	$ 1,125,527
32,001	263,830	163,678	690,814
-	-	5,258,835	5,258,835
285,716	771,540	5,547,208	7,075,176
-	-	177,746	177,746
6,120,879	12,632,712	66,340	25,431,857
-	-	(5,547,208)	(5,547,208)
6,120,879	12,632,712	(5,480,868)	19,884,649
$ 6,406,595	$ 13,404,252	$ 244,086	$ 27,137,571

City of Waterloo, Iowa

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Capital Projects Funds
Year Ended June 30, 2021

	June 2016 GO Bonds	June 2017 GO Bonds	June 2018 GO Bonds
Revenues:			
Investment income	$ 222	$ 904	$ 2,599
Miscellaneous	-	-	-
Total revenues	222	904	2,599
Expenditures:			
Community and economic development	-	-	-
General government	-	47	28
Debt service:			
Principal	-	-	-
Interest expense	-	3,500	-
Capital outlay	710,573	1,029,506	3,033,059
Total expenditures	710,573	1,033,053	3,033,087
Revenues under expenditures	(710,351)	(1,032,149)	(3,030,488)
Other financing sources:			
Transfers in	-	-	-
Bond premium	-	-	-
Issuance of long-term debt	-	-	-
Total other financing sources	-	-	-
Net change in fund balances (deficit)	(710,351)	(1,032,149)	(3,030,488)
Fund balances (deficit), beginning of year	710,351	1,582,871	4,331,797
Fund balances (deficit), end of year	$ -	$ 550,722	$ 1,301,309

June 2019 GO Bonds	June 2020 GO Bonds	June 2021 GO Bonds	Capital Improvements	Total
$ 5,371	$ 7,434	$ 27	$ -	$ 16,557
-	-	-	1,600,263	1,600,263
5,371	7,434	27	1,600,263	1,616,820
-	757,500	-	-	757,500
78	230	75	29,752	30,210
-	-	-	914,575	914,575
-	16	156,958	85,425	245,899
2,849,552	6,264,218	1,316,176	5,763,001	20,966,085
2,849,630	7,021,964	1,473,209	6,792,753	22,914,269
(2,844,259)	(7,014,530)	(1,473,182)	(5,192,490)	(21,297,449)
-	-	-	2,297,972	2,297,972
-	-	315,894	-	315,894
-	-	13,790,000	-	13,790,000
-	-	14,105,894	2,297,972	16,403,866
(2,844,259)	(7,014,530)	12,632,712	(2,894,518)	(4,893,583)
7,604,154	13,135,409	-	(2,586,350)	24,778,232
$ 4,759,895	$ 6,120,879	$ 12,632,712	$ (5,480,868)	$ 19,884,649

City of Waterloo, Iowa
Statistical Section

This part of the City of Waterloo's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 130

Revenue Capacity
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. 135

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. 139

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. 144

Operating Information
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs. 146

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Waterloo, Iowa
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	$ 250,819,314	$ 264,695,106	$ 273,871,470	$ 307,415,275	$ 316,701,068	$ 306,360,558	$ 313,405,227	$ 320,748,412	$ 338,162,674	$ 357,396,168
Restricted	31,552,558	30,823,956	30,579,471	30,438,501	20,032,995	55,182,022	52,436,491	53,863,633	44,923,907	39,925,625
Unrestricted	9,694,131	7,214,587	8,998,045	(31,681,588)	(23,683,497)	(31,089,693)	(40,527,523)	(43,479,555)	(45,440,432)	(46,515,207)
Total governmental activities net position	$ 292,066,003	$ 302,733,649	$ 313,448,986	$ 306,172,188	$ 313,050,566	$ 330,452,887	$ 325,314,195	$ 331,132,490	$ 337,646,149	$ 350,806,586
Business-type activities										
Net investment in capital assets	$ 71,243,134	$ 74,508,694	$ 79,920,865	$ 78,270,214	$ 79,522,665	$ 79,180,253	$ 82,504,631	$ 81,369,121	$ 87,857,186	$ 92,076,757
Restricted	1,655,694	1,383,659	1,310,099	727,235	672,515	672,515	672,515	47,826	19,491	138,467
Unrestricted	14,659,699	14,202,857	11,445,832	11,638,646	12,025,408	14,478,547	9,375,653	14,702,034	13,571,612	14,981,482
Total business-type activities net position	$ 87,558,527	$ 90,095,210	$ 92,676,796	$ 90,636,095	$ 92,220,588	$ 94,331,315	$ 92,552,799	$ 96,118,981	$ 101,448,289	$ 107,196,706
Primary government										
Net investment in capital assets	$ 322,062,448	$ 339,203,800	$ 353,792,335	$ 385,685,489	$ 396,223,733	$ 385,540,811	$ 395,909,858	$ 402,117,533	$ 426,019,860	$ 449,472,925
Restricted	33,208,252	32,207,615	31,889,570	31,165,736	20,705,510	55,854,537	53,109,006	53,911,459	44,943,398	40,064,092
Unrestricted	24,353,830	21,417,444	20,443,877	(20,042,942)	(11,658,089)	(16,611,146)	(31,151,870)	(28,777,521)	(31,868,820)	(31,533,725)
Total primary government net position	$ 379,624,530	$ 392,828,859	$ 406,125,782	$ 396,808,283	$ 405,271,154	$ 424,784,202	$ 417,866,994	$ 427,251,471	$ 439,094,438	$ 458,003,292

City of Waterloo, Iowa
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Page 1 of 2)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
Public safety	$ 30,037,249	$ 31,913,280	$ 31,773,269	$ 25,988,767	$ 34,120,160	$ 33,735,948	$ 20,828,929	$ 33,071,755	$ 38,539,492	$ 39,844,040
Public works	23,297,561	24,938,888	28,911,525	29,570,277	29,670,192	35,579,527	34,150,050	27,415,746	27,453,883	31,393,797
Health and social services	278,589	299,282	368,173	325,607	295,088	381,203	369,832	279,470	265,757	281,594
Culture and recreation	10,515,120	10,491,266	11,315,704	11,676,287	11,950,688	15,012,599	12,667,184	12,573,777	11,297,723	11,878,940
Community and economic development	16,138,333	14,129,616	12,910,299	13,190,672	13,753,669	12,860,289	17,417,572	11,593,102	11,778,352	12,518,489
General government	4,219,355	3,714,993	2,749,672	4,869,696	5,247,593	10,421,434	10,174,531	9,049,085	9,792,001	10,644,609
Interest on long-term debt	2,459,710	2,680,614	2,349,054	2,208,744	2,048,517	2,175,284	2,385,499	2,452,792	2,413,402	2,212,316
Total governmental activities expenses	86,945,917	88,167,939	90,377,696	87,830,050	97,085,907	110,166,284	97,993,597	96,435,727	101,540,610	108,773,785
Business-type activities:										
Sanitary sewer	9,730,465	10,033,041	9,811,929	12,518,569	14,018,836	13,635,403	13,107,645	12,254,389	12,287,197	12,110,438
Sanitation	3,680,500	3,640,314	3,215,663	3,612,307	3,921,263	4,050,778	4,166,465	4,196,226	4,963,445	5,272,312
Total business-type activities expenses	13,410,965	13,673,355	13,027,592	16,130,876	17,940,099	17,686,181	17,274,110	16,450,615	17,250,642	17,382,750
Total primary government expenses	$ 100,356,882	$ 101,841,294	$ 103,405,288	$ 103,960,926	$ 115,026,006	$ 127,852,465	$ 115,267,707	$ 112,886,342	$ 118,791,252	$ 126,156,535
Program Revenue										
Governmental activities:										
Charges for services:										
Public safety	$ 3,602,246	$ 3,683,489	$ 3,800,273	$ 4,018,731	$ 4,325,957	$ 4,231,224	$ 4,410,854	$ 4,460,965	$ 7,036,405	$ 6,120,115
Public works	2,224,870	2,192,414	2,802,925	2,498,057	1,284,289	2,474,497	3,641,744	2,451,369	2,337,247	2,448,785
Culture and recreation	2,592,204	2,492,426	3,010,899	3,361,891	3,645,647	3,538,243	3,503,643	3,370,198	3,213,303	3,897,666
Other activities	1,268,316	1,489,631	1,531,761	1,667,019	769,733	1,574,497	1,284,986	1,438,591	1,351,116	2,684,498
Operating grants and contributions	16,603,449	14,967,188	11,938,221	11,335,064	18,581,010	13,138,910	11,617,786	12,380,601	12,158,925	16,409,982
Capital grants and contributions	10,720,735	9,364,734	12,668,122	39,116,737	9,065,137	35,704,168	12,757,084	8,651,622	7,151,415	10,923,191
Total governmental activities program revenue	37,011,820	34,189,882	35,752,201	61,997,499	37,671,773	60,661,539	37,216,097	32,753,346	33,248,411	42,484,237
Business-type activities:										
Charges for services:										
Sanitary sewer	13,147,754	12,285,502	12,845,301	12,661,602	14,277,752	15,235,503	13,208,176	14,802,101	16,657,811	16,797,429
Sanitation	3,572,238	3,615,787	3,609,500	3,585,270	3,650,271	3,820,281	3,738,070	3,747,590	5,044,236	5,835,299
Operating grants and contributions:										
Sanitary sewer	54,041	-	-	24,236	1,892	206,145	37,055	-	2,005	1,001
Sanitation	215,584	273,869	272,755	274,324	273,624	290,513	273,624	273,624	273,857	273,550
Capital grants and contributions:										
Sanitary sewer	82,443	-	-	-	1,271,776	192,977	145,656	310,250	356,837	204,889
Sanitation	560	13,585	-	-	-	-	-	-	-	-
Total business-type activities program revenue	17,072,620	16,188,743	16,727,556	16,545,432	19,475,315	19,745,419	17,402,581	19,133,565	22,334,746	23,112,168
Total primary government program revenue	$ 54,084,440	$ 50,378,625	$ 52,479,757	$ 78,542,931	$ 57,147,088	$ 80,406,958	$ 54,618,678	$ 51,886,911	$ 55,583,157	$ 65,596,405
Net (Expense)/Revenue										
Governmental activities	$ (49,934,097)	$ (53,978,057)	$ (54,625,495)	$ (25,832,551)	$ (59,414,134)	$ (49,504,745)	$ (60,777,500)	$ (63,682,381)	$ (68,292,199)	$ (66,289,548)
Business-type activities	3,661,655	2,515,388	3,699,964	414,556	1,535,216	2,059,238	128,471	2,682,950	5,084,104	5,729,418
Total primary government net expense	$ (46,272,442)	$ (51,462,669)	$ (50,925,531)	$ (25,417,995)	$ (57,878,918)	$ (47,445,507)	$ (60,649,029)	$ (60,999,431)	$ (63,208,095)	$ (60,560,130)

City of Waterloo, Iowa
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(Page 2 of 2)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenue and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	$ 42,822,680	$ 45,536,650	$ 44,585,915	$ 45,514,979	$ 46,327,997	$ 46,530,686	$ 47,404,667	$ 47,722,089	$ 49,332,480	$ 52,877,346
Other taxes	14,844,322	15,142,297	16,745,434	17,471,721	17,554,079	17,260,380	17,239,619	18,757,207	19,039,780	20,577,471
Investment earnings	54,485	45,578	117,515	180,123	187,046	339,895	842,018	1,468,222	978,205	124,727
Miscellaneous	3,315,471	3,925,918	2,748,468	1,108,633	2,034,957	2,741,240	4,592,600	2,186,481	5,455,393	5,870,441
Gain on sale of assets	-	-	-	-	188,433	34,865	-	-	-	-
Transfers	(44,167)	(4,740)	-	(2,035)	-	-	-	(633,323)	-	-
Total governmental activities	60,992,791	64,645,703	64,197,332	64,273,421	66,292,512	66,907,066	70,078,904	69,500,676	74,805,858	79,449,985
Business-type activities:										
Investment earnings	18,612	16,555	25,122	39,714	49,277	51,489	104,439	246,059	205,504	10,999
Gain (loss) on sale of assets	-	-	-	1,711	-	-	46,298	3,850	39,700	8,000
Transfers	44,167	4,740	-	2,035	-	-	-	633,323	-	-
Total business-type activities	62,779	21,295	25,122	43,460	49,277	51,489	150,737	883,232	245,204	18,999
Total primary government	$ 61,055,570	$ 64,666,998	$ 64,222,454	$ 64,316,881	$ 66,341,789	$ 66,958,555	$ 70,229,641	$ 70,383,908	$ 75,051,062	$ 79,468,984
Changes in Net Position										
Governmental activities	$ 11,058,694	$ 10,667,646	$ 10,715,337	$ 38,440,870	$ 6,878,378	$ 17,402,321	$ 9,301,404	$ 5,818,295	$ 6,513,659	$ 13,160,437
Business-type activities	3,724,434	2,536,683	2,581,586	458,016	1,584,493	2,110,727	279,208	3,566,182	5,329,308	5,748,417
Total primary government	$ 14,783,128	$ 13,204,329	$ 13,296,923	$ 38,898,886	$ 8,462,871	$ 19,513,048	$ 9,580,612	$ 9,384,477	$ 11,842,967	$ 18,908,854

City of Waterloo, Iowa
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ 326,276	$ 322,077	$ 392,741	$ 323,781	$ 267,413	$ 197,324	$ 528,775	$ 392,145	$ 584,290	$ 898,156
Restricted	3,438,392	5,497,065	8,667,499	9,109,347	10,390,434	8,565,653	7,839,825	6,384,873	5,888,663	5,027,951
Committed	-	-	36,595	-	-	-	33,004	154,511	229,791	-
Assigned	4,802,837	5,318,721	4,430,460	4,848,307	5,007,033	5,410,593	5,902,856	5,465,413	5,633,149	7,871,374
Unassigned	9,644,699	8,907,668	10,184,876	10,224,959	9,836,132	9,546,862	9,479,091	10,277,115	11,188,047	12,736,746
Total general fund	$ 18,212,204	$ 20,045,531	$ 23,712,171	$ 24,506,394	$ 25,501,012	$ 23,720,432	$ 23,783,551	$ 22,674,057	$ 23,523,940	$ 26,534,227
All Other Governmental Funds										
Nonspendable	$ 297,516	$ 233,192	$ 466,165	$ 298,880	$ 290,117	$ 261,770	$ 131,211	$ 219,283	$ 140,959	$ 313,422
Restricted	42,286,946	42,907,706	28,709,385	38,887,421	47,673,892	75,498,203	66,401,834	73,478,029	66,733,675	60,645,760
Assigned	2,332,997	2,370,221	80,148	2,396,279	2,424,601	2,458,279	2,549,694	2,763,872	2,910,389	2,939,425
Unassigned	(7,161,884)	(4,608,778)	(1,929,863)	(5,711,850)	(4,495,025)	(3,347,626)	(3,091,717)	(3,681,465)	(3,674,580)	(6,956,351)
Total all other governmental funds	$ 37,755,575	$ 40,902,341	$ 27,325,835	$ 35,870,730	$ 45,893,585	$ 74,870,626	$ 65,991,022	$ 72,779,719	$ 66,110,443	$ 56,942,256

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, implemented in fiscal year 2011.

City of Waterloo, Iowa
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue										
Property taxes	$ 42,864,091	$ 45,485,229	$ 44,623,905	$ 45,440,607	$ 46,259,411	$ 46,530,686	$ 47,404,667	$ 47,720,396	$ 48,086,079	$ 52,877,346
Other taxes	15,460,718	14,683,459	16,946,689	17,599,304	17,309,079	17,541,380	17,239,619	18,764,207	18,227,575	20,765,591
Licenses and permits	1,119,886	1,128,513	1,350,599	1,413,739	1,491,131	1,543,716	1,364,662	1,454,547	1,466,645	1,392,173
Investment income	54,485	45,578	117,515	183,938	187,047	339,895	842,018	1,468,222	978,205	124,727
Rent*	1,186,419	1,191,376	1,263,682	1,293,559	1,235,525	1,257,433	1,219,786	1,273,336	1,350,265	1,268,940
Intergovernmental	25,596,988	27,797,797	23,425,271	28,647,425	26,670,622	43,647,665	20,141,757	24,374,718	19,595,972	25,735,011
Charges for services*	6,748,285	6,512,462	6,894,308	7,371,370	8,142,707	8,025,850	8,088,333	7,923,398	10,018,667	10,073,458
Interfund charges for service	1,935,000	1,935,000	1,935,000	1,935,000	1,935,000	2,185,000	2,255,000	2,180,000	2,180,000	2,416,493
Special assessments	93,870	124,467	139,408	127,266	138,434	133,943	176,382	201,637	126,258	169,139
Miscellaneous	3,702,763	4,503,173	3,425,567	2,760,949	2,032,729	1,765,900	3,249,040	2,776,159	3,689,350	3,940,108
Total revenue	98,762,505	103,407,054	100,121,944	106,773,157	105,401,685	122,971,468	101,981,264	108,136,620	105,719,016	118,762,986
Expenditures										
Current:										
Public safety	29,272,717	30,517,147	30,865,364	30,588,630	31,380,988	30,518,380	30,733,487	32,108,023	34,004,492	35,398,811
Public works	25,565,737	26,286,055	29,009,814	34,515,685	26,664,570	19,526,031	22,895,182	14,212,521	22,136,849	28,042,204
Health and social services	346,952	370,275	365,847	407,060	375,769	379,958	365,193	276,922	270,460	286,771
Culture and recreation	9,396,914	9,134,554	9,835,758	10,633,238	10,837,983	10,616,332	10,580,629	10,353,767	9,906,832	10,310,829
Community and economic development	13,794,104	13,555,391	12,966,402	11,783,311	13,483,447	12,265,460	10,508,576	11,442,804	12,583,363	14,554,888
General government	4,956,104	3,980,405	2,468,932	5,459,817	5,671,640	10,042,300	8,894,390	8,483,284	9,627,947	10,540,061
Debt service										
Principal	8,623,207	8,708,554	8,886,944	9,659,890	11,314,503	9,698,561	11,336,261	10,379,792	14,523,780	9,879,128
Interest and fees	2,536,705	2,377,108	2,300,105	2,023,366	2,169,997	2,268,663	2,514,761	2,502,968	2,661,551	2,633,620
Capital outlay	14,140,916	9,646,195	14,033,868	11,855,746	12,835,209	19,625,850	23,921,255	23,189,451	25,658,879	34,953,743
Total expenditures	108,633,356	104,575,684	110,733,034	116,926,743	114,734,106	114,941,535	121,749,734	112,949,532	131,374,153	146,600,055
Revenue over (under) expenditures	(9,870,851)	(1,168,630)	(10,611,090)	(10,153,586)	(9,332,421)	8,029,933	(19,768,470)	(4,812,912)	(25,655,137)	(27,837,069)
Other financing sources (uses)										
Transfers in	14,206,860	12,765,878	11,006,208	10,276,970	14,882,427	11,857,853	13,154,342	11,910,365	14,897,791	13,925,382
Transfers out	(14,206,860)	(12,765,878)	(11,006,208)	(10,276,970)	(14,882,427)	(11,857,853)	(13,154,342)	(11,910,365)	(14,897,791)	(13,925,382)
Insurance proceeds	19,968	173,397	356,454	1,400	766,470	1,624,380	1,112,624	-	1,659,358	1,986,893
Proceeds from sale of assets	-	71,014	47,937	(6,168)	335,618	95,564	206,006	171,426	56,088	336,362
Refunding bonds issued	4,200,000	2,630,000	8,670,000	-	-	-	1,425,000	-	-	6,472,000
Payment to refunded bond escrow agent	-	(6,744,723)	(8,806,014)	-	-	(2,040,000)	-	-	-	(6,472,000)
Proceeds from debt issued	6,740,000	9,900,348	11,595,000	8,000,000	19,140,000	19,210,000	8,090,000	10,000,000	17,675,000	18,798,418
Bond discounts and premiums	269,088	118,687	205,713	129,606	107,806	276,585	118,355	320,689	445,298	557,496
Total other financing sources (uses)	11,229,056	6,148,723	12,069,090	8,124,838	20,349,894	19,166,529	10,951,985	10,492,115	19,835,744	21,679,169
Net change in fund balances	$ 1,358,205	$ 4,980,093	$ 1,458,000	$ (2,028,748)	$ 11,017,473	$ 27,196,462	$ (8,816,485)	$ 5,679,203	$ (5,819,393)	$ (6,157,900)
Debt service as a percentage of noncapital expenditures	11.8%	13.2%	12.3%	13.2%	13.2%	12.6%	14.2%	14.4%	16.3%	12.4%

City of Waterloo, Iowa
Assessed and Taxable Value of Property
Last Ten Fiscal Years

Assessment Date January 1,	For Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	TIF Property	Other Property	Less: Military Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Total Assessed Value	Total Taxable Value as a Percentage of Assessed Value
2010	2012	1,166,201,221	781,318,790	100,090,080	150,383,839	111,996,683	7,253,351	2,302,737,262	18.53335	3,747,030,046	61.45%
2011	2013	1,251,445,651	813,065,056	121,443,090	179,551,015	111,367,841	6,985,742	2,469,886,911	18.20505	3,738,165,467	66.07%
2012	2014	1,316,533,993	800,057,810	122,324,860	183,333,664	111,068,231	6,742,623	2,526,575,935	17.49319	3,762,106,346	67.16%
2013	2015	1,303,730,888	717,175,119	112,118,499	207,637,570	112,027,732	6,558,362	2,446,131,446	17.95159	3,629,362,635	67.40%
2014	2016	1,347,497,993	662,021,833	105,004,150	214,993,747	110,527,435	6,267,608	2,433,777,550	17.76370	3,656,417,436	66.56%
2015	2017	1,383,126,415	620,075,361	104,318,361	229,899,157	151,573,034	6,008,327	2,482,984,001	17.60522	3,770,142,165	65.86%
2016	2018	1,426,734,942	626,685,915	102,735,087	230,753,488	141,987,418	5,774,986	2,523,121,864	17.60000	3,797,591,542	66.44%
2017	2019	1,400,102,962	614,016,517	101,985,208	263,287,703	158,466,327	5,436,059	2,532,422,658	17.45595	3,858,553,457	65.63%
2018	2020	1,447,591,365	654,112,386	102,437,652	267,969,299	153,414,284	4,932,861	2,620,592,125	17.54799	3,945,324,830	66.42%
2019	2021	1,439,257,464	648,885,677	105,155,528	284,405,439	145,359,250	4,675,374	2,618,387,984	18.44026	4,043,161,870	64.76%

Source: Black Hawk County Auditor.

Notes: (1) Does not include tax-exempt property. Tax rates are per $1,000 of assessed value.
(2) Property tax on machinery and equipment was phased out during the period FYE2001 through FYE2003.
(3) A new category for multi-residential property was created by the state beginning in FYE2017. These valules are included in the "Other Property" category
(4) A rollback from assessed to taxable valuation was implemented for commerical and industrial property beinning in FYE2017. The facto was 5% for FYE2017 and

City of Waterloo, Iowa
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

				Overlapping Rates							
	City of Waterloo			Black Hawk County			Schools				Total Direct & Overlapping Rates
Fiscal Year	Operating Millage	Debt Service	Total City Millage	Operating Millage	Debt Service	Total County Millage	Operating Millage	Debt Service	Total School Millage	Other	
2012	15.16068	3.37267	18.53335	5.92415	0.67322	6.59737	15.28141	1.00000	16.28141	1.28109	42.69322
2013	15.03346	3.17159	18.20505	5.59849	0.64144	6.23993	14.80265	1.00000	15.80265	1.33770	41.58533
2014	14.39276	3.10043	17.49319	5.39234	0.62882	6.02116	13.12135	2.60683	15.72818	1.36950	40.61203
2015	14.74920	3.20239	17.95159	5.52447	0.59472	6.11919	13.28631	2.68895	15.97526	1.35851	41.40455
2016	14.50433	3.25937	17.76370	5.43985	1.30832	6.74817	12.92607	2.69825	15.62432	1.34988	41.48607
2017	14.44418	3.16104	17.60522	5.48507	0.96070	6.44577	12.72660	2.67340	15.40000	1.33315	40.78414
2018	14.48927	3.11073	17.60000	5.60805	0.80702	6.41507	12.33034	2.65121	14.98155	1.33495	40.33157
2019	14.46767	2.98828	17.45595	5.96158	0.73145	6.69303	11.96864	2.60324	14.57188	1.36344	40.08430
2020	14.79204	2.75595	17.54799	5.72918	0.57445	6.30363	11.63832	2.56862	14.20694	1.43491	39.49347
2021	15.68435	2.75591	18.44026	5.94328	0.39297	6.33625	11.63405	2.57289	14.20694	1.47747	40.46092

Source: Black Hawk County Auditor.

City of Waterloo, Iowa
Principal Taxpayers
Current Year and Nine Years Ago

	2021			2012		
Employer	Assessed Value 1/1/2019	Rank	Percentage of Total Assessed Value	Assessed Value 1/1/2010	Rank	Percentage of Total Assessed Value
MidAmerican Energy	$ 78,315,653	1	1.94%	$ 133,305,953	1	3.56%
Deere and Company	50,559,222	2	1.25%	28,300,210	4	0.76%
IOC Black Hawk County, Inc.	48,954,195	3	1.21%	73,670,230	2	1.97%
Con Agra k/n/a Hunt Wesson, Inc.	31,500,000	4	0.78%	26,580,220	5	0.71%
Ferguson Enterprises, Inc.	18,636,903	5	0.46%	24,732,360	6	0.66%
FDP WTC LLC	16,711,938	6	0.41%			
VGM Management, Inc.	16,594,492	7	0.41%			
Tyson Fresh Meats (formerly IBP, Inc.)	15,992,295	8	0.40%	17,306,720	7	0.46%
Bertch Cabinet Manufacturing, Inc.	14,318,676	9	0.35%	15,607,970	8	0
Walmart	12,011,454	10	0.30%			
Crossroads Realty LLC	-		--	39,530,390	3	1.05%
Howard Allen Investments	--		--	15,590,980	9	0.42%
Qwest Corporation (formerly US West)	--		--	13,138,639	10	0.35%
	--		--			
Total	$ 303,594,828		7.51%	$ 387,763,672		10.36%

Source: Official Bond Statements prepared by Speer Financial, Inc.

City of Waterloo, Iowa
Property Tax Levies and Collections
Last Ten Fiscal Years

Assessment Date January 1,	Fiscal Year Ended June 30,	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
2010	2012	38,703,447	38,469,916	99.40%	20,895	38,490,811	99.45%
2011	2013	40,620,062	40,275,404	99.15%	18,966	40,294,370	99.20%
2011	2013	40,620,062	40,275,404	99.15%	18,966	40,294,370	99.20%
2013	2015	39,200,603	38,901,557	99.24%	(362,370) *	38,539,187	98.31%
2014	2016	38,480,720	38,405,051	99.80%	(176,170) *	38,228,881	99.35%
2014	2016	38,480,720	38,405,051	99.80%	(176,170) *	38,228,881	99.35%
2016	2018	39,613,829	39,602,704	99.97%	8,658	39,611,362	99.99%
2017	2019	38,984,631	38,980,335	99.99%	21,994	39,002,329	100.05%
2018	2020	40,639,192	40,122,621	98.73%	34,427	40,157,048	98.81%
2019	2021	42,422,199	42,700,728	100.66%	290,135	42,990,863 ^	101.34%

Source: Black Hawk County Auditor's office.

Current year tax collections can exceed the total tax levy in certain instances, such as when property valuation adjustments are made after the tax levy certifications are completed. Information regarding changes to levies and the years that delinquent payments are attributable is not available to the City.

^ Due to the COVID-19 pandemic, the Governor of Iowa extended the due date for tax collections for the year ended June 30, 2020 to July 2020, resuling in higher delinquent tax collections for the year ended June 30, 2021.

* A number of property valuation appeals for the valuation at the January 1, 2011 assessment date were settled during the fiscal years ended June 30, 2014, 2015 and 2016 which resulted in refunds owed for prior taxes paid on those properties. Black Hawk County netted those refunds from delinquent taxes paid to the City, resulting in negative delinquent tax collections.

City of Waterloo, Iowa
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities				Business-Type Activities						
Fiscal Year	General Obligation Bonds	General Obligation Capital Loan Notes	Capital Leases	Other Debt	General Obligation Bonds	Revenue Bonds	Capital Leases	Other Debt	Total Primary Government	Percentage of Personal Income*	Per Capita*
2012	68,651,784	--	--	2,111,193	20,870,997	4,727,951	--	--	96,361,925	3.82%	1,411
2013	65,966,220	--	--	2,524,312	24,400,407	3,119,608	--	--	96,010,547	3.58%	1,404
2014	69,226,920	--	--	2,281,997	22,253,712	1,914,460	--	--	95,677,089	3.38%	1,399
2015	67,833,111	--	--	2,061,307	25,804,346	719,286	--	--	96,418,050	3.37%	1,409
2016	75,897,719	--	--	1,934,063	23,198,824	142,604	--	--	101,173,210	3.59%	1,479
2017	83,682,844	--	--	1,788,702	21,692,273	-	--	--	107,163,819	3.78%	1,566
2018	81,969,301	--	--	8,019,724	19,136,397	1,534,000	--	--	110,659,422	3.81%	1,598
2019	82,879,508	--	--	6,905,931	16,583,131	2,091,522	--	--	108,460,092	3.65%	1,586
2020	87,276,792	--	--	5,862,152	14,541,676	2,030,495	--	--	109,711,115	3.40%	1,604
2021	92,697,175	--	3,762,929	5,913,513	12,512,539	17,403,732	--	--	132,289,888	3.92%	1,934

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

* Personal income and population data can be found in the Schedule of Demographic and Economic Statistics. These ratios are calculated using personal income and population for the prior calendar year.

City of Waterloo, Iowa
Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Total Assessed Value of Property	Percentage of Assessed Value of Property	Per Capita*
2012	89,522,781	3,747,030,046	2.39%	1,309
2013	90,366,627	3,738,165,467	2.42%	1,321
2014	91,480,632	3,762,106,346	2.43%	1,337
2015	93,637,457	3,629,362,635	2.58%	1,369
2016	99,096,543	3,656,417,436	2.71%	1,449
2017	105,375,117	3,770,142,165	2.79%	1,540
2018	101,105,698	3,797,591,542	2.66%	1,478
2019	99,462,639	3,858,553,457	2.58%	1,454
2020	101,818,468	3,945,324,830	2.58%	1,488
2021	105,209,714	4,043,161,870	2.60%	1,538

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

* Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Waterloo, Iowa
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable To City*	Estimated Share of Overlapping Debt
City of Waterloo direct debt	$ 102,373,617	100.00%	$ 102,373,617
Overlapping:			
Black Hawk County	$ 22,350,000	42.99%	9,608,265
Hawkeye Community College	11,560,000	24.30%	2,809,080
Subtotal, overlapping debt	$ 33,910,000		$ 12,417,345
Total direct and overlapping debt	$ 136,283,617		$ 114,790,962

Source: Black Hawk County Auditor

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Waterloo. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

*The percentage of overlapping debt applicable is estimated using net taxable property values. Applicable percentages were estimated by determining the portion of the County's net value that is within the government's boundaries and dividing it by the County's total value.

Source: Black Hawk County Auditor

City of Waterloo
Legal Debt Margin Information
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	$ 187,351,502	$ 186,908,273	$ 188,105,317	$ 181,167,349	$ 182,820,872	$ 188,507,108	$ 189,879,577	$ 192,927,673	$ 197,266,242	$ 202,158,094
Total net debt applicable to limit	91,633,974	92,890,939	93,762,629	95,698,764	101,030,606	107,163,819	109,125,422	106,368,570	107,680,620	114,700,920
Legal debt margin	$ 95,717,528	$ 94,017,334	$ 94,342,688	$ 85,468,585	$ 81,790,266	$ 81,343,289	$ 80,754,155	$ 86,559,103	$ 89,585,622	$ 87,457,174
Total net debt applicable to the limit as a percentage of debt limit	48.91%	49.70%	49.02%	49.44%	49.44%	56.85%	55.26%	55.13%	54.59%	56.74%

Legal Debt Margin Calculation for Fiscal Year 2021:

Estimated actual valuation (assessed) as of January 1, 2019	$ 4,043,161,870
Debt limit (5% of total estimated actual valuation)	202,158,094
Debt applicable to debt limit:	
General obligation bonds	105,024,478
Capital leases	5,913,513
General obligation capital loan notes	3,762,929
Total net debt applicable to limit	114,700,920
Legal debt margin	$ 87,457,174

Note: Under the State of Iowa Constitution, the city's outstanding general obligation debt should not exceed 5% of total assessed property value.

City of Waterloo, Iowa
Sewer Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Less: Applicable Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements	Coverage
2012	13,217,083	6,450,294	6,766,789	1,655,847	4.0866
2013	12,312,670	6,803,784	5,508,886	1,659,883	3.3188
2014	12,863,347	8,069,660	4,793,687	1,259,403	3.8063
2015	12,716,670	9,894,071	2,822,599	1,233,703	2.2879
2016	14,261,375	11,319,925	2,941,450	592,413	4.9652
2017	15,229,015	11,307,231	3,921,784	144,200	29.2810
2018	13,362,514	9,263,755	4,098,759	66,469	61.6642
2019	15,003,350	8,433,566	6,569,784	193,738	33.9107
2020	16,835,257	8,462,090	8,373,167	230,600	36.3104
2021	16,811,009	8,563,164	8,247,845	505,522	16.3155

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Gross revenue includes both operating and non-operating revenue. Operating expenses do not include interest, depreciation or amortization of bond issue costs.

City of Waterloo, Iowa
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population[1]	Personal Income	Per Capita Personal Income[2]	Median Age[1]	Unemployment Rate[3]	School Enrollment[4]
2011	68,406	2,524,386,618	36,903	35.9	7.1%	10,103
2012	68,406	2,681,173,170	39,195	35.9	6.5%	10,239
2013	68,406	2,827,835,634	41,339	35.7	5.6%	10,483
2014	68,406	2,857,250,214	41,769	35.5	6.5%	10,611
2015	68,406	2,817,779,952	41,192	35.8	5.4%	10,445
2016	68,406	2,837,344,068	41,478	36.2	4.8%	10,357
2017	68,406	2,871,842,930	42,186	36.5	4.7%	10,401
2018	68,406	2,967,454,000	43,452	36.6	2.6%	10,297
2019	68,406	3,226,287,180	47,623	37.0	3.7%	10,380
2020	67,314	3,374,759,000	50,126	36.8	6.6%	10,196

N/A = Not available.

Sources:
[1] 2000 and 2010 U.S. Census
[2] U.S. Department of Commerce, Bureau of Economic Analysis
[3] Iowa Workforce Development
[4] Waterloo Community Schools

City of Waterloo, Iowa
Principal Area Employers
Current Year and Nine Years Ago

	2021			2012		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Deere & Company	5,600	1	17.18%	5,600	1	15.73%
Tyson Fresh Meats	2,950	2	9.05%	2,500	3	7.02%
Mercy One (formerly Wheaton Franciscan)	2,655	3	8.14%	2,680	2	7.53%
Waterloo Community Schools	1,730	4	5.31%	1,560	6	4.38%
University of Northern Iowa	1,650	5	5.06%	1,850	5	5.20%
Unity Point Health (formerly Allen Hospital)	1,500	6	4.60%	2,080	4	5.84%
Hy-Vee	1,200	7	3.68%	1,130	8	3.17%
Target Regional Distribution	1,070	8	3.28%	850	9	2.39%
VGM Group	1,055	9	3.24%	--	--	--
Western Home Communities	960	10	2.94%	--	--	--
Area Education Agency 267	-	-	-	1,150	7	3.23%
GMAC Mortgage Corp.	--	--	--	805	10	2.26%
Total	20,370		62.48%	20,205		56.75%

Source: Official Bond Statements from Speer Financial, Inc.

City of Waterloo, Iowa
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police	138.0	131.0	130.0	130.0	130.0	130.0	129.0	129.0	129.0	127.0
Fire	112.5	109.5	108.5	106.5	109.5	107.5	104.5	108.5	106.5	106.0
Building Inspection	12.5	12.5	12.5	13.5	13.5	13.0	11.0	12.0	17.0	17.0
Public Works										
City Engineer	20.0	20.0	20.0	20.0	20.0	20.0	21.0	21.0	18.0	19.0
Traffic	12.0	15.0	16.0	16.0	14.0	15.0	14.0	15.0	15.5	15.5
Central Garage	9.0	9.0	10.0	10.0	9.0	9.0	9.0	7.0	8.0	9.0
Street	38.0	36.0	34.0	37.0	35.0	36.0	35.0	38.0	38.0	36.0
Airport	6.0	5.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Health & Social Services										
Human Rights	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Culture & Recreation										
Cultural & Arts	14.5	13.0	11.0	13.0	12.0	13.0	10.0	10.0	12.0	12.0
Library	24.5	25.0	25.0	24.5	24.0	23.5	22.5	22.0	22.0	21.0
Leisure Services	39.0	36.0	40.0	43.0	42.0	41.0	43.0	42.0	40.0	38.0
Community & Economic Development										
Community Planning & Development	24.0	22.0	23.0	23.0	22.0	21.0	22.0	22.0	19.0	18.0
General Government										
Mayor's Office	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Info Tech	2.0	1.0	1.0	1.0	2.0	4.0	5.0	4.0	5.0	5.0
City Clerk & Finance	13.0	14.0	14.0	12.0	12.0	9.0	10.0	10.0	10.0	10.0
City Attorney/Code Enforcement	1.5	1.5	1.5	1.5	6.0	6.0	6.0	6.0	6.0	6.0
Human Resources	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
Facilities Maintenance	3.0	3.0	4.0	4.0	4.0	4.0	5.0	4.0	4.0	4.0
Waste Management Services										
Sewer	35.0	33.9	41.0	39.0	40.0	39.0	36.0	38.0	38.0	38.0
Sanitation	14.0	17.1	13.0	17.0	13.0	13.0	13.0	11.0	13.0	14.0
Total	525.5	511.5	517.5	524.0	521.0	518.0	510.0	513.5	515.0	509.5

Source: City Human Resources Department records.

City of Waterloo, Iowa
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Page 1 of 2)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety									
Police *									
Traffic accidents	1,598	1,839	1,726	1,607	1,633	1,441	1,527	1,235	1,184
Cases	11,344	11,298	11,111	10,110	9,683	8,930	9,103	8,028	7,298
Citations	6,448	6,989	5,060	4,917	3,947	3,748	4,195	3,681	2,424
Calls for service	75,626	77,161	67,717	61,944	60,652	50,773	50,986	47,979	37,752
Total arrests	4,984	4,931	4,728	4,004	3,874	3,444	3,496	2,777	2,351
Fire									
Fire responses	4,622	5,011	5,129	5,232	5,638	5,542	5,623	5,233	5,301
Ambulance responses	6,997	6,729	6,830	6,650	7,036	8,720	9,180	8,956	9,833
Building Inspection									
Construction permits issued	8,682	9,969	10,327	10,620	9,704	8,483	7,124	7,011	7,062
Construction value of permits	$ 91,192,766	$ 101,677,108	$ 100,224,478	$ 127,513,038	$ 108,699,337	$ 104,700,306	$ 142,264,758	$ 161,102,459	$ 140,629,305
Public Works									
Engineering									
Street reconstruction (miles)	3.08	3.15	1.59	2.61	3.35	3.08	3.30	2.81	2.50
Street resurfacing (miles)	14.05	12.21	18.63	12.53	0.64	1.66	2.60	3.34	2.10
Street Department									
Tons of salt used for streets	5,700.00	5,162.00	4,217.00	3,024.00	3,307.00	5,699.72	4,000.00	2,500.00	2,273.00
Man hours for road maintenance	67,345	66,650	67,320	79,357	66,924	68,644	38,485	47,104	30,452
Airport									
Commercial Enplanements	19,897	21,573	26,170	27,325	25,534	22,836	23,446	15,055	7,859
Aircraft take-offs and landings	20,589	19,109	19,550	21,037	18,585	18,943	20,072	19,006	19,946
Based aircraft	104	104	74	75	75	75	81	70	70
Health & Social Services									
Human Rights									
Civil Rights complaints									
New cases opened	106	64	66	50	57	49	58	41	31
Cases closed	59	43	100	50	69	72	85	68	47
Active cases at year-end	154	177	143	142	129	105	83	52	40
Culture & Recreation									
Leisure Services									
SportsPlex Members	N/A	2,594	4,450	4,965	5,095	5,243	6,167	5,456	5,751
Young Arena facility usage									
Event Visitors	118,639	119,903	100,064	100,913	103,547	105,938	104,635	81,507	38,606
Recreational Visitors	174,780	186,384	189,121	189,586	183,749	180,545	167,900	124,700	40,099
Sports - youth programs	5,451	5,571	5,623	5,689	5,573	5,434	5,413	4,238	4,374
Sports - adult programs	1,588	1,598	1,617	1,543	1,497	1,412	1,384	954	1,112
Pool attendance @	39,611	37,603	33,866	34,733	28,861	22,065	9,980	15,734	24,113
Golf rounds	81,218	75,737	74,891	76,137	69,989	60,640	52,076	56,192	74,449
Annual flowers grown for parks	23,304	-	-	-	-	-	-		-
Public Library									
Total Circulation	405,341	422,204	470,786	446,467	365,656	299,035	295,877	500,974	146,010
Total Library Visits #	263,261.00	271,603.00	278,431.00	253,929.00	262,073.00	250,804.00	181,867.00	92,342.00	37,579.00
Waterloo Center for the Arts									
In House Visitors	125,958.00	118,970.00	128,140.00	122,334.00	157,628.00	189,153.00	191,675.00	120,000.00	48,500.00
Events, meetings, and programs	1,563.00	1,074.00	1,103.00	1,003.00	1,261.00	1,513.00	1,757.00	1,100.00	633.00

City of Waterloo, Iowa
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Page 2 of 2)

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021
Community & Economic Development									
Planning and Zoning									
Planning commission agenda items	72	91	100	86	63	70	59	47	73
CURA applications received **	24	30	41	31	35	25	28	22	13
CURA improvements value	$ 2,776,663	$ 11,368,905	$ 7,856,518	$ 13,451,612	$ 13,439,875	$ 3,793,731	$ 3,037,684	$ 5,367,551	$ 8,610,759
CLURA applications received***	19	58	69	41	74	46	39	46	45
CLURA improvments value	$ 4,385,349	$ 14,418,617	$ 15,057,131	$ 8,849,239	$ 17,426,350	$ 11,090,817	$ 11,533,082	$ 13,682,420	$ 14,222,172
Community Development									
Down payment assistance	10	3	4	8	7	-	-		3
Home buyer education	-	-	-	-	-	-	-		-
Owner-occupied homes rehabilitated	31	42	26	24	24	25	33	31	35
Emergency repairs (including roofs)	49	37	33	34	32	21	25	30	39
Demolitions (residential & commercial)	18	21	-	13	-	1	2	-	-
Housing									
Vouchers used	1,005	931	937	975	1,017	1,010	1,020	1,061	1,042
Public housing units	50	50	50	50	50	50	50	50	49
Family self sufficiency participants	47	36	31	34	28	26	23	20	21
Sewer									
Sewer system customers	25,393	26,102	25,584	26,498	26,522	25,235	26,732	26,790	26,501

Source: Various city departments
* Statistics for Police Department are for the calendar year ending within the fiscal year shown.
** Consolidated Urban Revitalization Area.
*** City Limits Urban Revitalization Area Started FY12
# Door counter was broken for several months, so not all visitors could be counted.
@ One pool could not be opened in the spring of 2019 due to needed repairs

City of Waterloo, Iowa
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety									
Police									
Stations	1	1	1	1	1	1	1	1	1
Fire*									
Stations	7	7	7	7	7	7	7	7	7
Trucks and special vehicles	31	29	29	30	33 **	35	31	31	31
Public Works									
Miles of streets - paved	364	364	364	360	360	361	362	363	363
Miles of streets - unpaved	72	72	72	68	68	68	68	73	73
Street lights	1,800	1,807	1,807	1,807	1,807	1,847	1,847	2,582	2,503
Traffic Signals	200	197	198	198	199	200	202	200	206
Airport runway lengths:									
Runway 12/30	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400	8,400
Runway 18/36	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002	6,002
Runway 6/24	5,403	5,403	5,403	5,403	5,403	5,403	5,403	CLOSED	CLOSED
Culture & Recreation									
City recreation areas	3	3	**3**	**3**	3	**3**	**3**	**3**	**3**
City parks	48	48	48	48	48	48	48	48	48
Golf courses	3	3	3	3	3	3	3	3	3
Swimming pools	2	2	2	2	2	2	2	2	2
Softball diamonds	23	23	23	23	20	20	20	20	20
Baseball diamonds	6	6	6	6	6	6	6	6	6
Baseball stadium	1	1	1	1	1	1	1	1	1
Softball complexes	2	2	2	2	2	2	2	2	2
Tennis courts	27	27	27	27	27	27	27	27	27
Ice arena	1	1	1	1	1	1	1	1	1
Soccer complex	1	1	1	1	1	1	1	1	1
Exposition plaza	1	1	1	1	1	1	1	1	1
Skatepark	1	1	1	1	1	1	1	1	1
Dog park	1	1	1	1	1	1	1	1	1
Amphitheater	1	1	1	1	1	1	1	1	1
Splash Park	1	1	1	1	1	1	1	1	1
SPORTSPLEX	0	0	1	1	1	1	1	1	1
Center for the Arts collection size	4,352	4,682	5,102	5,498	5,647	6,001	6,475	6,738	7,122
Library collection size **	161,462	164,486	138,540	138,305	124,649	112,777	112,777	107,583	112,620
Sewer									
Miles of sanitary sewer	356	357	358	368	372	373	374	376	378

Source: Various city departments
* Added boats
** Collection size increased due to providing additional electronic service

APPENDIX B

DESCRIBING BOOK-ENTRY-ONLY ISSUANCE

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

APPENDIX C

DRAFT FORM OF BOND COUNSEL OPINION



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DRAFT

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Waterloo, State of Iowa (the "Issuer"), relating to the issuance of General Obligation Bonds, Series 2022B, by said City, dated _____, 2022, in the denomination of $5,000 or multiples thereof, in the aggregate amount of $_____ (the "Bonds").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing issuance of the Bonds (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and issue the Bonds.

2. The Bonds are valid and binding general obligations of the Issuer.

3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

02041165-1\11310-149



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DRAFT

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Waterloo, State of Iowa (the "Issuer"), relating to the issuance of Taxable General Obligation Bonds, Series 2022C, by said City, dated _____, 2022, in the denomination of $5,000 or multiples thereof, in the aggregate amount of $_____ (the "Bonds").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing issuance of the Bonds (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

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2. The Bonds are valid and binding general obligations of the Issuer.

3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Bonds. Taxes have been levied by the Resolution for the payment of the Bonds and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds to the extent the necessary funds are not provided from other sources.

4. The interest on the Bonds is not excluded from gross income for federal income tax purposes under Section 103(a) of the Internal Revenue Code of 1986, as amended. THE HOLDERS OF THE BONDS SHOULD TREAT THE INTEREST THEREON AS SUBJECT TO FEDERAL INCOME TAXATION. We express no other opinion regarding any other federal or state income tax consequences caused by the receipt or accrual of interest on the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

Wishard & Baily – 1888, Guernsey & Baily – 1893, Baily & Stipp – 1901, Stipp, Perry, Bannister & Starzinger – 1914, Bannister, Carpenter, Ahlers & Cooney – 1950, Ahlers, Cooney, Dorweiler, Allbee, Haynie & Smith – 1974, Ahlers, Cooney, Dorweiler, Haynie, Smith & Allbee, P.C. – 1990

The rights of the owners of the Bonds and the enforceability of the Bonds are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

02041169-1\11310-150

APPENDIX D

DRAFT CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Waterloo, State of Iowa (the "Issuer"), in connection with the issuance of $_____ General Obligation Bonds, Series 2022B and $_____ Taxable General Obligation Bonds, Series 2022C (the "Bonds") dated _____, 2022. The Bonds are being issued pursuant to a Resolution of the Issuer approved on _____, 2022 (the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate; Interpretation. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5). This Disclosure Certificate shall be governed by, construed and interpreted in accordance with the Rule, and, to the extent not in conflict with the Rule, the laws of the State. Nothing herein shall be interpreted to require more than required by the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Iowa are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with S.E.C. Rule 15c2-12.

"Holders" shall mean the registered holders of the Bonds, as recorded in the registration books of the Registrar.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1300 I Street NW, Suite 1000, Washington, DC 20005.

"National Repository" shall mean the MSRB's Electronic Municipal Market Access website, a/k/a "EMMA" (emma.msrb.org).

"Official Statement" shall mean the Issuer's Official Statement for the Bonds, dated _____, 2022.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission (S.E.C.) under the Securities Exchange Act of 1934, and any guidance and procedures thereunder published by the S.E.C., as the same may be amended from time to time.

"State" shall mean the State of Iowa.

Section 3. Provision of Annual Financial Information.

a) The Issuer shall, or shall cause the Dissemination Agent to, not later than two hundred seventy (270) days after the end of the Issuer's fiscal year (presently June 30th), commencing with information for the 2021/2022 fiscal year, provide to the National Repository an Annual Financial Information filing consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Financial Information filing must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Financial Information filing may be submitted as a single document or as separate documents comprising a package. The Annual Financial Information filing may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Financial Information filing and later than the date required above for the filing of the Annual Financial Information if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

b) If the Issuer is unable to provide to the National Repository the Annual Financial Information by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board, if any, in substantially the forms attached as Exhibit A-1 and A-2.

c) The Dissemination Agent shall:

i. each year file Annual Financial Information with the National Repository; and

ii. (if the Dissemination Agent is other than the Issuer), file a report with the Issuer certifying that the Annual Financial Information has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

Section 4. Content of Annual Financial Information. The Issuer's Annual Financial Information filing shall contain or incorporate by reference the following:

a) The last available audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer's audited financial statements for the preceding years are not available by the time Annual Financial Information is required to be filed pursuant to Section 3(a), the Annual Financial Information filing shall contain unaudited financial statements of the type included in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Financial Information when they become available.

b) A table, schedule or other information prepared as of the end of the preceding fiscal year, of the type contained in the final Official Statement under the caption "Socioeconomic Information - Retail Sales", "Local Option Sales Tax", "Property Tax Information", "Debt Information", and "Financial Information." Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been filed with the National Repository. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

a) Pursuant to the provisions of this Section, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds in a timely manner not later than 10 Business Days after the day of the occurrence of the event:

i. Principal and interest payment delinquencies;

ii. Non-payment related defaults, if material;

iii. Unscheduled draws on debt service reserves reflecting financial difficulties;

iv. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;

v. Substitution of credit or liquidity providers, or their failure to perform;

vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Bonds, or material events affecting the tax-exempt status of the Bonds;

vii. Modifications to rights of Holders of the Bonds, if material;

viii. Bond calls (excluding sinking fund mandatory redemptions), if material, and tender offers;

ix. Defeasances of the Bonds;

x. Release, substitution, or sale of property securing repayment of the Bonds, if material;

xi. Rating changes on the Bonds;

xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;

xiii. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

xv. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

xvi. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

b) Whenever the Issuer obtains the knowledge of the occurrence of a Listed Event, the Issuer shall determine if the occurrence is subject to notice only if material, and if so shall as soon as possible determine if such event would be material under applicable federal securities laws.

c) If the Issuer determines that knowledge of the occurrence of a Listed Event is not subject to materiality, or determines such occurrence is subject to materiality and would be material under applicable federal securities laws, the Issuer shall promptly, but not later than 10 Business Days after the occurrence of the event, file a notice of such occurrence with the Municipal Securities Rulemaking Board through the filing with the National Repository.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate with respect to each Series of Bonds shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds of that Series or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

a) If the amendment or waiver relates to the provisions of Section 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

c) The amendment or waiver either (i) is approved by the Holders of the Bonds in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Financial Information filing, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Financial Information filing for the year in which the change is made will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Financial Information filing or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information filing or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Information filing or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 13. Rescission Rights. The Issuer hereby reserves the right to rescind this Disclosure Certificate without the consent of the Holders in the event the Rule is repealed by the S.E.C. or is ruled invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of the Rule, the Issuer hereby reserves the right to rescind those provisions of this Disclosure Certificate that were required by those parts of the Rule that are so repealed or invalidated.

Date: _____ day of _____, 2022.

CITY OF WATERLOO, STATE OF IOWA

By: _____
Quentin M. Hart, Mayor

ATTEST:

By: _____
Kelley Felchle, City Clerk

EXHIBIT A-1

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Waterloo, Iowa.

Name of Bond Issue: $_____ General Obligation Bonds, Series 2022B

Dated Date of Issue: _____, 2022

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Bonds. The Issuer anticipates that the Annual Financial Information will be filed by _____.

Dated: _____ day of _____, 20___.

CITY OF WATERLOO, STATE OF IOWA

By: _____
Its: _____

EXHIBIT A-2

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Waterloo, Iowa.

Name of Bond Issue: $_____ Taxable General Obligation Bonds, Series 2022C

Dated Date of Issue: _____, 2022

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Bonds as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Bonds. The Issuer anticipates that the Annual Financial Information will be filed by _____.

Dated: _____ day of _____, 20___.

CITY OF WATERLOO, STATE OF IOWA

By: _____
Its: _____

OFFICIAL BID FORM – TAX-EXEMPT BONDS

City of Waterloo
715 Mulberry Street
Waterloo, IA 50703

May 18, 2022
Speer Financial, Inc.
Facsimile: (319) 291-8628

City Council:

For the $5,685,000* General Obligation Bonds, Series 2022B (the "Tax-Exempt Bonds"), of the City of Waterloo, Black Hawk County, Iowa (the "City"), as described in the annexed Official Terms of Offering, which is expressly made a part of this bid, we will pay you $_____ (no less than $5,639,520). The Tax-Exempt Bonds are to bear interest at the following respective rates (each a multiple of 1/8 or 1/100 of 1%) for the Tax-Exempt Bonds of each designated maturity.

AMOUNTS* AND MATURITIES – JUNE 1

$315,000	2023	_____%	$355,000	2028	_____%	$510,000	2033	_____%
115,000	2024	_____%	365,000	2029	_____%	520,000	2034	_____%
100,000	2025	_____%	475,000	2030	_____%	535,000	2035	_____%
100,000	2026	_____%	485,000	2031	_____%	505,000	2036	_____%
345,000	2027	_____%	500,000	2032	_____%	460,000	2037	_____%

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

In submitting this bid, we represent that (i) this bid constitutes a firm offer to purchase the Tax-Exempt Bonds, and (ii) we have an established industry reputation for underwriting new issuances of municipal bonds and notes.

The Tax-Exempt Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa. The City will pay for the legal opinion. **The Purchaser agrees to** pay the fee charged by the CUSIP Service Bureau and will accept the Tax-Exempt Bonds with the CUSIP numbers as entered on the Tax-Exempt Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Terms of Offering for the Tax-Exempt Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the City in the amount of the Deposit under the terms provided in the Official Terms of Offering for the Tax-Exempt Bonds.

Attached hereto is a list of members of our account on whose behalf this bid is made.

Form of Deposit (Check One)

Prior to Bid Opening:
Certified/Cashier's Check [ ]
Wire Transfer [ ]

Within TWO Hours of Bid Opening:
Wire Transfer [ ]

Amount: $113,700

Account Manager Information

Underwriter/Bank _____

Address _____

Authorized Rep _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

We have purchased insurance from:

Name of Insurer
(Please fill in)

_____

Premium: _____

Maturities: (Check One)

[__] _____**Years**

[__] All

The foregoing bid was accepted and the Tax-Exempt Bonds sold by resolution of the City on May 18, 2022, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Terms of Offering.

ATTEST:

CITY OF WATERLOO
BLACK HAWK COUNTY, IOWA

_____ *City Clerk*

_____ *Mayor*

----------NOT PART OF THE BID----------
(Calculation of true interest cost)

Gross Interest	$
Less Premium/Plus Discount	$
True Interest Cost	$
True Interest Rate	%

TOTAL BOND YEARS	53,152.83
AVERAGE LIFE	9.350 Years

OFFICIAL TERMS OF OFFERING

$5,685,000*
CITY OF WATERLOO
Black Hawk County, Iowa

General Obligation Bonds, Series 2022B

The City of Waterloo, Black Hawk County, Iowa, (the "City"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its $5,685,000* General Obligation Bonds, Series 2022B (the "Tax-Exempt Bonds"), on an all or none basis between 10:00 A.M. and 10:30 A.M., C.D.T., Wednesday, May 18, 2022. To bid electronically, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). The City will also receive sealed bids for the Tax-Exempt Bonds, on an all or none basis, at City Hall 715 Mulberry Street, Waterloo, Iowa, before 10:30 A.M., C.D.T., Wednesday, May 18, 2022. The City will also receive facsimile bids at (319) 291-8628 or (319) 291-4571 for the Tax-Exempt Bonds, on an all or none basis, before 10:30 A.M., C.D.T., Wednesday, May 18, 2022. Upon receipt, facsimile bids will be sealed and treated as sealed bids, and along with all other sealed bids will be publicly opened and, together with any electronic bids, read.

Award will be made or all bids rejected at a meeting of the City on that date. The City reserves the right to reject all bids, to reject any bid proposal not conforming to this Official Terms of Offering, and to waive any irregularity or informality with respect to any bid. Additionally, the City reserves the right to modify or amend this Official Terms of Offering; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Tax-Exempt Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News.*

The Tax-Exempt Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable, real property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.

**ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER DETERMINATION OF BEST BID.* *The aggregate principal amount of the Tax-Exempt Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the Winning Bidder. The City may increase or decrease each maturity in increments of $5,000, but the total amount to be issued will not exceed $5,685,000. Interest rates specified by the Winning Bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.*

The dollar amount of the purchase price proposed by the Winning Bidder will be changed if the aggregate principal amount of the Tax-Exempt Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Tax-Exempt Bonds will be made while maintaining, as closely as possible, the Winning Bidder's net compensation, calculated as a percentage of bond principal. The Winning Bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the Winning Bidder.

Establishment of Issue Price (10% Test May Apply if Competitive Sale Requirements are Not Satisfied)

(a) The winning bidder shall assist the City in establishing the issue price of the Tax-Exempt Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Tax-Exempt Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Terms of Offering, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Ahlers & Cooney, P.C. ("Bond Counsel"). All actions to be taken by the City under this Official Terms of Offering to establish the issue price of the Tax-Exempt Bonds may be taken on behalf of the City by the City's municipal advisor and any notice or report to be provided to the City may be provided to Speer Financial, Inc., Chicago, Illinois (*"Speer"*).

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Tax-Exempt Bonds) will apply to the initial sale of the Tax-Exempt Bonds (the "competitive sale requirements") because:

(i) the City shall disseminate this Official Terms of Offering to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
(ii) all bidders shall have an equal opportunity to bid;
(iii) the City may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
(iv) the City anticipates awarding the sale of the Tax-Exempt Bonds to the bidder who submits a firm offer to purchase the Tax-Exempt Bonds at the lowest true interest cost, as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Official Terms of Offering shall be considered a firm offer for the purchase of the Tax-Exempt Bonds, as specified in the bid.

(c) In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. **The City will <u>not</u> require bidders to comply with the "hold-the-offering-price rule" and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Tax-Exempt Bonds as the issue price of that maturity, though the winning bidder may elect to apply the "hold the offering price rule" (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the "hold-the-offering-price rule" as described below, bidders should prepare their bids on the assumption that all of the maturities of the Tax-Exempt Bonds will be subject to the 10% test (as described below) in order to establish the issue price of the Tax-Exempt Bonds.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Tax-Exempt Bonds unless the winning bidder shall request that the "hold-the-offering-price rule" (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the "hold-the-offering-price rule" at or prior to the time the Tax-Exempt Bonds are awarded.

(i) If the winning bidder <u>does not</u> request that the "hold-the-offering-price rule" apply to determine the issue price of the Tax-Exempt Bonds, the following two paragraphs shall apply:

The City shall treat the first price at which 10% of a maturity of the Tax-Exempt Bonds (the "10% test") is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the Tax-Exempt Bonds satisfies the 10% test as of the date and time of the award of the Tax-Exempt Bonds.

Until the 10% test has been satisfied as to each maturity of the Tax-Exempt Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Tax-Exempt Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until all Tax-Exempt Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Tax-Exempt Bonds prior to closing, then the purchaser shall provide the City with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Tax-Exempt Bonds of such maturity.

(ii) If the winning bidder does request that the "hold-the-offering-price rule" apply to determine the issue price of the Tax-Exempt Bonds, the following three paragraphs shall apply:

The City may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Tax-Exempt Bonds is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Tax-Exempt Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the City if any maturity of the Tax-Exempt Bonds satisfies the 10% test as of the date and time of the award of the Tax-Exempt Bonds. The City shall promptly advise the winning bidder, at or before the time of award of the Tax-Exempt Bonds, which maturities of the Tax-Exempt Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to any maturity of the Tax-Exempt Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Tax-Exempt Bonds to the Public on or before the date of award at the offering price or prices (the *"initial offering price"*), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Tax-Exempt Bonds, that the Underwriters will neither offer nor sell unsold Tax-Exempt Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth business day after the Sale Date; or
(2) the date on which the Underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the Public at a price that is no higher than the initial offering price to the Public.

The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Tax-Exempt Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Tax-Exempt Bonds.

(d) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Tax-Exempt Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Tax-Exempt Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Tax-Exempt Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (a) report the prices at which it sells to the Public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until the close of the fifth business day following the date of the award.

(e) Sales of any Tax-Exempt Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Terms of Offering. Further, for purposes of this Official Terms of Offering:

(i) "Public" means any person other than an Underwriter or a Related Party,

(ii) "Underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public including, specifically, the purchaser, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the Public),

(iii) a purchaser of any of the Tax-Exempt Bonds is a "Related Party" to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "Sale Date" means the date that the Tax-Exempt Bonds are awarded by the City to the winning bidder.

Establishment of Issue Price (Hold-the-Offering Price Rule May Apply if Competitive Sale Requirements are Not Satisfied)

The winning bidder shall assist the City in establishing the issue price of the Tax-Exempt Bonds and shall execute and deliver to the City at Closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Tax-Exempt Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Terms of Offering, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Official Terms of Offering to establish the issue price of the Tax-Exempt Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City s municipal advisor.

The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Tax-Exempt Bonds) will apply to the initial sale of the Tax-Exempt Bonds (the "competitive sale requirements") because:

(1) the City shall disseminate this Official Terms of Offering to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
(2) all bidders shall have an equal opportunity to bid;
(3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
(4) the City anticipates awarding the sale of the Tax-Exempt Bonds to the bidder who submits a firm offer to purchase the Tax-Exempt Bonds at the highest price (or lowest true interest cost), as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Official Terms of Offering shall be considered a firm offer for the purchase of the Tax-Exempt Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the City shall so advise the winning bidder. The City may determine to treat (i) the first price at which 10% of a maturity of the Tax-Exempt Bonds (the "10% test") is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Tax-Exempt Bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Tax-Exempt Bonds satisfies the 10% test as of the date and time of the award of the Tax-Exempt Bonds. The City shall promptly advise the winning bidder, at or before the time of award of the Tax-Exempt Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Tax-Exempt Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the City determines to apply the hold-the-offering-price rule to any maturity of the Tax-Exempt Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Tax-Exempt Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Tax-Exempt Bonds.**

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Tax-Exempt Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Tax-Exempt Bonds, that the underwriters will neither offer nor sell unsold Tax-Exempt Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or
(2) the date on which the underwriters have sold at least 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the City when the underwriters have sold 10% of that maturity of the Tax-Exempt Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Tax-Exempt Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Tax-Exempt Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or until all Tax-Exempt Bonds of that maturity have been sold.

The City acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Tax-Exempt Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Tax-Exempt Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Tax-Exempt Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Tax-Exempt Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Tax-Exempt Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Tax-Exempt Bonds of that maturity or all Tax-Exempt Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Tax-Exempt Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Terms of Offering. Further, for purposes of this Official Terms of Offering:

(1) "public" means any person other than an underwriter or a related party;
(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Tax-Exempt Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Tax-Exempt Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Tax-Exempt Bonds to the public);
(3) a purchaser of any of the Tax-Exempt Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
(4) "sale date" means the date that the Tax-Exempt Bonds are awarded by the City to the winning bidder.

Tax-Exempt Bond Details

The Tax-Exempt Bonds will be in fully registered form in the denominations of $5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Tax-Exempt Bonds will be paid. Individual purchases will be in book-entry form only. Interest on each Tax-Exempt Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such Tax-Exempt Bond is registered at the close of business on the fifteenth day of the month next preceding an interest payment date on such bond. The principal of the Tax-Exempt Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in West Des Moines, Iowa. Semiannual interest is due June 1 and December 1 of each year, commencing December 1, 2022 and is payable by UMB Bank, n.a., West Des Moines, Iowa (the "Bond Registrar"). The Tax-Exempt Bonds are dated the date of delivery (expected to be on or about June 21, 2022).

AMOUNTS* AND MATURITIES – JUNE 1

$315,000 2023	$355,000 2028	$510,000 2033
115,000 2024	365,000 2029	520,000 2034
100,000 2025	475,000 2030	535,000 2035
100,000 2026	485,000 2031	505,000 2036
345,000 2027	500,000 2032	460,000 2037

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Tax-Exempt Bonds due June 1, 2023 - 2029, inclusive, are non-callable. The Tax-Exempt Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part and on any date on or after June 1, 2029, at a price of par and accrued interest. If less than all the Tax-Exempt Bonds are called, they shall be redeemed in any order of maturity as determined by the City and within any maturity by lot.

Method of Bidding Electronically

Notwithstanding the fact that the City permits receiving bids electronically using SpeerAuction, all bidders must have a signed, but uncompleted, Official Bid Form delivered to Speer Financial, Inc., Suite 608, 531 Commercial Street, Waterloo, Iowa, (319) 291-8628 facsimile, prior to the close of bidding to which a printout of the electronic bid will be attached and delivered to the City.

If bidding electronically, all-or-none bids must be submitted via the internet address www.SpeerAuction.com. The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bids.

To bid via the SpeerAuction webpage, bidders must first visit the SpeerAuction webpage where, if they have not previously registered with either SpeerAuction, Grant Street Group (the "Auction Administrator") or any other website administered by the Auction Administrator, they may register and then request admission to bid on the Tax-Exempt Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid electronically.

The "Rules" of the SpeerAuction bidding process may be viewed on the SpeerAuction webpage and are incorporated herein by reference. Bidders must comply with the Rules of SpeerAuction in addition to the requirements of the City's Official Terms of Offering. In the event the Rules of SpeerAuction and this Official Terms of Offering conflict, this Official Terms of Offering shall be controlling.

All electronic bids must be submitted on the SpeerAuction webpage. Electronic bidders may change and submit bids as many times as they choose during the sale period but may not delete a submitted bid. The last bid submitted by an electronic bidder before the deadline for receipt of bids will be compared to all other final bids to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid nor the status of their bid relative to other bids (e.g., whether their bid is a leading bid). The electronic bidder bears all risk of transmission failure. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.

Each bidder shall be solely responsible for making necessary arrangements to access SpeerAuction for purposes of submitting its internet bid in a timely manner and in compliance with the requirements of the Terms of Offering. The City is permitting bidders to use the services of the SpeerAuction solely as a communication mechanism to conduct the internet bidding and the SpeerAuction is not an agent of the City. Provisions of the Terms of Offering and Official Bid Form shall control in the event of conflict with information provided by the Internet Bid System.

Electronic Facsimile Bidding: Bids may be submitted via facsimile at (319) 291-8628 or (319) 291-4571. Electronic facsimile bids will be sealed and treated as sealed bids. Neither the City nor its agents will assume liability for the inability of the bidder to reach the above named fax numbers prior to the time of sale specified above. Transmissions received after the deadline will be rejected. Bidders electing to submit bids via facsimile transmission bear full and complete responsibility for the transmission of such bid. Neither the City nor its agents will assume responsibility for the inability of the bidder to reach the above specified fax number prior to the time of sale. Time of receipt shall be the time recorded by the person receiving the facsimile and shall be conclusive.

Bidding Parameters and Award of the Tax-Exempt Bonds

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed six percent (6%). All bids must be for all of the Tax-Exempt Bonds and must be for not less than $5,638,520.

Award of the Tax-Exempt Bonds: The Tax-Exempt Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Tax-Exempt Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Tax-Exempt Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage or if all such bids are not submitted electronically, the winning bid shall be determined by lot.

The Tax-Exempt Bonds will be awarded to the bidder complying with the terms of this Official Terms of Offering whose bid produces the lowest true interest cost rate to the City as determined by the City's Registered Municipal Advisor, which determination shall be conclusive and binding on all bidders; provided, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Electronic bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Tax-Exempt Bonds are changed, maintaining, as close as possible, the same dollar amount of profit per $1,000 bond as bid.

The true interest cost of each electronic bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the City's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or its Municipal Advisor will notify the bidder to whom the Tax-Exempt Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Tax-Exempt Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per Tax-Exempt Bond.

Good Faith Deposit and Other Matters

The winning bidder is required to a wire transfer from a solvent bank or trust company to the City's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Tax-Exempt Bonds to a winning bidder whose wire transfer is initiated but not received within such two hour time period provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Tax-Exempt Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: City of Waterloo, Black Hawk County, Iowa bid for
$5,685,000* General Obligation Bonds, Series 2022B

If the wire shall arrive in such account prior to the date and time of the sale of the Tax-Exempt Bonds. Contemporaneously with such wire transfer, the prospective purchaser shall send an email to biddingescrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such prospective purchaser is not awarded the Tax-Exempt Bonds. The City and any prospective purchaser who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful prospective purchaser; (ii) if the bid is accepted, the Deposit shall be forwarded to the City, (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the prospective purchaser; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

The City covenants and agrees to enter into a written agreement, certificate or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Tax-Exempt Bonds on or before the date of delivery of the Tax-Exempt Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Tax-Exempt Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Tax-Exempt Bonds.

The Tax-Exempt Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about June 21, 2022. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Tax-Exempt Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Tax-Exempt Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Tax-Exempt Bonds, as that term is defined in the Rule. By awarding the Tax-Exempt Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Tax-Exempt Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Tax-Exempt Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Tax-Exempt Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Tax-Exempt Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful purchaser agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Tax-Exempt Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The City will, at its expense, deliver the Tax-Exempt Bonds to the purchaser in New York, New York (or arrange for "FAST" delivery) through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Tax-Exempt Bonds: (1) the legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa, that the Tax-Exempt Bonds are lawful and enforceable obligations of the City in accordance with their terms; (2) the opinion of said attorneys that the interest on the Tax-Exempt Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Tax-Exempt Bonds; and (3) a no litigation certificate by the City.

The City intends to designate the Tax-Exempt Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b) (3) of the Internal Revenue Code of 1986, as amended.

Purchaser consents to the receipt of electronic transcripts and acknowledges the City's intended use of electronically executed documents. Iowa Code Chapter 554D establishes electronic signatures have the full weight and legal authority as manual signatures.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Tax-Exempt Bonds. Copies of such Official Statement or additional information may be obtained from Kelley Felchle, City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa 50703 or an electronic copy of this Official Statement is available from the www.speerfinancial.com website under "Official Statement Sales/Competitive Calendar" or from the Registered Municipal Advisor to the City, Speer Financial, Inc., 531 Commercial Street, Suite 608, Waterloo, Iowa 50701 (telephone (319) 291-2077), and 230 West Monroe Street, Suite 2630, Chicago, Illinois 60606 (telephone (312) 346-3700).

/s/ **KELLEY FELCHLE**
City Clerk
CITY OF WATERLOO
Black Hawk County, Iowa

EXHIBIT A

EXAMPLE ISSUE PRICE CERTIFICATE

USE FOR COMPETITIVE SALES – 3 BIDS RECEIVED

EXHIBIT A

$_____ General Obligation Bonds, Series 2022B of Waterloo, Iowa

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the "Bonds").

1. ***Reasonably Expected Initial Offering Price***.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Purchaser are the prices listed in Schedule A (the "Expected Offering Prices"). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Purchaser to purchase the Bonds.

(b) Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by Purchaser constituted a firm offer to purchase the Bonds.

2. ***Defined Terms***.

(a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds May 18, 2022.

(d) *Underwriter* means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its agents with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By:_____

Name:_____

Dated: [ISSUE DATE]

SCHEDULE A

EXPECTED OFFERING PRICES

(*Attached*)

SCHEDULE B

COPY OF UNDERWRITER'S BID

(*Attached*)

USE FOR GENERAL RULE 10%- PUBLIC SALE

EXHIBIT A

$_____ General Obligation Bonds, Series 2022B of Waterloo, Iowa

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. ***Sale of the Bonds***. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms***.

(a) *Issuer* means the Waterloo, Iowa, a municipal corporation in the State of Iowa.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Underwriter* means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its agents with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., as Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[Signature Page Follows]

[UNDERWRITER]

By:_____

Name:_____

Dated: [ISSUE DATE]

SCHEDULE A

SALE PRICES

(*Attached*)

[USE IF SOME MATURITIES SUBJECT TO HOLD THE PRICE, OTHERS 10% RULE]

EXHIBIT A

$_____ General Obligation Bonds, Series 2022B of Waterloo, Iowa

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of [NAME OF UNDERWRITER] ("Purchaser"), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Notice of Sale and bid award, Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms***.

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date ([DATE]), or (ii) the date on which Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Waterloo, Iowa, a municipal corporation in the State of Iowa.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is May 18, 2022.

(h) *Underwriter* means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer and its agents with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By:_____

Name:_____

Dated: [ISSUE DATE]

SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(*Attached*)

SCHEDULE B

PRICING WIRE OR EQUIVALENT COMMUNICATION

02042428-1\11310-149

OFFICIAL BID FORM – TAXABLE BONDS

City of Waterloo
715 Mulberry Street
Waterloo, IA 50703

May 18, 2022
Speer Financial, Inc.
Facsimile: (319) 291-8628

City Council:

For the $4,315,000* Taxable General Obligation Bonds, Series 2022C (the "Taxable Bonds"), of the City of Waterloo, Black Hawk County, Iowa (the "City"), as described in the annexed Official Terms of Offering, which is expressly made a part of this bid, we will pay you $_____ (no less than $4,280,480). The Taxable Bonds are to bear interest at the following respective rates (each a multiple of 1/8 or 1/100 of 1%) for the Taxable Bonds of each designated maturity.

AMOUNTS* AND MATURITIES – JUNE 1

$240,000	2023	_____%	$265,000	2028	_____%	$360,000	2033	_____%
100,000	2024	_____%	275,000	2029	_____%	370,000	2034	_____%
100,000	2025	_____%	285,000	2030	_____%	375,000	2035	_____%
100,000	2026	_____%	335,000	2031	_____%	495,000	2036	_____%
260,000	2027	_____%	350,000	2032	_____%	405,000	2037	_____%

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

Maturities: _____ ***Term Maturity*** _____ ***Maturities:*** _____ ***Term Maturity*** _____

**Subject to principal adjustment in accordance with the Official Terms of Offering.*

The Taxable Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa. The City will pay for the legal opinion. **The Purchaser agrees to** pay the fee charged by the CUSIP Service Bureau and will accept the Taxable Bonds with the CUSIP numbers as entered on the Taxable Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the City's good faith bank and under the terms provided in the Official Terms of Offering for the Taxable Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the City in the amount of the Deposit under the terms provided in the Official Terms of Offering for the Taxable Bonds.

Attached hereto is a list of members of our account on whose behalf this bid is made.

Form of Deposit (Check One)

Prior to Bid Opening:
Certified/Cashier's Check [ ]
Wire Transfer [ ]

Within TWO Hours of Bid Opening:
Wire Transfer [ ]

Amount: $86,300

Account Manager Information

Underwriter/Bank _____

Address _____

Authorized Rep _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

We have purchased insurance from:

Name of Insurer
(Please fill in)

_____

Premium: _____

Maturities: (Check One)

[__] _____**Years**

[__] All

The foregoing bid was accepted and the Taxable Bonds sold by resolution of the City on May 18, 2022, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Terms of Offering.

ATTEST:

CITY OF WATERLOO
BLACK HAWK COUNTY, IOWA

_____ *City Clerk*

_____ *Mayor*

----------NOT PART OF THE BID----------
(Calculation of true interest cost)

Gross Interest	$
Less Premium/Plus Discount	$
True Interest Cost	$
True Interest Rate	%

TOTAL BOND YEARS	36,619.39
AVERAGE LIFE	8.487 Years

OFFICIAL TERMS OF OFFERING

$4,315,000*
CITY OF WATERLOO
Black Hawk County, Iowa

Taxable General Obligation Bonds, Series 2022C

The City of Waterloo, Black Hawk County, Iowa, (the "City"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its $4,315,000* Taxable General Obligation Bonds, Series 2022C (the "Taxable Bonds"), on an all or none basis between 10:30 A.M. and 11:00 A.M., C.D.T., Wednesday, May 18, 2022. To bid electronically, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the City's sale (as described below). The City will also receive sealed bids for the Taxable Bonds, on an all or none basis, at City Hall, 715 Mulberry Street, Waterloo, Iowa, before 11:00 A.M., C.D.T., Wednesday, May 18, 2022. The City will also receive facsimile bids at (319) 291-8628 or (319) 291-4571 for the Taxable Bonds, on an all or none basis, before 11:00 A.M., C.D.T., Wednesday, May 18, 2022. Upon receipt, facsimile bids will be sealed and treated as sealed bids, and along with all other sealed bids will be publicly opened and, together with any electronic bids, read.

Award will be made or all bids rejected at a meeting of the City on that date. The City reserves the right to reject all bids, to reject any bid proposal not conforming to this Official Terms of Offering, and to waive any irregularity or informality with respect to any bid. Additionally, the City reserves the right to modify or amend this Official Terms of Offering; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Taxable Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News.*

The Taxable Bonds will constitute valid and legally binding obligations of the City payable both as to principal and interest from ad valorem taxes levied against all taxable property within the corporate limits of the City without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion.

**ADJUSTMENTS TO PRINCIPAL AMOUNT AFTER DETERMINATION OF BEST BID.* *The aggregate principal amount of the Taxable Bonds, and each scheduled maturity thereof, are subject to increase or reduction by the City or its designee after the determination of the Winning Bidder. The City may increase or decrease each maturity in increments of $5,000, but the total amount to be issued will not exceed $4,315,000. Interest rates specified by the Winning Bidder for each maturity will not change. Final adjustments shall be in the sole discretion of the City.*

The dollar amount of the purchase price proposed by the Winning Bidder will be changed if the aggregate principal amount of the Taxable Bonds is adjusted as described above. Any change in the principal amount of any maturity of the Taxable Bonds will be made while maintaining, as closely as possible, the Winning Bidder's net compensation, calculated as a percentage of bond principal. The Winning Bidder may not withdraw or modify its bid as a result of any post-bid adjustment. Any adjustment shall be conclusive, and shall be binding upon the Winning Bidder.

Taxable Bond Details

The Taxable Bonds will be in fully registered form in the denominations of $5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, to which principal and interest payments on the Taxable Bonds will be paid. Individual purchases will be in book-entry form only. Interest on each Taxable Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such Taxable Bond is registered at the close of business on the fifteenth day of the month next preceding an interest payment date on such bond. The principal of the Taxable Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in West Des Moines, Iowa. Semiannual interest is due June 1 and December 1 of each year, commencing December 1, 2022 and is payable by UMB Bank, n.a., West Des Moines, Iowa (the "Bond Registrar"). The Taxable Bonds are dated the date of delivery (expected to be on or about June 21, 2022).

AMOUNTS* AND MATURITIES – JUNE 1

$240,000 2023	$265,000 2028	$310,000 2033
235,000 2024	275,000 2029	320,000 2034
245,000 2025	285,000 2030	335,000 2035
250,000 2026	295,000 2031	345,000 2036
260,000 2027	300,000 2032	355,000 2037

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Taxable Bonds due June 1, 2023 - 2029, inclusive, are non-callable. The Taxable Bonds due June 1, 2030 - 2037, inclusive, are callable in whole or in part and on any date on or after June 1, 2029, at a price of par and accrued interest. If less than all the Taxable Bonds are called, they shall be redeemed in any order of maturity as determined by the City and within any maturity by lot.

Method of Bidding Electronically

Notwithstanding the fact that the City permits receiving bids electronically using SpeerAuction, all bidders must have a signed, but uncompleted, Official Bid Form delivered to Speer Financial, Inc., Suite 608, 531 Commercial Street, Waterloo, Iowa, (319) 291-8628 facsimile, prior to the close of bidding to which a printout of the electronic bid will be attached and delivered to the City.

If bidding electronically, all-or-none bids must be submitted via the internet address www.SpeerAuction.com. The use of SpeerAuction shall be at the bidder's risk and expense and the City shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bids.

To bid via the SpeerAuction webpage, bidders must first visit the SpeerAuction webpage where, if they have not previously registered with either SpeerAuction, Grant Street Group (the "Auction Administrator") or any other website administered by the Auction Administrator, they may register and then request admission to bid on the Taxable Bonds. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid electronically.

The "Rules" of the SpeerAuction bidding process may be viewed on the SpeerAuction webpage and are incorporated herein by reference. Bidders must comply with the Rules of SpeerAuction in addition to the requirements of the City's Official Terms of Offering. In the event the Rules of SpeerAuction and this Official Terms of Offering conflict, this Official Terms of Offering shall be controlling.

All electronic bids must be submitted on the SpeerAuction webpage. Electronic bidders may change and submit bids as many times as they choose during the sale period but may not delete a submitted bid. The last bid submitted by an electronic bidder before the deadline for receipt of bids will be compared to all other final bids to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid nor the status of their bid relative to other bids (e.g., whether their bid is a leading bid). The electronic bidder bears all risk of transmission failure. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.

Each bidder shall be solely responsible for making necessary arrangements to access SpeerAuction for purposes of submitting its internet bid in a timely manner and in compliance with the requirements of the Terms of Offering. The City is permitting bidders to use the services of the SpeerAuction solely as a communication mechanism to conduct the internet bidding and the SpeerAuction is not an agent of the City. Provisions of the Terms of Offering and Official Bid Form shall control in the event of conflict with information provided by the Internet Bid System.

Electronic Facsimile Bidding: Bids may be submitted via facsimile at (319) 291-8628 or (319) 291-4571. Electronic facsimile bids will be sealed and treated as sealed bids. Neither the City nor its agents will assume liability for the inability of the bidder to reach the above named fax numbers prior to the time of sale specified above. Transmissions received after the deadline will be rejected. Bidders electing to submit bids via facsimile transmission bear full and complete responsibility for the transmission of such bid. Neither the City nor its agents will assume responsibility for the inability of the bidder to reach the above specified fax number prior to the time of sale. Time of receipt shall be the time recorded by the person receiving the facsimile and shall be conclusive.

Bidding Parameters and Award of the Taxable Bonds

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The rates bid shall be in non-descending order. The differential between the highest rate bid and the lowest rate bid shall not exceed six percent (6%). All bids must be for all of the Taxable Bonds and must be for not less than $4,280,480.

Award of the Taxable Bonds: The Taxable Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Taxable Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Taxable Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage or if all such bids are not submitted electronically, the winning bid shall be determined by lot.

The Taxable Bonds will be awarded to the bidder complying with the terms of this Official Terms of Offering whose bid produces the lowest true interest cost rate to the City as determined by the City's Registered Municipal Advisor, which determination shall be conclusive and binding on all bidders; provided, that the City reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Electronic bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Taxable Bonds are changed, maintaining, as close as possible, the same dollar amount of profit per $1,000 bond as bid.

The true interest cost of each electronic bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the City's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The City or its Municipal Advisor will notify the bidder to whom the Taxable Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-36. The winning bidder will be required to pay the standard MSRB charge for Taxable Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per Taxable Bond.

Good Faith Deposit and Other Matters

The winning bidder is required to a wire transfer from a solvent bank or trust company to the City's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the City. The City reserves the right to award the Taxable Bonds to a winning bidder whose wire transfer is initiated but not received within such two hour time period provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Taxable Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: City of Waterloo, Black Hawk County, Iowa bid for
$4,315,000* Taxable General Obligation Bonds, Series 2022C

If the wire shall arrive in such account prior to the date and time of the sale of the Taxable Bonds. Contemporaneously with such wire transfer, the prospective purchaser shall send an email to biddingescrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such prospective purchaser is not awarded the Taxable Bonds. The City and any prospective purchaser who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. ("Speer") shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to the unsuccessful prospective purchaser; (ii) if the bid is accepted, the Deposit shall be forwarded to the City, (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the prospective purchaser; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) income earned on the Deposit, if any, shall be retained by Speer.

The City covenants and agrees to enter into a written agreement, certificate or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the City for the benefit of the beneficial owners of the Taxable Bonds on or before the date of delivery of the Taxable Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Taxable Bonds shall be conditioned upon the City delivering the Undertaking on or before the date of delivery of the Taxable Bonds.

The Taxable Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about January 4, 2022. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the City except failure of performance by the purchaser, the City may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Taxable Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Taxable Bonds, and any other information required by law or deemed appropriate by the City, shall constitute a "Final Official Statement" of the City with respect to the Taxable Bonds, as that term is defined in the Rule. By awarding the Taxable Bonds to any underwriter or underwriting syndicate, the City agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Taxable Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The City shall treat the senior managing underwriter of the syndicate to which the Taxable Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Taxable Bonds agrees thereby that if its bid is accepted by the City it shall enter into a contractual relationship with all Participating Underwriters of the Taxable Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful purchaser agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Taxable Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The City will, at its expense, deliver the Taxable Bonds to the purchaser in New York, New York (or arrange for "FAST" delivery) through the facilities of DTC and will pay for the bond attorney's opinion. At the time of closing, the City will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Taxable Bonds: (1) the legal opinion of Ahlers & Cooney, P.C., Des Moines, Iowa, that the Taxable Bonds are lawful and enforceable obligations of the City in accordance with their terms; and (2) a no litigation certificate by the City.

Purchaser consents to the receipt of electronic transcripts and acknowledges the City's intended use of electronically executed documents. Iowa Code chapter 554D establishes electronic signatures have the full weight and legal authority as manual signatures.

The City has authorized the printing and distribution of an Official Statement containing pertinent information relative to the City and the Taxable Bonds. Copies of such Official Statement or additional information may be obtained from Kelley Felchle, City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, Iowa, 50703 or an electronic copy of this Official Statement is available from the www.speerfinancial.com website under "Official Statement Sales/Competitive Calendar" or from the Registered Municipal Advisor to the City, Speer Financial, Inc., 531 Commercial Street, Suite 608, Waterloo, Iowa 50701 (telephone (319) 291-2077), and 230 West Monroe Street, Suite 2630, Chicago, Illinois 60606 (telephone (312) 346-3700).

/s/ **KELLEY FELCHLE**
City Clerk
CITY OF WATERLOO
Black Hawk County, Iowa

CITY OF WATERLOO

Council Communication

Resolution approving the Economic Development Assistance Contract with the Iowa Economic Development Authority (IEDA) and CPM Acquisition Corporation, and authorizing the Mayor to execute said document.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

Description	Type
State Contract	Backup Material
Site Plan	Backup Material

SUBJECT:	Resolution approving the Economic Development Assistance Contract with the Iowa Economic Development Authority (IEDA) and CPM Acquisition Corporation, and authorizing the Mayor to execute said document.
Submitted by:	Submitted By: Noel Anderson, Community Planning and Development Director
Recommended Action:	Resolution approving the economic development assistance grant with IEDA and CPM Acquisition Corporation.
Summary Statement:	CPM is currently located at 2975 Airline Circle and is relocating from that building to this new facility on Leversee Road, just north of Hyper Drive, which Hyper Drive is under construction. The new building will allow CPM to expand their local operations as well as consolidate operations from another facility on the East Coast to this location. As a result of this new development, they qualify, and have been approved for, State incentives through High Quality Jobs Program of up to $601,000.
Neighborhood Impact:	This project qualifies for State incentives, based on the creation of 14 new jobs paying an average of $34.83 per hour.
Data/Analysis and Strategies:	Economic Development, Job Creation
Implementation, Accountability, and Communication:	Tax rebates paid from TIF proceeds.
Expenditure Required/Source of Funds:	Tax rebates for added projects at 15 years at 50%
Alternative:	NA
Legal Descriptions:	Waterloo Air and Rail Park, 2nd Addition, Lot 4, Waterloo, Black Hawk County, Iowa.

ECONOMIC DEVELOPMENT ASSISTANCE CONTRACT

BY

CPM ACQUISITION CORPORATION,

THE CITY OF WATERLOO,

AND THE

IOWA ECONOMIC DEVELOPMENT AUTHORITY

CONTRACT NUMBER: 21-HQJP-037

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CONTRACT EXHIBITS

Exhibit A -	Recipient's Financial Assistance Application (on file with IEDA), Application # BFAA-000518
Exhibit B-1	High Quality Jobs Program - Tax Credit Special Conditions Conditions
Exhibit C -	Description of the Project and Award Budget
Exhibit D -	Job Obligations
Exhibit E -	Reserved
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Economic Development Assistance Contract

RECIPIENT:	CPM ACQUISITION CORPORATION
COMMUNITY:	CITY OF WATERLOO
CONTRACT NUMBER:	21-HQJP-037
AWARD DATE:	MAY 21, 2021
AWARD AMT. – TAX INCENTIVES	$601,000

This ECONOMIC DEVELOPMENT ASSISTANCE CONTRACT (Contract) is made as of the Contract Effective Date by the Iowa Economic Development Authority (IEDA or Authority), 1963 Bell Avenue, Suite 200, Des Moines, IA 50315, and CPM Acquisition Corporation (Recipient), 2975 Airline Circle, Waterloo, IA 50703 and the City of Waterloo (Community), 715 Mulberry Street, Waterloo, IA 50703.

WHEREAS, the Recipient submitted an application to IEDA requesting assistance in financing its Project as more fully described in Exhibit C, *Description of the Project and Award Budget* (the Project); and

WHEREAS, the Iowa Economic Development Authority Board (IEDA Board) awarded the Recipient assistance for the Project from the funding sources identified herein (collectively, the Award), all of which are subject to the terms and conditions set forth herein; and

NOW THEREFORE, in consideration of the mutual promises contained herein and intending to be legally bound, the Recipient, the Community and IEDA agree to the following terms:

ARTICLE 1: CONTRACT DURATION

This Contract shall be in effect on the Contract Effective Date and shall remain in effect until after completion of each of the following:

(a) *Through Project Completion Date.* Through the Project Completion Period and for a reasonable period of time after Project Completion Date during which IEDA will conduct Project closeout procedures to verify that the Project was completed in compliance with Contract requirements.

(b) *Through Maintenance Period Completion Date and Contract Closeout.* Through the Maintenance Period Completion Date and for a reasonable period of time after Maintenance Period Completion Date during which IEDA will conduct closeout procedures to verify that the Project was maintained in compliance with Contract requirements.

(c) *Repayment or Payment Obligation.* Until all outstanding amounts due to IEDA, if any, are received by IEDA or all outstanding obligations to IEDA are satisfied in full.

(d) *Contract End Date.* Until IEDA has completed Contract closeout procedures and provided Recipient and Community with written Notice of Final Contract Closeout. This Contract shall terminate as of the date stated in the written Notice of Final Contract Closeout. Such date shall be the Contract End Date.

ARTICLE 2: DEFINITIONS

The following terms apply to this Contract:

"Affiliate" means any entity to which any of the following applies:
a. Directly, indirectly, or constructively controls another entity.
b. Is directly, indirectly or constructively controlled by another entity.
c. Is subject to the control of a common entity. A common entity is one which owns directly or individually more than ten percent of the voting securities of the entity.

"Award" means any and all assistance provided by IEDA for the Project under this Contract.

"Award Date" means the date first stated in this Contract and is the date the IEDA Board approved the award of financial assistance to the Recipient for the Project.

"Award Funds" means the cash that is provided by IEDA for this Project as Project Completion Assistance, including loans.

"Base Employment Level" means the number of Full-Time Equivalent positions as established by IEDA and Recipient using Recipient's payroll records, as of the date Recipient applied for Tax Incentives or Project Completion Assistance. The number of jobs Recipient has pledged to create and retain shall be in addition to the Base Employment Level.

"Benefits" means nonwage compensation provided to an employee. Benefits include medical and dental insurance plans, pension, retirement, and profit-sharing plans, child care services, life insurance coverage, vision insurance coverage, and disability insurance coverage.

"Brownfield site" means an abandoned, idled, or underutilized property where expansion or redevelopment is complicated by real or perceived environmental contamination. A brownfield site includes property contiguous with the site on which the property is located. A brownfield site does not include property which has been placed, or is proposed for placement, on the national priorities list established

pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act, 42, U.S.C. 9601 et seq. In order to administer similar programs in a similar manner, the IEDA will attempt to apply this definition in substantially the same way as similar definitions are applied by the Brownfield Advisory Council established in Iowa code section 15.294 and may consult members of the council or other staff as necessary.

"Contract Effective Date" means the latest date on the signature page of this Contract.

"Contract End Date" means the date stated in the Notice of Final Contract Closeout issued by IEDA pursuant to Article 1.

"Created Job" means a new, permanent, Full-Time Equivalent (FTE) position added to Recipient's payroll in excess of the Base Employment Level at the time of application for Tax Incentives or Project Completion Assistance.

"Full-Time Equivalent job," "FTE," or *"full-time"* means the employment of one person:

1. For 8 hours per day for a 5-day, 40-hour workweek for 52 weeks per year, including paid holidays, vacations and other paid leave; or
2. The number of hours or days per week, including paid holidays, vacations and other paid leave, currently established by schedule, custom, or otherwise, as constituting a week of full-time work for the kind of service an individual performs for an employing unit, provided that the number of hours per week is at least 32 hours per week for 52 weeks per year including paid holidays, vacations, and other paid leave.

For purposes of this definition, "employment of one person" means the employment of one natural person and does not include "job sharing" or any other means of aggregation or combination of hours worked by more than one natural person.

"Grayfield site" means a property meeting all of the following requirements:

a. The property has been developed and has infrastructure in place, but the property's current use is outdated or prevents a better or more efficient use of the property. Such property includes vacant, blighted, obsolete, or otherwise underutilized property.

b. The property's improvements and infrastructure are at least twenty-five years old and one or more of the following conditions exists:

(1) Thirty percent or more of a building located on the property that is available for occupancy has been vacant or unoccupied for a period of twelve months or more.

(2) The assessed value of the improvements on the property has decreased by twenty-five percent or more.

(3) The property is currently being used as a parking lot.

(4) The improvements on the property no longer exist.

c. The Authority will attempt to apply this definition in substantially the same manner as similar definitions are applied by the Brownfield Advisory Council established in Iowa code section 15.294.

"Job Obligations" means the jobs that must be created or retained as a result of receipt of state or federal financial assistance, Project Completion Assistance, or Tax Incentives from IEDA and that are required to meet the Qualifying Wage Threshold requirements. Recipient's Job Obligations are specified in Exhibit D of this Contract. Jobs that do not meet the Qualifying Wage Threshold requirements shall not be counted toward Recipient's job creation or job retention obligations contained in Exhibit D. The Job Obligations in Exhibit D include Recipient's Base Employment Level and the number of new jobs required to be created above the Base Employment Level. If the Project is a Modernization Project, the Job Obligations will not include Created or Retained Jobs but the Recipient will be required to maintain the Base Employment Level.

"Laborshed Wage" means the Qualifying Wage Threshold applicable to Recipient's Project as calculated pursuant to rule 261 IAC 173.2 and 261 IAC chapter 174 and as specified in Exhibit D of this Contract.

"Loan" means an Award of assistance with the requirement that the Award be repaid with term, interest rate, and other conditions specified as part of the conditions of the Award. "Loan" includes deferred loans, forgivable loans, and float loans. A "deferred loan" is one for which the payment for principal, interest, or both, is not required for some specified period. A "forgivable loan" is one for which repayment is eliminated in part or entirely if the borrower satisfies specified conditions. A "float loan" means a short-term loan, not to exceed 30 months, made from obligated but unexpended moneys.

"Maintenance Period" means the period of time between the Project Completion Date and the Maintenance Period Completion Date. The Project must be maintained in Iowa for this period of time.

"Maintenance Period Completion Date" means the date on which the Maintenance Period ends. The specific date on which the Maintenance Period ends is identified in Exhibit D.

"Modernization Project" means a Project in which no high quality jobs are created or retained but economic activity is furthered by the qualifying investment and will result in increased skills and wages for the current employees.

"Person" means as defined in Article 6.1(g) of this Contract.

"Project" means the description of the work and activities to be completed by the Recipient as outlined in Exhibit C - Description of the Project and Award Budget.

"Project Completion Assistance" means financial assistance or technical assistance provided to an eligible business in order to facilitate the start-up, location, modernization, or expansion of the business in this state and provided in an expedient manner to ensure the successful completion of the start-up location, modernization, or expansion project.

"Project Completion Date" means the date by which the Recipient of incentives or assistance has agreed to meet all the terms and obligations contained in this Contract. The Project Completion Date will be a date by which the project must be completed, all incented jobs must be created or retained, and all other applicable requirements must be met. The specific date on which the project completion period ends is identified in Exhibit D.

"Project Completion Period" means the period of time between the Award Date and the Project Completion Date.

"Qualifying Jobs" are those Created or Retained Jobs that meet or exceed the Qualifying Wage Threshold Requirement established to qualify for program funding for the programs providing assistance to this Project.

"Qualifying Wage Threshold" means the Laborshed Wage as calculated by IEDA pursuant to statute and rule for each program under which financial assistance or Tax Incentives for this Project are awarded. The Qualifying Wage Threshold Requirement for this Project is outlined in Exhibit D, Job Obligations.

"Recipient's Employment Base" means the number of jobs as stated in Exhibit D – Job Obligations that the Recipient and IEDA have established as the Base Employment Level for this Project. The number of jobs the Recipient has pledged to create shall be in addition to the Recipient's Employment Base.

"Retained Job" means an existing job that meets the Qualifying Wage Threshold Requirements and

would be eliminated or moved to another state if the Project did not proceed in Iowa.

"Sufficient Benefits" means that Recipient offers to each Full-Time Equivalent permanent position a benefits package that meets one of the following:

1. Recipient pays 70 percent of the premium costs for a standard medical plan for single employee coverage with the maximum deductible specified for this project in Exhibit D; or
2. Recipient pays 60 percent of the premium costs for a standard medical plan for employee family coverage with the maximum deductible specified for this project in Exhibit D; or
3. Recipient provides medical coverage and pays the monetary equivalent of paragraph "1" or "2" above in supplemental employee benefits. Benefits counted toward monetary equivalent could include medical coverage, dental coverage, vision insurance, life insurance, pension, retirement, 401k, profit sharing, disability insurance, and child care services.

"Tax Incentives" means the tax credits, refunds, or exemptions IEDA has awarded for this Project as detailed in Article 3.

"Total Project Cost" means the cost incurred by the Recipient to complete the Project as described in Exhibit C.

ARTICLE 3: AWARD TERMS

3.1 Total Award Amount. The IEDA Board has approved an Award to the Community and Recipient from the funding sources and in the maximum amounts shown below:

TAX INCENTIVES	FORM	MAXIMUM AMOUNT
High Quality Jobs Program	Tax Incentives	$ 601,000
TOTAL STATE TAX INCENTIVES:		$ 601,000

3.2 Terms and Conditions of Award. The terms and conditions of the Award shall be as described in this Contract and the following incorporated exhibit(s):

Exhibit B-1 High Quality Jobs Program – Tax Credit Component Special Conditions

ARTICLE 4: CONDITIONS TO AWARD; DISBURSEMENT AND ISSUANCE TERMS

4.1 Reserved.

4.2 Tax Incentives–Conditions to Issuance of Tax Credit Number.

(a) *Tax Credit Number Required to Claim Incentives.* Recipient shall not claim the Tax Incentives described in Article 3 until IEDA has issued a tax credit number for this Project and Recipient has undertaken the activities described in this Contract and the applicable law to be eligible for such Tax Incentives.

(b) *Issuance of Tax Credit Number*. Upon satisfaction of the conditions described herein, IEDA will issue a tax credit number to the Recipient for this Project. The tax credit number shall be used in preparing any claims for Tax Incentives.

(c) *Conditions to Issuance of Tax Credit Number*. The obligation of IEDA to issue a tax credit number shall be subject to the conditions precedent described in Article 4.

(d) *Documents Submitted.* IEDA shall have received the documents described in section 4.3, properly executed and completed, and approved by IEDA as to form and substance, prior to issuing any tax credit number.

4.3 Documents required.

(a) *Contract.* Fully executed Contract.

(b) *Incorporation Documents.* Copies of the Articles of Incorporation or the Articles of Organization, whichever is appropriate, of the Recipient, certified in each instance by its secretary or assistant secretary.

(c) *Certificate of Existence; Certificate of Authority.* A certificate of existence for the Recipient from the State of incorporation or organization, whichever is appropriate, and a certificate of authority authorizing the Recipient to conduct business in the state of Iowa, if it is not organized or incorporated in Iowa.

(d) *Results of Lien and Tax Search and Documentation of Satisfactory Credit History.* Financing statement, tax and judgment lien search results, in the Recipient's state of incorporation or organization, against the Recipient and/or the property serving as the Recipient's security under this Contract, and documentation of satisfactory credit history of the Recipient and guarantors, as applicable, with no judgments or unsatisfied liens or similar adverse credit actions.

(e) *Other Required Documents.* Such other contracts, instruments, documents, certificates and opinions as IEDA may reasonably request.

(f) *Solid or Hazardous Waste Audit.* To comply with Iowa Code section 15A.1(3)"b," if the Recipient generates solid or hazardous waste, it must either: a) submit a copy of the Recipient's existing in-house plan to reduce the amount of waste and safely dispose of the waste based on an in-house audit conducted within the past 3 years; or b) submit an outline of a plan to be developed in-house; or c) submit documentation that the Recipient has authorized the Iowa Department of Natural Resources or Iowa Waste Reduction Center to conduct the audit.

(g) *Release Form – Confidential Tax Information*. A signed Authorization for Release of Confidential State Tax Information form to permit IEDA to receive the Recipient's state tax information directly from the Iowa Department of Revenue for the purpose of evaluation and administration of Tax Incentives and other state financial assistance programs.

(h) *Project Financial Commitments.* The Recipient shall have submitted documentation acceptable to IEDA from the funding sources identified in Exhibit A committing to the specified financial involvement in the Project and received the IEDA's approval of the documentation. The documentation shall include the amount, terms and conditions of the financial commitment, as well as any applicable schedules and may include agreements and resolutions to that effect.

(i) *State Building Code Bureau Approval*. If any part of the Award proceeds will be used for the construction of new buildings and if any of the following applies:

1. The building or structure is located in a governmental subdivision which has not adopted a local building code; or

2. The building or structure is located in a governmental subdivision which has adopted a building code, but the building code is not enforced; or

3. Bidding for construction shall not be conducted prior to obtaining written approval of the final plans by the State Building Code Bureau of the Iowa Department of Public Safety.

4.4 Suspension, Reduction or Delay of Award. Any one or more of the following shall be grounds for IEDA to suspend, delay or reduce the amount of disbursement of Award Funds or delay the issuance of a tax credit number or receipt of Tax Incentives:

(a) *Suspected event of default*. If IEDA believes an event of default has occurred, IEDA has the discretion to temporarily suspend or delay disbursement or issuance of the Award Funds or Tax Incentives while the suspected event of default is being investigated or resolved.

(b) *Unremedied event of default.* Upon the occurrence of an Event of Default, as defined in this Contract, by the Recipient, IEDA may suspend payment or issuance of the Award to the Recipient until such time as the default has been cured.

(c*) Layoff, closure or relocation*. In the event the Recipient experiences a layoff within the state of Iowa, relocates, closes any of its Iowa facilities or for Modernization Projects, reduces its Base Employment Level, IEDA has the discretion to reduce or eliminate some or all of the Award.

(d) *Reduction, discontinuance or alteration of state funding/programs*. Any termination, reduction, or delay of funds or Tax Incentives available due, in whole or in part, to (i) lack of, reduction in, or a deappropriation of revenues or Tax Incentives previously appropriated or authorized for this Contract, or (ii) any other reason beyond the IEDA's control may, in the IEDA's discretion, result in the suspension, reduction or delay of Award Fund or authorization or issuance of Tax Incentives to the Recipient.

4.5 **Closing Cost Fee.** Upon execution of the contract and prior to the issuance of a tax credit number or the disbursement of Award Funds, an eligible business shall remit to the Authority a one-time compliance cost fee in the amount of $500.

ARTICLE 5: RESERVED.

ARTICLE 6: REPRESENTATIONS AND WARRANTIES

6.1 Representations of Recipient. The Recipient represents and warrants to IEDA as follows:

(a) *Organization and Qualifications.* The Recipient is duly organized, validly existing and in good standing under the state of its incorporation or organization, whichever is appropriate, and is authorized to conduct business in the state of Iowa. The Recipient has full and adequate power to own its property and conduct its business as now conducted, and is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the property owned or leased by it requires such licensing or qualifying, except where the failure to so qualify would not have a material adverse effect on the Recipient's ability to perform its obligations hereunder.

(b) *Authority and Validity of Obligations.* The Recipient has full right and authority to enter into this Contract. The person signing this Contract has full authority on behalf of Recipient to execute this Contract and issue, execute or otherwise secure or deliver any documents or obligations required under this Contract on behalf of the Recipient, and to perform, or cause to be performed, each and all of the obligations under

the Contract.

The Contract delivered by the Recipient has been duly authorized, executed and delivered by the Recipient and constitutes the valid and binding obligations of the Recipient and is enforceable against it in accordance with its terms. This Contract and related documents do not contravene any provision of law or any judgment, injunction, order, or decree binding upon the Recipient or any provision of the corporate governance documents of the Recipient, nor does this Contract contravene or constitute a default under any covenant, indenture or contract of or affecting the Recipient or any of its properties.

(c) *Affiliates.* The Recipient has no Affiliates involved with the Project on the Contract Effective Date.

(d) *Financial Reports.* The balance sheet of the Recipient furnished to IEDA fairly presents its financial condition as of said date and is in conformity with Generally Accepted Accounting Principles (GAAP) applied on a consistent basis. The Recipient has no contingent liabilities which are material to it, other than as indicated on such financial statements or, with respect to future periods, on the financial statements furnished to IEDA.

(e) *No Material Adverse Change.* Since the Award Date, there has been no change or the Recipient foresees no change in the condition (financial or otherwise) of the Recipient or the prospects of the Recipient, except those occurring in the ordinary course of business, none of which individually or in the aggregate has been materially adverse. To the knowledge of the Recipient, there has been no material adverse change in the condition of the Recipient, financial or otherwise, or the prospects of the Recipient.

(f) *Full Disclosure; Recipient's Financial Assistance Application.* The statements and other information furnished to the IEDA by Recipient in its Financial Assistance Application and in connection with the negotiation of this Contract do not contain any untrue statements of a material fact or omit a material fact necessary to make the material statements contained herein or therein not misleading. The IEDA acknowledges that, as to any projections furnished to the IEDA, the Recipient only represents that the same were prepared on the basis of information and estimates it believed to be reasonable.

(g) *Trademarks, Franchises and Licenses.* The Recipient owns, possesses, or has the right to use all necessary patents, licenses, franchises, trademarks, trade names, trade styles, copyrights, trade secrets, knowhow and confidential commercial and proprietary information to conduct its business as now conducted, without known conflict with any patent, license, franchise, trademark, trade name, trade style, copyright or other proprietary right of any other Person. As used in this Contract, "*Person"* means an individual, partnership, corporation, association, trust, unincorporated organization or any other entity or organization, including a government or agency or political subdivision thereof.

(h) *Governmental Authority and Licensing.* The Recipient has received all licenses, permits, and approvals of all Federal, state, local, and foreign governmental authorities, if any, necessary to conduct its business, in each case where the failure to obtain or maintain the same could reasonably be expected to have a material adverse effect. No investigation or proceeding which, if adversely determined, could reasonably be expected to result in revocation or denial of any material license, permit, or approval is pending or, to the knowledge of the Recipient, threatened.

(i) *Litigation and Other Controversies.* There is no litigation or governmental proceeding pending, nor to the knowledge of the Recipient, threatened, against the Recipient which, if adversely determined would result in any material adverse change in the financial condition, properties, business or operations of the Recipient, nor is the Recipient aware of any existing basis for any such litigation or governmental proceeding.

(j) *Good Title.* The Recipient has good and defensible title to or valid leasehold interests in all of its property involved with the Project including, without limitation, the Secured Property if real property is a

security for this Contract reflected on the most recent balance sheets furnished to the IEDA, except for sales of assets in the ordinary course of business.

(k) *Taxes.* All tax returns the Recipient is required to file in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees and other governmental charges upon the Recipient or upon any of its property, income or franchises, which are shown to be due and payable in such returns, have been paid, except such taxes, assessments, fees and governmental charges, if any, which are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and as to which adequate reserves established in accordance with GAAP have been provided. The Recipient knows of no proposed additional tax assessment against it for which adequate provisions in accordance with GAAP have not been made on its accounts. Adequate provisions in accordance with GAAP for taxes on the books of the Recipient have been made for all open years, and for their current fiscal period.

(l) *Other Contracts.* The Recipient is not in default under the terms or any covenant, indenture or contract of or affecting the Recipient's business or any of its properties, which default, if uncured, would have a material adverse effect on its financial condition, properties, business or operations.

(m) *No Event of Default.* No Event of Default, as defined in Article 9, has occurred or is continuing.

(n) *Compliance with Laws.* The Recipient is in compliance with the requirements of all federal, state and local laws, rules and regulations applicable to or pertaining to the business operations of the Recipient and laws and regulations establishing quality criteria and standards for air, water, land and toxic or hazardous wastes or substances, non-compliance with which could have a material adverse effect on the financial condition, properties, business or operations of the Recipient. The Recipient has not received notice that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental or health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a material adverse effect on the financial condition, properties, business or operations of the Recipient.

(o) *Effective Date of Representations and Warranties.* The warranties and representations of this Article are made as of the Contract Effective Date and shall be deemed to be renewed and restated by the Recipient at the time each request for disbursement of Award Funds is submitted to IEDA or each time Tax Incentives are claimed by the Recipient.

6.2 Representations of Community.

(a) *Local Approvals Received; Authority and Validity of Obligations*. The Community has secured all necessary local approvals and has full right and authority to enter into this Contract. The person signing this Contract has full authority on behalf of the Community to:

1. Sign this Contract, and

2. Perform each and all of the Community's obligations under this Contract.

The Contract delivered by the Community has been duly authorized, executed and delivered by the Community and constitutes the valid and binding obligations of the Community and is enforceable against it in accordance with its terms. This Contract and related documents do not contravene any provision of law or any judgment, injunction, order or decree binding upon the Community or contravene or constitute a default under any covenant, indenture or contract of or affecting the Community or any of its properties.

(b) *Local Commitment.* The Community represents that there are legally enforceable commitments in

place for the Community local commitment identified for the Project in *Exhibit C -Description of the Project and Award Budget*.

(c) *No Material Adverse Change.* Since the Award Date, there has been no material adverse change in the Community's ability to perform its obligations under this Contract.

(d) *Full Disclosure; Community's Financial Assistance Application.* The statements and other information furnished to the IEDA by the Community in the Financial Assistance Application and in connection with the negotiation of this Contract do not contain any untrue statements of a material fact or omit a material fact necessary to make the material statements contained herein or therein not misleading. The IEDA acknowledges that, as to any projections furnished to the IEDA, the Community only represents that the same were prepared on the basis of information and estimates it believed to be reasonable.

(e) *Governmental Authority and Licensing*. The Community has received all licenses, permits, and approvals of all federal, state, local, and foreign governmental authorities, if any, necessary to perform its obligations under this Contract. No investigation or proceeding which, if adversely determined, could reasonably be expected to result in revocation or denial of any material license, permit, or approval is pending or, to the knowledge of the Community, threatened.

(f) *Litigation and Other Controversies*. There is no litigation or governmental proceeding pending, nor to the knowledge of the Community, threatened, against the Community which, if adversely determined would result in any material adverse change in the Community's ability to perform under this Contract, nor is the Community aware of any existing basis for any such litigation or governmental proceeding.

(g) *No Event of Default.* No Event of Default by the Community, as defined in Article 9, has occurred or is continuing.

(h) *Compliance with Laws.* The Community is in compliance with the requirements of all federal, state and local laws, rules and regulations applicable to or pertaining to the operations of the Community and laws and regulations establishing quality criteria and standards for air, water, land and toxic or hazardous wastes or substances, non-compliance with which could have a material adverse effect on the financial condition, properties, business or operations of the Community in relation to the Community's ability to perform its obligations under this contract. The Community has not received notice that its operations are not in compliance with any of the requirements of applicable federal, state or local environmental or health and safety statutes and regulations or are the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, which non-compliance or remedial action could have a material adverse effect on the financial condition, properties, business or operations of the Community in relation to the Community's ability to perform its obligations under this contract.

(i) *Effective Date of Representations and Warranties.* The warranties and representations of this Article are made as of the Contract Effective Date.

ARTICLE 7: COVENANTS OF THE RECIPIENT

For the duration of this Contract, the Recipient covenants to IEDA as follows:

7.1 Project Performance Obligations.

(a) *Use Award Funds only for Project.* The Recipient shall use the Award Funds only for the Project and for the activities described in Exhibit C -Description of the Project and Award Budget and this Contract. Use of the Award Funds shall conform to the Budget for the Project as detailed in Exhibit C -Description

of the Project and Award Budget. The Recipient represents that there are legally enforceable commitments in place from the funding sources identified for the Project in Exhibit C -Description of the Project and Award Budget.

(b) *Meet and Maintain Eligibility Requirements.* Recipient shall continue to meet and maintain all statutory eligibility requirements for the funding sources providing assistance under this Contract.

(c) *Project Time Period.* This Contract covers the Project time period from the Award Date through the Maintenance Period Completion Date. Recipient shall complete and maintain the Project within the Project time period shown below:

		COMPLIANCE MEASUREMENT POINT		**COMPLIANCE MEASUREMENT POINT**	
Award Date	**Project Completion Period**	**Project Completion Date**	**Maintenance Period**	**Maintenance Period Completion Date**	**Contract Closeout**
"Award Date" is the date first stated in this Contract and is the date the IEDA Board approved the awarding of financial assistance to the Recipient for the Project.	***"Project Completion Period"*** is the period of time between the Award Date and the Project Completion Date.	***"Project Completion Date"*** is the date defined in Exhibit D by which the Recipient must complete the Project. At this point, IEDA will review the Project to verify compliance with Contract terms and obligations.	***"Maintenance Period"*** is the period of time between the Project Completion Date and the Maintenance Period Completion Date. The Project must be maintained in Iowa for this period of time.	***"Maintenance Period Completion Date"*** is the date defined in Exhibit D on which the Maintenance Period ends. At this point, IEDA will review the Project to verify that it was maintained in compliance with Contract terms and obligations.	IEDA will conduct Contract Closeout procedures after all events described in Article 1 have been met. ***"Contract End Date"*** is the date stated in IEDA's written Notice of Final Contract Closeout that is issued pursuant to Article 1.

(d) *Complete Project by Project Completion Date.* By the Project Completion Date, Recipient shall complete the Project, make the total investment it pledged for the Project and in accordance with the Award Budget as detailed in Exhibit C - Description of the Project and Award Budget, and comply with all other performance requirements described in this Contract.

(e) *Total Project Costs.* By the Project Completion Date, Recipient shall have completed the Project with a Total Project Cost as detailed in Exhibit C - Description of the Project and Award Budget.

(f) *Maintain Project through Maintenance Period Completion Date.* Recipient shall maintain the Project through the Maintenance Period Completion Date.

(g) *Maintain Project in Iowa During Contract Period.* The Recipient shall at all times preserve and maintain its existence as a corporation in good standing and maintain the Project in Iowa. The Recipient will preserve and keep in force and effect all licenses, permits, franchises, approvals, patents, trademarks, trade names, trade styles, copyrights and other proprietary rights necessary to the proper conduct of its respective business.

7.2 Taxes and Insurance.

(a) *Pay Taxes and Assessments.* The Recipient shall duly pay and discharge all taxes, rates, assessments, fees, and governmental charges upon or against its properties, in each case before the same

become delinquent and before penalties accrue thereon, unless and to the extent that the same are being contested in good faith and by appropriate proceedings and adequate reserves are provided therefore.

(b) *Maintain Insurance.* The Recipient shall insure and keep insured in good and responsible insurance companies all insurable property owned by it which is of a character usually insured by Persons similarly situated and operating like properties against loss or damage from such hazards or risks as are insured by Persons similarly situated and operating like properties, and the Recipient shall insure such other hazards and risks, including employers' and public liability risks in good and responsible insurance companies as and to the extent usually insured by Persons similarly situated and conducting similar business. The Recipient will, upon request of IEDA, furnish a certificate setting forth in summary form the nature and extent of the insurance maintained pursuant to this Article.

7.3 Preserve Project and Protect Security.

(a) *Maintenance of Properties.* The Recipient shall maintain, preserve and keep its properties in good repair, working order and condition, ordinary wear and tear excepted, and will from time to time make all needful and proper repairs, renewals, replacements, additions and betterments thereto so that at all times the efficiency thereof shall be fully preserved and maintained in accordance with prudent business practices.

(b) *Restrictions on Security.* If Security is required pursuant to Article 5 of this Contract, the Recipient shall not, without prior written disclosure to IEDA and prior written consent of IEDA, which shall not be unreasonably withheld, directly or indirectly:

1. Sell, transfer, convey, assign, encumber or otherwise dispose of any of the Secured Property for this Project.

2. Place or permit any restrictions, covenants or any similar limitations on the Secured Property or in the Security Documents for the Project.

3. Remove from the Project site or the State all or any part of the Secured Property.

4. Create, incur or permit to exist any lien of any kind on the Secured Property.

7.4 Recipient Changes.

(a) *No Changes in Recipient Operations.* The Recipient shall not materially change the Project or the nature of the business and activities being conducted or proposed to be conducted by Recipient, as described in the Recipient's approved Financial Assistance Application, Exhibit A of this Contract, unless approved in writing by IEDA prior to the change.

(b) *Changes in Recipient Ownership, Structure and Control.* The Recipient shall not materially change the ownership, structure, or control of the business if it would adversely affect the Project. This includes, but is not limited to, entering into any merger or consolidation with any person, firm or corporation or permitting substantial distribution, liquidation or other disposal of assets directly associated with the Project. Recipient shall provide IEDA with advance notice of any proposed changes in ownership, structure or control. The materiality of the change and whether the change adversely affects the Project shall be as reasonably determined by IEDA.

7.5 Required Reports.

(a) *Review of Reports.* The Recipient shall prepare, sign and submit required reports, in the form and content required by IEDA, as specified in this Contract.

(b) *Reports.* The Recipient shall prepare, sign and submit the following reports to the IEDA throughout the Contract period:

Report	**Due Date**
Annual Project Status Report The Annual Project Status Report will collect information from the Recipient about the status of the Project.	July 31st for the period ending June 30th
End of Project Report The End of Project Report will collect information from the Recipient about the completed Project.	Within 30 days of Project Completion Date
End of Maintenance Period Report The End of Maintenance Period Report will collect information from the Recipient's continued maintenance of the Project.	Within 30 days of the end of the Maintenance Period Completion Date

(c) *Additional Reports, Financial Statements as Requested by IEDA.* The IEDA reserves the right to require more frequent submission of reports if, in the opinion of the IEDA, more frequent submissions would provide needed information about Recipient's Project performance, or if necessary in order to meet requests from the Iowa General Assembly, the Department of Management or the Governor's office. At the request of IEDA, Recipient shall submit its annual financial statements completed by an independent CPA, or other financial statements including, but not limited to, income, expense, and retained earnings statements.

7.6 Compliance with Laws.

(a) *State, local and federal laws.* Recipient shall comply in all material respects with the requirements of all applicable federal, state and local laws, rules, regulations and orders.

(b) *Environmental laws.* Recipient shall comply in all material respects with all applicable environmental, hazardous waste or substance, toxic substance and underground storage laws and regulations, and the Recipient shall obtain any permits or licenses and shall acquire or construct any buildings, improvements, fixtures, equipment or its property required by reason of any applicable environmental, hazardous waste or substance, toxic substance or underground storage laws or regulations.

(c) *Nondiscrimination laws.* Recipient shall comply in all material respects with all applicable federal, state, and local laws, rules, ordinances, regulations and orders applicable to the prevention of discrimination in employment, including the administrative rules of the Iowa Department of Management and the Iowa Civil Rights Commission which pertain to equal employment opportunity and affirmative action.

(d) *Worker rights and safety.* The Recipient shall comply in all material respects with all applicable federal, state and local laws, rules, ordinances, regulations and orders applicable to worker rights and worker safety.

(e) *Immigration laws.* Recipient shall only employ individuals legally authorized to work in this State. In addition to any and all other applicable penalties provided by current law, all or a portion of the Award is subject to recapture by IEDA if Recipient is found to employ individuals not legally authorized to work in the State of Iowa.

(f) *Compliance with IEDA's Administrative Rules.* Recipient shall comply with IEDA's administrative rules for the programs under which assistance is provided to the Project and rules governing administration of this Contract.

7.7 Inspection and Audit. The Recipient shall permit the IEDA and its duly authorized representatives, at such reasonable times and reasonable intervals as the IEDA may designate, to:

(a) Conduct site visits and inspect the Project.

(b) Audit financial records related to the Project.

(c) Examine and make copies of the books of accounts and other financial records of the Recipient related to the Project.

(d) Discuss the affairs, finances and accounts of the Recipient with, and to be advised as to the same by, its officers, and independent public accountants. By this provision, the Recipient authorizes such accountants to discuss with the IEDA and the IEDA's duly authorized representatives the finances and affairs of the Recipient.

7.8 Maintenance and Retention of Records.

(a) *Maintain Accounting Records.* The Recipient is required to maintain its books, records and all other evidence pertaining to this Contract in accordance with GAAP and such other procedures specified by IEDA.

(b) *Access to Records.* Records to verify compliance with the terms of this Contract shall be available at all times, and made available to IEDA and its designees at places and times designated by IEDA, for the duration of this Contract and any extensions thereof. Recipient shall make its records available to: (i) IEDA; (ii) IEDA's internal or external auditors, agents and designees; (iii) the Auditor of the State of Iowa; (iv) the Attorney General of the State of Iowa; (v) the Iowa Division of Criminal Investigations and any other applicable law enforcement agencies.

(c) *Records Retention Period.* Recipient shall retain the records for a period of three (3) years from the Contract End Date, unless the records are the subject of an audit, investigation, or administrative or legal proceeding. In those instances, the records shall be retained until the audit, investigation or proceeding has been resolved.

7.9 Required Notices from Recipient to IEDA.

(a) *Notice of Major Changes.* Recipient shall provide IEDA with written notice within thirty (30) days of the occurrence of: (a) any event that has a material adverse effect on Recipient's ability to complete the Project in accordance with the terms of this Contract; (b) the termination of the business conducted at the Project; (c) a material modification of the nature of the business conducted at the Project; and (d) the transfer of the Project or any material interest in the Project in connection with financing or refinancing the Project.

(b) *Notice of Proceedings.* Without limiting Section 7.9(a), Recipient shall promptly provide IEDA with written notice within ten (10) days of the occurrence of any claims, lawsuits, bankruptcy proceedings, or other proceedings brought against Recipient that have a material adverse effect on Recipient's ability to complete the Project in accordance with the terms of this Contract.

7.10 Indemnification. The Recipient shall indemnify, defend and hold harmless the IEDA; the State

of Iowa; its departments, divisions, agencies, sections, commissions, officers, employees and agents from and against all losses, liabilities, penalties, fines, damages and claims ,including taxes, and all related costs and expenses ,including reasonable attorneys' fees and disbursements and costs of investigation, litigation, settlement, judgments, interest and penalties, arising from or in connection with any of the following:

(a) Any claim, demand, action, citation or legal proceeding arising out of or resulting from the Project;

(b) Any claim, demand, action, citation or legal proceeding arising out of or resulting from a breach by the Recipient of any representation, warranty or covenant made by the Recipient in this Contract;

(c) Any claim, demand, action, citation or legal proceeding arising out of or related to occurrences that the Recipient is required to insure against as provided for in this Contract; and

(d) Any claim, demand, action, citation or legal proceeding which results from an act or omission of the Recipient or any of its agents in its or their capacity as an employer of a person.

7.11 Repayment of Unallowable Costs. Recipient shall repay any Award received or realized that is determined by IEDA, its auditors, agents or designees, the Auditor of the State of Iowa, or similar authorized governmental entity to be unallowable under the terms of this Contract.

7.12 Ongoing Fees Based on Claims. For the duration of this Contract and for as long as Recipient claims or applies for benefits against its Iowa tax liability under this Contract, Recipient shall remit to the Authority a compliance cost fee equal to one-half of 1 percent of the value of the Tax Incentives claimed pursuant to this Contract. The fee shall be due and payable upon filing the Recipient's annual tax return for each tax year in which the Recipient claims Tax Incentives under this Contract.

ARTICLE 8: COVENANTS OF THE COMMUNITY

For the duration of this Contract, the Community covenants to IEDA as follows:

8.1 Local Match. The Community shall provide the local financial assistance for the Project as described in Exhibit C, Project Description and Award Budget.

8.2 Notice to IEDA. In the event the Community becomes aware of any material alteration in the Project, initiation of any investigation or proceeding involving the Project, any change in the Recipient's ownership, structure or operation, or any other similar occurrence, the Community shall promptly provide written notice to IEDA.

ARTICLE 9: DEFAULTS AND REMEDIES

9.1 Default by Recipient. An unremedied Event of Default may result in termination of this Contract and repayment of all or a portion of the Award Funds disbursed to Recipient and the value of the Tax Incentives actually received, plus applicable default interest and costs.

(a) *Events of Default* Any one or more of the following shall constitute an *"Event of Default"* under this Contract:

1. *Nonpayment*. Failure to make a payment when due of any Loan or other payment required by this Contract whether by lapse of time, acceleration or otherwise; or

2. *Noncompliance with Covenants.* Default in the observance or performance of any covenant set

forth in Article 7, for more than twenty (20) business days; or

3. *Noncompliance with Security Documents.* Default in the observance or performance of any term of any Security Document if required in Article 5 beyond any applicable grace period set forth therein; or

4. *Noncompliance with Contract.* Default in the observance or performance of any other provision of this Contract; or

5. *Material Misrepresentation.* Any representation or warranty made by the Recipient in this Contract or in any statement or certificate furnished by it pursuant to this Contract, or made in Exhibit A, Recipient's Financial Assistance Application, or in connection with any of the above, proves untrue in any material respect as of the date of the issuance or making thereof; or

6. *Security Deficiencies.* Any of the Security Documents that represent the Security pledged by Recipient to secure this Contract fails for any reason to create a valid and perfected priority security interest in favor of the IEDA; or

7. *Judgment.* Any judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes entered or filed against the Recipient or against any of its property and remains unvacated, unbonded or unstayed for a period of 30 days which materially and adversely affects Recipient's ability to perform its obligations under this Contract; or

8. *Adverse Change in Financial Condition.* Any change occurs in the financial condition of the Recipient which would have a material adverse effect on the ability of the Recipient to perform under this Contract; or

9. *Bankruptcy or Similar Proceedings Initiated.* Either the Recipient shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its property, (v) commence any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, or (vi) fail to contest in good faith any appointments or proceeding described below; or

10. *Appointment of Officials.* A custodian, receiver, trustee, examiner, liquidator or similar official is appointed for either the Recipient or any substantial part of any of its respective property, or a proceeding described above is commenced against the Recipient and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of sixty (60) days; or

11. *Insecurity.* IEDA in good faith deems itself insecure and reasonably believes, after consideration of all the facts and circumstances then existing, that the prospect of payment and satisfaction of the obligations under this Contract, or the performance of or observance of the covenants in this Contract, is or will be materially impaired; or

12. *Failure to Submit Required Reports.* The Recipient fails to submit complete reports by the required due dates as outlined in Article 7; or

13. *Layoffs, Relocation or Closure.* The Recipient or any Affiliate experiences a layoff or relocates

or closes any of its facilities within the state of Iowa. For Modernization Projects, a reduction in the Base Employment Level; or

14. *Hiring workers not authorized to work in state.* The Recipient fails to only employ only individuals legally authorized to work in the state of Iowa. If Recipient is found to knowingly employ individuals not legally authorized to work in the state of Iowa then, in addition to any and all other applicable penalties provided by current law, all or a portion of the assistance received is subject to repayment; or

15. *Failure to Maintain Program Eligibility Requirements.* Recipient fails to maintain a statutory eligibility requirement for a program providing assistance under this Contract.

(b) *Notice of Default and Opportunity to Cure.* If IEDA has reasonable cause to believe that an Event of Default has occurred under this Contract, IEDA shall issue a written Notice of Default to the Recipient setting forth the nature of the alleged default in reasonable specificity and providing therein a reasonable period of time, which shall not be fewer than thirty (30) days from the date of the Notice of Default, during which the Recipient shall have an opportunity to cure, provided that cure is possible and feasible.

(c) *Remedies Available to IEDA.* When an Event of Default has occurred and is not cured within the required time period, IEDA may, after written notice to Recipient:

1. Terminate this Contract.

2. Suspend or reduce pending and future disbursements.

3. Declare immediately due and payable without further demand, presentment, protest or notice of any kind the principal and any accrued interest on any outstanding Promissory Notes issued pursuant to this Contract, including both principal and interest and all fees, charges and other amounts payable under this Contract.

4. Require repayment of all or a portion of Award Funds disbursed.

5. Revoke or reduce authorized Tax Incentives.

6. Require full repayment of all or a portion of the value of Tax Incentives received.

(d) Reserved.

(e) *Default Interest Rate.* If an Event of Default occurs and remains uncured, a default interest rate of 6% shall apply to repayment of amounts due under this Contract. The default interest rate shall accrue from the first date Award Funds are disbursed or Tax Incentives are received.

(f) *Expenses.* The Recipient agrees to pay to the IEDA all expenses reasonably incurred or paid by IEDA, including reasonable attorneys' fees and court costs, in connection with any Default or Event of Default by the Recipient or in connection with the enforcement of any of the terms of this Contract.

9.2 Default by Community.

(a) *Events of Default.* Any one or more of the following shall constitute an *"Event of Default by Community"* under this Contract:

1. *Noncompliance with Covenants.* Default in the observance or performance of any covenants of the Community set forth in Article 8, for more than five (5) business days; or

2. *Material Misrepresentation.* Any representation or warranty made by the Community in this Contract or in any statement or certificate furnished by it pursuant to this Contract, or made by Community in Exhibit A, Recipient's Financial Assistance Application, or in connection with any of the above, proves untrue in any material respect as of the date of the issuance or making thereof.

3. *Terminate this Contract.*

(b) *Notice of Default and Opportunity to Cure.* If IEDA has reasonable cause to believe that an Event of Default has occurred under this Contract, IEDA shall issue a written Notice of Default to the Community setting forth the nature of the alleged default in reasonable specificity and providing therein a reasonable period of time, which shall not be fewer than thirty (30) days from the date of the Notice of Default, during which the Community shall have an opportunity to cure, provided that cure is possible and feasible.

(c) *Remedies Available to IEDA.* When an Event of Default by Community has occurred and is not cured within the required time period, IEDA may, after written notice to Community:

1. Suspend or reduce pending and future disbursements to Community.

2. Require payment by Community of the amount of local financial assistance pledged to the Project but not provided.

(d) *Expenses.* The Community agrees to pay to the IEDA all expenses reasonably incurred or paid by IEDA including reasonable attorneys' fees and court costs, in connection with any Default or Event of Default by the Community or in connection with the enforcement of any of the terms of this Contract.

ARTICLE 10: MISCELLANEOUS.

10.1 Choice of Law and Forum; Governing Law.

(a) In the event any action or proceeding of a quasi-judicial or judicial nature is commenced arising out of or relating to this Contract, such action or proceeding shall be brought in Des Moines, Iowa, in the Iowa District Court for Polk County, if such court has jurisdiction. If, such court lacks jurisdiction and jurisdiction lies only in a United States District Court, the matter shall be commenced in the United States District Court for the Southern District of Iowa, Central Division.

(b) This provision shall not be construed as waiving any immunity to suit or liability, in state or federal court, which may be available to the IEDA, the State of Iowa or its members, officers, employees or agents.

(c) This Contract and the rights and duties of the parties hereto shall be governed by, and construed in accordance with, the internal laws of the State of Iowa without giving effect to any conflict of law principles that may require the application of the laws of another jurisdiction.

10.2 Contract Amendments. Neither this Contract nor any documents incorporated by reference in connection with this Contract, may be changed, waived, discharged or terminated orally, except as provided below:

(a) *Writing required.* The Contract may only be amended if done so in writing and signed by all the parties. Examples of situations requiring an amendment include, but are not limited to, time extensions, budget revisions, and significant alterations of existing activities or beneficiaries.

(b) *IEDA review.* Requests to amend this Contract shall be processed by IEDA in compliance with the IEDA's rules and procedures applicable to contract amendments.

10.3 Notices. Except as otherwise specified herein, all notices hereunder shall be in writing, including, without limitation by fax, and shall be given to the relevant party at its address, e-mail address, or fax number set forth below, or such other address, e-mail address, or fax number as such party may hereafter specify by notice to the other parties provided by United States mail, by fax or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices hereunder shall be addressed:

To the Recipient at:
CPM Acquisition Corporation
Tim Brown
2975 Airline Circle
Waterloo, IA 50703

E-mail: brownti@cpmroskamp.com
Telephone: 319.464.8222

To the IEDA at:
Iowa Economic Development Authority
Compliance
1963 Bell Avenue, Suite 200
Des Moines, Iowa 50315
Attention: Business Development - Compliance

E-mail: Compliance@iowaeda.com
Telephone: 515.348.6200
Facsimile: 877.631.7575

To the Community at:
City of Waterloo
Noel Anderson
715 Mulberry Street
Waterloo, IA 50703

E-mail: noel.anderson@waterloo-ia.org
Telephone: 319.291.4286

Each such notice, request or other communication shall be effective (i) if given by e-mail, when such e-mail is transmitted to the e-mail address specified in this Article and a confirmation of such e-mail has been received by the sender, (ii) if given by mail, five (5) days after such communication is deposited in the mail, certified or registered with return receipt requested, addressed as aforesaid or (iii) if given by any other means, when delivered at the addresses specified in this Article.

10.4 Headings. Article headings used in this Contract are for convenience of reference only and are not a part of this Contract for any other purpose.

10.5 Final Authority. The IEDA shall have the authority to reasonably assess whether the Recipient has complied with the terms of this Contract. Any IEDA determinations with respect to compliance with the provisions of this Contract shall be deemed final determinations pursuant to Iowa Code Chapter 17A, Iowa Administrative Procedure Act.

10.6 Waivers. No waiver by IEDA of any default hereunder shall operate as a waiver of any other default or of the same default on any future occasion. No delay on the part of the IEDA in exercising any

right or remedy hereunder shall operate as a waiver thereof. No single or partial exercise of any right or remedy by IEDA shall preclude future exercise thereof or the exercise of any other right or remedy.

10.7 Counterparts. This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.

10.8 Survival of Representations. All representations and warranties made herein or in any other Contract document or in certificates given pursuant hereto or thereto shall survive the execution and delivery of this Contract and the other Contract documents and shall continue in full force and effect with respect to the date as of which they were made until all of Recipient's obligations or liabilities under this Contract have been satisfied.

10.9 Severability of Provisions. Any provision of this Contract which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. In the event any provision of this Contract is held to be unenforceable as written, but enforceable if modified, then such provision shall be deemed to be amended to such extent as to be enforceable and it shall be enforced to that extent. All rights, remedies and powers provided in this Contract or any other Contract document may be exercised only to the extent that the exercise thereof does not violate any applicable mandatory provisions of law, and all the provisions of this Contract and any other Contract document are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Contract or any other Contract document invalid or unenforceable.

10.10 Successors and Assigns. This Contract shall be binding upon the Recipient and IEDA and their respective successors and assigns, and shall inure to the benefit of the IEDA and Recipient and their successors and assigns.

10.11 Nonassignment. This Contract shall not be assigned, in whole or in part, by Recipient unless approved in writing by IEDA. Any attempt by Recipient to assign this Contract other than as permitted herein shall be null and void.

10.12 Termination. This Contract can be terminated under any of the following circumstances:

(a) *Agreement of the Parties.* Upon written agreement of the Recipient, the Community and IEDA.

(b) *Unremedied Event of Default.* As a result of the Recipient's or Community's unremedied Event of Default pursuant to Article 9.

(c) *Termination or reduction in funding to IEDA.* As a result of the termination or reduction of funding to IEDA as provided in Article 4.4(d).

10.13 Documents Incorporated by Reference. The following documents are incorporated by reference and considered an integral part of this Contract:

1. Exhibit A - Recipient's Financial Assistance Application (on file with IEDA), Application # BFAA-000518
2. Exhibit B-1 High-Quality Jobs Program – Tax Credit Component Special Conditions
3. Exhibit C - Description of the Project and Award Budget
4. Exhibit D - Job Obligations

5. Exhibit E- Reserved
6. Exhibit F - Reserved

10.14 Order of Priority. In the case of any inconsistency or conflict between the specific provisions of this document and the exhibits, the following order of priority shall control:

1. Article 1 - 10 of this Contract.
2. Exhibit A - Recipient's Financial Assistance Application (on file with IEDA), Application # BFAA-000518
3. Exhibit B-1 High-Quality Jobs Program – Tax Credit Component Special Conditions
4. Exhibit C - Description of the Project and Award Budget
5. Exhibit D - Job Obligations
6. Exhibit E - Reserved
7. Exhibit F - Reserved

10.15 Integration. This Contract contains the entire agreement between the Parties relating to the Project. Any representations that may have been made before or after signing this Contract, which are not contained herein, are nonbinding, void and of no effect. None of the Parties has relied on any such prior representation in entering into this Contract.

-This space intentionally left blank, signature page follows -

IN WITNESS WHEREOF in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into this Contract and have caused their duly authorized representatives to execute this Contract, effective as of the latest date stated below (Contract Effective Date).

FOR IEDA:

BY:

_____

Deborah V. Durham, Director

_____

Date

FOR RECIPIENT:

BY:

_____

Signature

_____

Typed Name and Title

_____

Date

FOR THE COMMUNITY:

BY:

_____

Signature

_____

Typed Name and Title

_____

Date

LIST OF EXHIBITS

Exhibit A -	Recipient's Financial Assistance Application (on file with IEDA), Application # BFAA-000518
Exhibit B-1	High Quality Jobs Program – Tax Credit Component Special Conditions
Exhibit C -	Description of the Project and Award Budget
Exhibit D -	Job Obligations
Exhibit E -	Reserved
Exhibit F -	Reserved

EXHIBIT B – 1
High Quality Jobs Program – Tax Credit Component

Special Conditions to Contract # 21-HQJP-037

The following additional terms shall apply to the Contract:

SECTION 1: ADDITIONAL DEFINITIONS.

The following additional terms are defined in this Contract as follows:

"Capital Investment" means the investment spent on depreciable assets. The minimum Capital Investment required for this Project is as stated in Section 2 of this Exhibit. The allowable categories of expenditures for purposes of calculating Capital Investment are described in IEDA's administrative rule 261 IAC 174.10.

"Investment Qualifying for the Tax Credit" means new investment directly related to jobs created or retained by the start-up, location, expansion or modernization for this Project.

"Qualifying Investment" means the statutorily-required minimum investment amount that must be made and maintained by the Recipient to receive High Quality Jobs Program Tax Incentives for this Project. This amount is as stated in Section 2 of this Exhibit. Not all expenditures count toward meeting the required Qualifying Investment. The categories of expenditures that can be included for purposes of meeting and maintaining statutorily-required investment requirements are described in 261 IAC 174.10.

"Economically Distressed Area" means a county that ranks among the bottom 33 of all Iowa counties, as measured by either the average monthly unemployment level for the most recent 12-month period or the average annualized unemployment level for the most recent five-year period.

SECTION 2: TERMS AND CONDITIONS OF THE AWARD

2.1 Award. The Recipient is awarded the following Tax Incentives through the High Quality Jobs Program, based on the minimum investment requirements described herein: $601,000.

2.2 Minimum Investment Requirements. As a condition of receiving Tax Incentives, the Recipient shall meet the following minimum investment requirements:

(a)	Capital Investment.	$ 3,000,000
(b)	Qualifying Investment.	$ 5,400,000
(c)	Investment Qualifying for Tax Credits.	$ 4,900,000

2.3 Additional Tax Incentives. The Recipient is eligible for additional incentives pursuant to Iowa Code section 15.326, et. seq. The following Tax Incentives, in the maximum amounts shown for each authorized incentive, are also available to the Recipient:

Authorized Incentives	Included in Award	Maximum Amt.
Refund of Sales, Service, and Use Taxes.	☒ Yes ☐ No	$ 60,000
Refund of Sales Taxes Attributable to Racks, Shelving, and Conveyor Equipment.	☐ Yes ☒ No	$ 0
Corporate Tax Credit For Certain Sales Taxes Paid By Third Party Developer.	☒ Yes ☐ No	$ 345,000
Investment Tax Credit (4%)	☒ Yes ☐ No	$ 196,000
Research Activities Credit.	☐ Yes ☒ No	$ 0
Local Property Tax Exemption Provided by Community	☐ Yes ☒ No	$ 0

2.4 Conditions for Authorized Incentives. The Recipient is responsible to seek these additional incentives through processes described in the applicable statutes and corresponding administrative rules, ordinances and procedures. The following conditions shall apply to the incentives described in section 2.3 of this Exhibit.

(a) *Refund Of Sales, Service And Use Taxes Paid To Contractors Or Subcontractors.* The Recipient is eligible for a refund of sales, service and use taxes paid to contractors and subcontractors as authorized in Iowa Code section 15.331A (2011 Supplement).

1. The Recipient may apply for a refund of the sales and use taxes paid under Iowa Code chapters 422 and 423 for gas, electricity, water or sewer utility services, goods, wares, or merchandise, or on services rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility of the Recipient.

2. Taxes attributable to intangible property and furniture and furnishings shall not be refunded.

3. To receive a refund of the sales, service and use taxes paid to contractors or subcontractors, the Recipient must:

    i. Inform the Iowa Department of Revenue (IDR) after project completion.
    ii. Make an application to IDR within one year after project completion. For purposes of claiming this refund, "project completion" means any date during the period beginning the date of Certificate of Completion is provided by the Community to the Recipient upon completion of the renovation of the building included in the Project and ending on the Project Completion Date as identified in Exhibit D.

(b) *Reserved.*

(c) *Corporate tax credit for certain sales taxes paid by third party developer.*

1. Pursuant to Iowa Code section 15.331C, Recipient may claim a corporate tax credit up to an amount equal to the sales and uses taxes paid by a third-party developer under chapter 423 for gas, electricity, water, or sewer utility services, goods, wares, or merchandise, or on services rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility of the Recipient. Taxes attributable to intangible property and furniture and furnishings shall not be refunded. Any tax credit in excess of the tax liability for the tax year may be credited to the tax liability for the following seven (7) years or until depleted, whichever occurs earlier. Recipient may elect to receive a refund of all or a portion of an unused tax credit.

2. To file a claim for certain sales taxes paid by third party developer, Recipient must:

    i. Inform the Iowa Department of Revenue (IDR) within two weeks of the project completion.
    ii. Make an application to IDR within one year after project completion. For purposes of claiming this refund, "project completion" means any date during the period beginning the date of Certificate of Completion is provided by the Community to the Recipient upon completion of the renovation of the building included in the Project and ending on the Project Completion Date as identified in Exhibit D.

4. In consultation with IDR, IEDA shall issue a tax credit certificate in an amount equal to all or a portion of the sales and uses taxes paid by a third-party developer under Iowa Code chapter 423 for gas, electricity, water, or sewer utility services, goods, wares, or merchandise, or on services rendered, furnished, or performed to or for a contractor or subcontractor and used in the fulfillment of a written contract relating to the construction or equipping of a facility of the Recipient. Recipient shall not claim this tax credit unless a tax credit certificate issued by IEDA is attached to Recipient's tax return for the tax year in which the tax credit is claimed.

(d) *Investment Tax Credit.*

1. The Recipient may claim an investment tax credit as provided in Iowa Code section 15.333. Such credit may be claimed for a portion of the Qualifying Expenditures, as defined below in subparagraph (3), directly related to Job Obligations, as described in Exhibit D, of the start-up or location, expansion, or modernization of the business under this program. The credit shall be earned when the qualifying asset is placed in service. The Recipient shall not claim more than the amount authorized for this incentive as stated above and in Article 3 of the Contract. Any credit in excess of the tax liability for the tax year may be credited to the tax liability for the following seven years or until depleted, whichever occurs first.

2. The tax credit shall be amortized equally over a five-year period as specified below:

October 1, 2020 – September 30, 2021	$ 39,200
October 1, 2021 – September 30, 2022	$ 39,200
October 1, 2022 – September 30, 2023	$ 39,200
October 1, 2023 – September 30, 2024	$ 39,200
October 1, 2024 – September 30, 2025	$ 39,200

3. Only Qualifying Expenditures are eligible for the investment tax credit. For purposes of this benefit, "Qualifying Expenditures" means:
    i. The purchase price of real property and any buildings and structures located on the real property.

    ii. The cost of improvements made to real property which is used in operation of the business.

    iii. The costs of machinery and equipment, as defined in Iowa Code section 427A.1(1) "e" and "j" purchased for use in the operation of the business and for which the purchase price may have been depreciated in accordance with GAAP.

4. If the Project includes leasing of new construction or major renovation of an existing building, the annual base rent paid to a third-party developer by Recipient must be for a period equal to the term of the lease agreement but cannot exceed the maximum term of the agreement, provided the cumulative cost of the base rent payments for that period does not exceed the cost of the land or the third-party developer's costs to build or renovate the building for the Recipient. Limitations to annual base rent shall only be considered when the Project includes the construction of a new building or the major renovation of an existing building. The Recipient shall enter into a lease agreement with the third-party developer for a minimum of five years.

(e) *Reserved.*

(f) *Reserved.*

SECTION 3: ADDITIONAL COVENANTS

In addition to the Covenants described in Article 7 of the Contract, the Recipient shall be bound to the additional covenants:

3.1 **Job Obligations.** By the Project Completion Date, the Recipient shall create and/or retain the number of FTE Created Jobs and Retained Jobs included in, for Retained Jobs, and above, for Created Jobs, the Recipient's Base Employment Level, as detailed in Exhibit D – Job Obligations, and maintain the jobs through the Maintenance Period.

3.2 **Wage Obligations.** The Qualifying Wage Threshold rates specific to this Contract that must be met are stated in Exhibit D, Job Obligations. By the Project Completion Date and through the Maintenance Completion Period Date, the Recipient shall:

(a) For Projects in Economically Distressed Areas or at a designated Grayfield Site, the Qualifying Wage Threshold requirement applicable to all phases of the Project is 100% of the Qualifying Wage Threshold.

(b) For Projects at a designated Brownfield Site, the Qualifying Wage Threshold requirement applicable to all phases of the Project is 90% of the Qualifying Wage Threshold.

(c) For all other Projects:

1. For the *Created Jobs*, pay 100% of the Qualifying Wage Threshold at the start of the Project Completion Period, at least 120% of the Qualifying Wage Threshold by the Project Completion Date, and at least 120% of the Qualifying Wage Threshold until the Maintenance Period Completion Date.

2. For the *Retained Jobs*, pay at least 120% of the Qualifying Wage Threshold throughout both the Project Completion Period and the Maintenance Period.

3.3 Provide Sufficient Benefits. The Recipient shall provide Sufficient Benefits to all employees included as part of the job and wage obligations.

SECTION 4: ADDITIONAL DEFAULT PROVISIONS

In addition to the default provisions included in Article 9 of the Contract, the following default provisions shall apply:

4.1 **Repayment of Tax Incentives Received - High Quality Jobs Program.** IDR is the state agency responsible for collecting the value of any Tax Incentives received in violation of the terms of this Contract. The Community is the party responsible for collecting the value of the local tax incentives received in violation of this Contract. IEDA will determine if the Recipient has met the terms of this Contract. If there is an unremedied Event of Default, IEDA will provide written notice to IDR and the Community. Calculation of the amount owed may be based on a sliding scale in certain circumstances and may include interest assessed by IDR. Those circumstances are as follows:

(a) Failure to Meet Job Obligations by Project Completion Date. If the Recipient does not meet its Job Obligations as detailed in Exhibit D, Job Obligations by the Project Completion Date, the repayment amount shall be the same proportion as the amount of the shortfall in created jobs. For example, if the business creates 50 percent of the jobs required, the business shall repay 50 percent of the incentives received. For Modernization Projects, Recipient shall maintain the Base Employment Level. Any job loss may result in a proportional reduction or repayment of incentives received.

Upon repayment of the amount due, IEDA will reduce the Recipient's Job Obligations. The reduced Job Obligations must be maintained through the Maintenance Period Completion Date.

(b) Job shortfall at Maintenance Period Completion Date. If the Recipient does not maintain its adjusted Job Obligations through the Maintenance Period Completion Date, Recipient shall repay an additional percentage of the Tax Incentives it has received. The amount to be repaid will be calculated as described in subsection (a) above.

(c) Qualifying Investment. If the Business does not meet its Qualifying Investment requirement as defined in Section 2 of this Exhibit, the repayment amount shall be the same proportion as the amount of the shortfall in required Qualifying Investment. For example, if the business meets 75 percent of the amount of required capital investment, the business shall repay 25 percent of the amount of the incentives received.

(d) Less than Total Project Cost at Project Completion Date. If the Recipient does not complete the Project with a Total Project Cost as stated in Exhibit C, Project Description and Award Budget, by the Project Completion Date Recipient shall repay a portion of the Tax Incentives received.

For example, if the Recipient's required Total Project Cost is 10% less than pledged, 10% of the value of the Tax Incentives received, plus any interest assessed by IDR, must be repaid.

(e) Repayment Amount If Shortfall in Job Obligations, Qualifying Investment and/or Less Than Total

Project Cost. If the Recipient experiences a shortfall in two or more of its requirements related to Job Obligations, Qualifying Investment, or the Total Project Cost, IEDA will calculate the percentage owed for the Recipient's failure to meet each of the requirements. The higher of these amounts shall be the amount Recipient shall repay to IDR.

(f) Selling, Disposing, or Razing of Property. If, within five years of purchase, the Recipient sells, disposes of, razes, or otherwise renders unusable all or a part of the land, building, or other existing structures for which an investment tax credit was claimed, the income tax liability of the Recipient for the year in which all or part of the property is sold, disposed of, razed, or otherwise rendered unusable shall be increased by one of the following amounts, plus any interest assessed by IDR:

1. 100% of the tax credit claimed if the property ceases to be approved for the tax credit within one full year after being placed in service.

2. 80% of the tax credit claimed if the property ceases to be approved for the tax credit within two full years after being placed in service.

3. 60% of the tax credit claimed if the property ceases to be approved for the tax credit within three full years after being placed in service.

4. 40% of the tax credit claimed if the property ceases to be approved for the tax credit within four full years after being placed in service.

5. 20% of the tax credit claimed if the property ceases to be approved for the tax credit within five full years after being placed in service.

- End of Exhibit B – 1 -

DESCRIPTION OF THE PROJECT AND AWARD BUDGET (EXHIBIT C)

Name of Recipient: CPM Acquisition Corporation
Name of Community: City of Waterloo
Contract Number: 21-HQJP-037

PROJECT DESCRIPTION

CPM Acquisition Corporation will lease a design-build-to-suit facility which will support sales, engineering, research and development, corporate back-office administration, and order fulfillment operations. Located on 20 acres, the facility will total approximately 140,000 square feet (20,000 sf office, 120,000 sf factory). The factory will support manufacturing, assembly, warehouse, and a dedicated research and development facility.

AWARD BUDGET

SOURCE OF FUNDS	AMOUNT	FORM	USE OF FUNDS	COST
IEDA Programs			*Land Acquisition	
HQJP Tax Credit		[1] See Below	*Site Preparation	
			*Building Acquisition	
Business	$5,700,000	Internal financing	*Building Construction	
			*Building Remodeling	$2,000,000
			Capital Lease Costs	$2,400,000
			*Mfg Machinery and Equipment	$500,000
			*Other Machinery and Equipment	
			Racking, Shelving, etc.	
			*Computer Hardware	
			Computer Software	
			*Furniture and Fixtures	$500,000
			Working Capital	
			Research and Development	$300,000
			Job Training	
			*included as capital investment if awarded tax credit program	
Total	**$5,700,000**		**Total**	**$5,700,000**

[1] $601,000 estimated benefit value

OTHER FUNDING

SOURCE OF FUNDS	TOTAL AMOUNT	FORM/TERM	USED AS MATCH
TIF Rebate	$894,240	50%, 15 Years	Yes
Tax Abatement			
260E Job Training			
In-Kind Contributions			
RISE			
RED			
Other: Land Incentive	$1,200,000		Yes

EXHIBIT D – JOB OBLIGATIONS

Recipient: CPM Acquisition Corporation
Community: City of Waterloo
Contract Number: 21-HQJP-037

This Project has been awarded Project Completion Assistance and Tax Incentives from the High Quality Jobs Program (HQJP) – Tax Credit Component. The chart below outline the contractual job obligations related to this Project.

Data in the "Employment Base" column has been verified by IEDA and reflects the employment characteristics of the facility receiving funding before this award was made. Jobs to be retained as a part of this Project must be included in these calculations.

Data in the "Jobs To Be Created" column outlines the new full-time jobs (including their wage characteristics) that must be added to the employment base and, if applicable, statewide employment base as a result of this award.

At the Project Completion Date and through the Maintenance Period Completion Date, the Recipient must achieve, at a minimum, the numbers found in the "Total Job Obligations" column.

HQJP JOB OBLIGATIONS Project Completion Date: May 31, 2024 Maintenance Period Completion Date: May 31, 2026	Employment Base	Jobs To Be Created	Total Job Obligations
Total employment at project location	104	14	118
Average wage of total employment at project location	$31.52		
Qualifying Laborshed Wage threshold requirement (per hr)	$19.01 (100%)		
Number of jobs at or above qualifying wage	85	14	99
Average Wage of jobs at or above qualifying wage	$34.83		

Notes re: Job Obligations

1. When determining the number of jobs at or above the qualifying wage, wages will include only the regular hourly rate that serves as the base level of compensation. The wage will not include nonregular forms of compensation such as bonuses, unusual overtime pay, commissions, stock options, pension, retirement or death benefits, unemployment benefits or other insurance, or other fringe benefits.

2. Employment Base includes 0 "Retained Jobs".

If the Recipient uses or proposes to use a non-standard work week (8 hours a day, 5 days a week, 52 weeks a year including holidays, vacation and other paid leave), check the box below and describe that alternative schedule. The alternative schedule must meet the requirements of 261 IAC 173.2. If the box is not checked or if no alternative schedule is provided, IEDA will consider "*Full-time Equivalent (FTE) Job"* to mean the employment of one person for 8 hours per day for a 5-day, 40-hour workweek for 52 weeks per year, including paid holidays, vacations and other paid leave.

☐ The Recipient shall use an alternative work week for purposes of its employees described in the Contract. The alternative work week is as follows: [description].

Sufficient Benefits Deductible Requirements

Recipient shall provide Sufficient Benefits with a maximum deductible of $1,700 for single coverage or $3,750 for family coverage.



SITE PLAN

Scale: 1" = 200'-0"

LEVI ARCHITECTURE
P.O. Box 1240 Cedar Falls, IA 50613
319.277.5636 319.277.5639 fax
www.leviarchitecture.com

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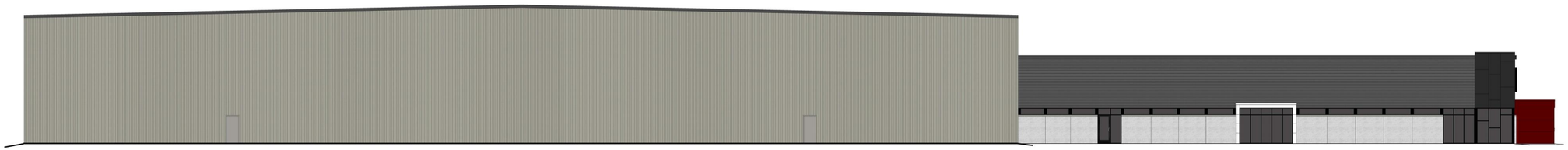
St. Martin Land Company
MidPort America Business Park
Waterloo, Iowa
Site Plan

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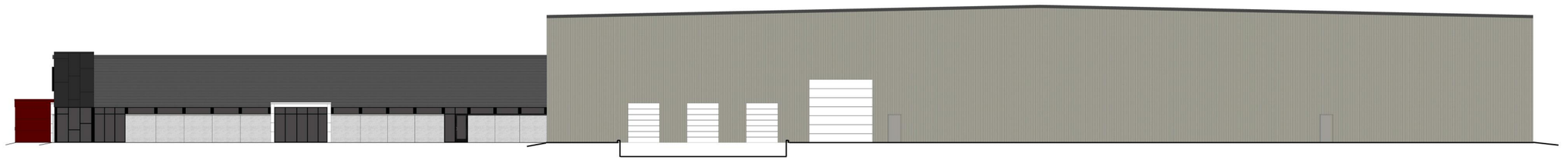
Date:
April 19, 2021

St. Martin Land Company
Manufacturing Development

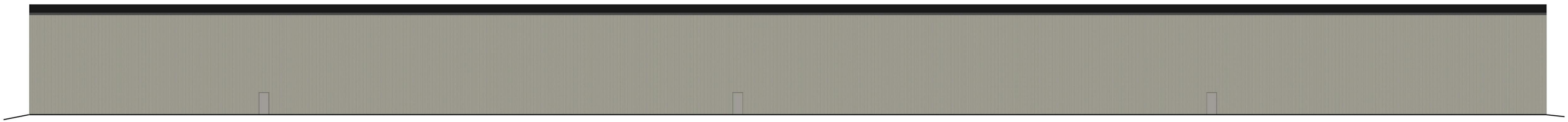
MidPort America Business Park
Waterloo| Iowa



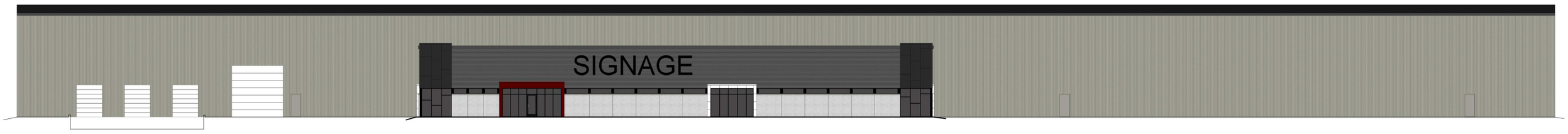
NORTH ELEVATION



SOUTH ELEVATION



EAST ELEVATION

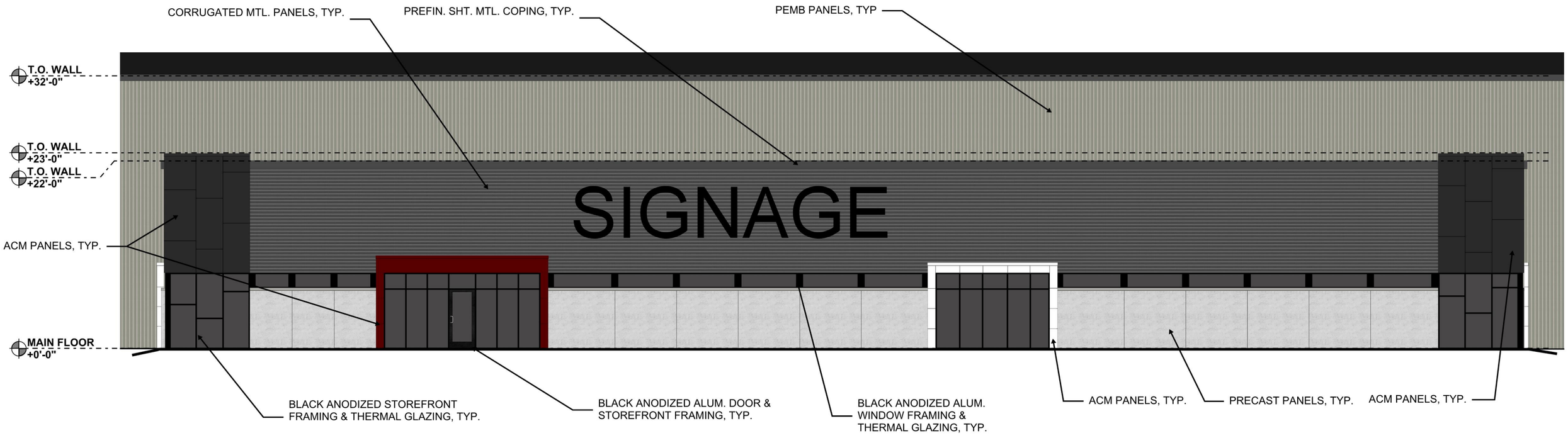


WEST ELEVATION

LEVI ARCHITECTURE

St. Martin Land Company
Manufacturing Development

MidPort America Business Park
Waterloo| Iowa

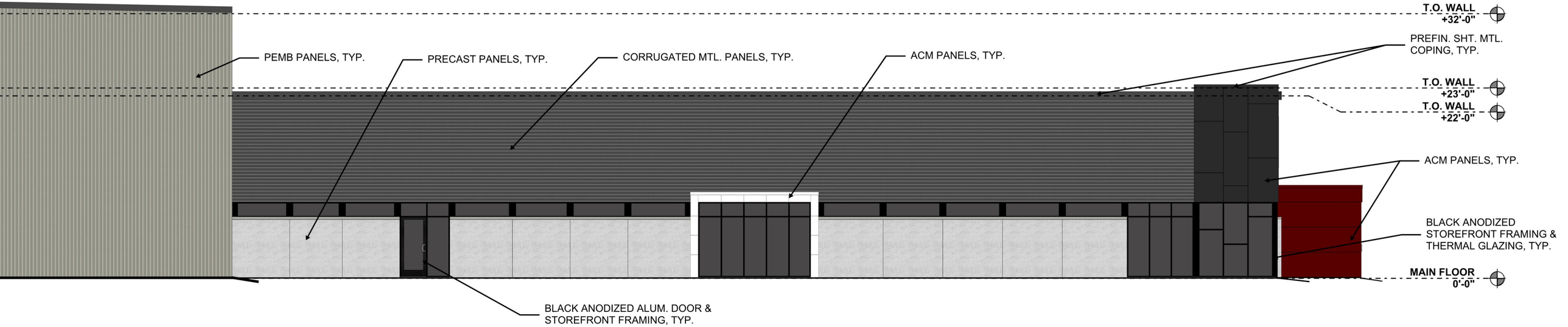


WEST ELEVATION

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St. Martin Land Company
Manufacturing Development

MidPort America Business Park
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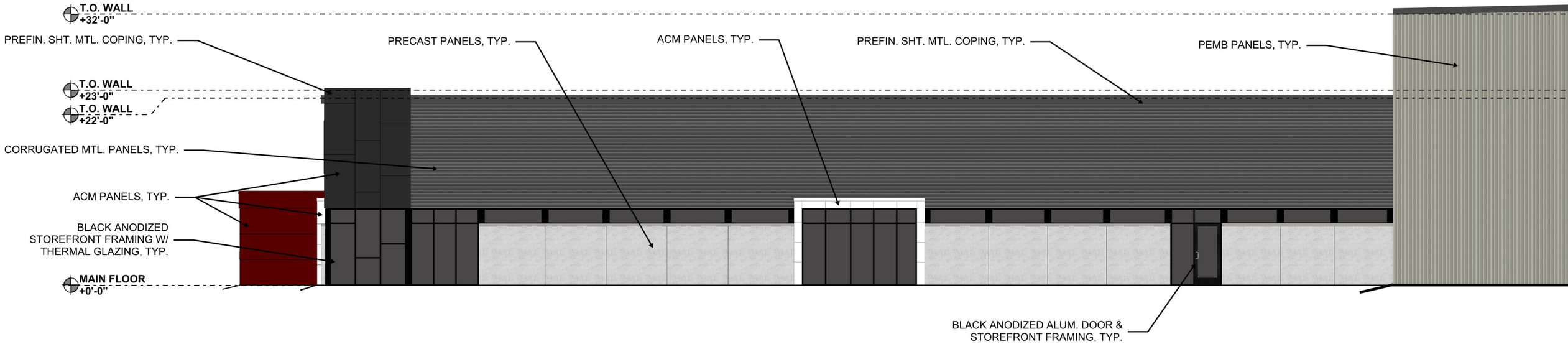


NORTH ELEVATION

LEVI ARCHITECTURE

St. Martin Land Company
Manufacturing Development

MidPort America Business Park
Waterloo| Iowa



SOUTH ELEVATION

LEVI ARCHITECTURE

CITY OF WATERLOO

Council Communication

Resolution approving a new record request fee schedule for the Waterloo Police Department.

City Council Meeting: 5/2/2022
Prepared: 4/25/2022

ATTACHMENTS:

	Description	Type
	Records Request.doc	Backup Material

SUBJECT:	Resolution approving a new record request fee schedule for the Waterloo Police Department.
Submitted by:	Submitted By: Joel F. Fitzgerald, PhD., Police Chief

CITY OF WATERLOO, IOWA

Waterloo Police Department

715 Mulberry St. • Waterloo, IA 50703 • Phone (319) 291-4340 • Fax (319) 291-4332

Mayor
QUENTIN HART

COUNCIL MEMBERS

JOHN CHILES
Ward 1

JONATHAN GRIEDER
Ward 2

NIA WILDER
Ward 3

JEROME AMOS, JR.
Ward 4

RAY FEUSS
Ward 5

ROB NICHOLS
At-Large

DAVE BOESEN
At-Large

4/27/2022

To whom it may concern:

Effective May 2nd , 2022 the following is the established fee schedule for police open records requests.

Single Case Fees, Arrest Histories and Online Reports
$10.00 for the first 20 pages of a case
$ .25 for each page over 20 up to 100 pages
$30.00 per hour for each case over 100 pages

Multiple Case Fees
$10.00 for the first five cases requested
$5.00 per case for anything over 5 cases

Computer Searches
$20.00 per address search
$20.00 for on demand reports and searches
$20.00 for Axon Searches per officer/per day (paid prior to the search)

Photographs and Recorded Evidence
$10.00 per photograph
$10.00 per DVD/CD
$10.00 per case for a download link sent via email

Fingerprinting
$20.00 per person

Axon Videos
$10 per minute of video requested, including redaction. Certain videos of a highly sensitive nature, containing ongoing criminal investigations or medical information will not be released.

Nonstandard Requests
Nonstandard requests, require multiple searches or analysis will be billed based on the hourly rate/overtime rate of the employee required to complete the request. An estimate will be provided to the requestor within 7 days.

Deposit
For requests that are/estimated to be over $100 a 50% down payment will be required.

CITY OF WATERLOO

Council Communication

Resolution approving Gaming Grant Agreement with the Black Hawk County Gaming Association, for a grant award in the amount of $6.5 million, in conjunction with the Transforming Gates and Byrnes Parks Project, and authorizing the Leisure Services Director to execute said document.

City Council Meeting: 5/2/2022
Prepared: 3/29/2022

ATTACHMENTS:

Description	Type
Gaming Agreement Gate-Byrnes	Cover Memo

SUBJECT:	Resolution approving Gaming Grant Agreement with the Black Hawk County Gaming Association, for a grant award in the amount of $6.5 million, in conjunction with the Transforming Gates and Byrnes Parks Project, and authorizing the Leisure Services Director to execute said document.
Submitted by:	Submitted By: Paul Huting, Leisure Services Director
Recommended Action:	Recommend Approval
Summary Statement:	This grant contract is for the award of $6.5 million over a period of 5 years for a major improvements project for Gates and Byrnes Parks. The project was presented to Council in a work session and subsequently endorsed by Council.
Neighborhood Impact:	This grant will help improve the neighborhoods surrounding Gates and Byrnes, and the entire City will benefit from the new facilities including an inclusion park, spray pad, basketball facilities, amphitheater, and new aquatic center.
Community Engagement Methods:	Ballard King engaged the entire community during their aquatics master plan process. A Gates Park Neighborhood focus group was created by Mayor Hart with the help of Neighborhood Services, including stakeholders and the neighborhood association representatives. Ritland Kuiper engaged this group in the development of the Gates Park Master Plan.
Expenditure Required/Source of Funds:	This total project cost is estimated at $16 million. Many other grants are being sought, with several other applications currently under review. Capital Improvement Fund bonds will be used to match other grants.

Follow Up

Public Profile

Transforming Gates and Byrnes Parks.

Process: FY22 - Spring

Contact Info | Request | $ Award Details

Applicant:
Bob Etringer
bob.etringer@waterloo-ia.org

1101 Campbell
Waterloo, IA 50701 Black Hawk

Contact Email History

Organization:
Waterloo Leisure Services
42-6005327
319-291-4370
1101 Campbell
Waterloo, IA 50701 Black Hawk

If your organization information does not appear correct, please contact the funder. Thank you.

LOI | Application | Follow Up

FollowUp Packet | Question List

Due by 05/01/2022 12:00 AM CDT.

Fields with an asterisk (*) are required.

Question Group

Project Title*

Transforming Gates and Byrnes Parks.

Amount Awarded

$ 6,500,000.00

Total Project Budget

$ 16,000,000.00

Upon acceptance of this grant the grantee agrees to the following:

GENERAL PROVISIONS*

Funds granted by the Black Hawk County Gaming Association shall be used by the grantee within 12 months of the official public announcement, unless otherwise specified or agreed to at the time of the grant award, or by subsequent action of the Black Hawk County Gaming Association. Projects must be started and completed on time and completed as presented. Failure to do so may be cause for the Board to suspend future payments and demand refund of payments rendered. A request for an extension must be submitted to the Black Hawk County Gaming Association in writing prior to the expiration date specifying valid reasons.

◉ I agree to the above

USE OF FUNDS*

This award is to be used exclusively for the purposes specified in the grant, which may represent all, or any of the projects(s) specified in the grant application. It is further agreed that should the grant project be altered subsequent to the award, including but not limited to content, description, total project cost or percentage the award amount represents of the total cost, the grantee shall promptly notify the Black Hawk County Gaming Association. The Board may change the award amount depending upon the circumstances presented.

◉ I agree to the above

GRANTEE ACKNOWLEDGEMENT*

The Grantee will acknowledge the contribution of Black Hawk County Gaming Association to the program or project wherever and whenever appropriate. This will include, but not be limited to news releases, construction signage, plaques for project sites, decals, brochure or programs, etc. (For example: This program project made possible by funds contributed by the Black Hawk County Gaming Association). Please submit copies of these acknowledgements to the Black Hawk County Gaming Association—for more information please refer to the ***Publicity Guide***

◉ I agree to the above

TAX STATUS*

The grantee shall be a public entity or 501c3 tax exempt entity at the time of the award.

◉ I agree to the above

PAYMENT OF GRANT AWARD*

To receive payment, documentation of the expenditure of the funds, acceptable to Black Hawk County Gaming Association must be submitted. If the grant is for capital or other purchased services, invoices or signed accepted bids/contracts, acceptable to Black Hawk County Gaming Association must be submitted to obtain payment. If the grant covers consultant and or/contracted services, submit a statement, acceptable to Black Hawk County Gaming Association, verifying that the services were provided and itemize the expense incurred. The billing must be signed by an authorized agent of the organization and contain the grant number listed above.

◉ I agree to the above

SPECIAL CONDITIONS

Billing must be submitted to Black Hawk County Gaming Association within 60 days of the completion of the 12 month grant period or sooner if the grant funds have been spent. Please send requests for payment which must include vendor invoice(s) or contract(s) signed by both parties to:

425 Cedar Street, Suite 300A
Waterloo, IA 50701

1,000 characters left of 1,000

Special Conditions Agreement*

The above special conditions are required in order to receive payment and shall become part of this agreement.

◉ I have read and agree to the above special conditions

GRANTEE ELECTRONIC SIGNATURE*

Mayor Quentin Hart

GRANTEE SIGNATURE DATE*

05/01/2022

Due by 05/01/2022 12:00 AM CDT.

Save Follow Up | Submit Follow Up

Follow Up

Public Profile

Transforming Gates and Byrnes Parks.

Process: FY22 - Spring

Contact Info | Request | $ Award Details

Installment Total: **$6,500,000.00**
Canceled Total: **$0.00**
Amount Paid: **$0.00**
Balance: **$6,500,000.00**

Number of Installments: 5

> Installment Form
> Due: 05/01/2023 | Amount: $1,300,000.00 | Balance: $1,300,000.00 | Payments: 0 | Follow Ups: 0

> Installment Form
> Due: 05/01/2024 | Amount: $1,300,000.00 | Balance: $1,300,000.00 | Payments: 0 | Follow Ups: 0

> Installment Form
> Due: 05/01/2025 | Amount: $1,300,000.00 | Balance: $1,300,000.00 | Payments: 0 | Follow Ups: 0

> Installment Form
> Due: 05/01/2026 | Amount: $1,300,000.00 | Balance: $1,300,000.00 | Payments: 0 | Follow Ups: 0

> Installment Form
> Due: 05/03/2027 | Amount: $1,300,000.00 | Balance: $1,300,000.00 | Payments: 0 | Follow Ups: 0

LOI | Application | Follow Up | FollowUp Packet | Question List

Due by 05/01/2022 12:00 AM CDT.

Fields with an asterisk (*) are required.

Question Group

Project Title*

Transforming Gates and Byrnes Parks.

Amount Awarded

$ 6,500,000.00

CITY OF WATERLOO

Council Communication

An ordinance amending the term and duties of the City Clerk's Office and Fire Department.

City Council Meeting: 5/2/2022
Prepared: 4/15/2022

ATTACHMENTS:

	Description	Type
	Ordinance as proposed	Backup Material

SUBJECT:	Motion to receive, file, consider, and pass for the first time an ordinance amending the City of Waterloo Code of Ordinances by repealing Article A, City Clerk of Chapter 5, Municipal Officials, Title 1, Administration and Article B, Fire Department of Chapter 6, Municipal Departments, Title 1, Administration, and enacting in lieu thereof a new Article A, City Clerk of Chapter 5, Municipal Officials, Title 1, Administration and Article B, Fire Department of Chapter 6, Municipal Departments, Title 1, Administration. Motion to suspend the rules. Motion to receive, file, consider, and pass for the second and third times and adopt said ordinance.
Submitted by:	Submitted By: Kelley Felchle, City Clerk and Pat Treloar, Fire Chief
Recommended Action:	Approval.

Prepared by Kelley Felchle, City Clerk, City of Waterloo, 715 Mulberry Street, Waterloo, IA 50703, (319) 291-4323.

ORDINANCE NO. XXXX

AN ORDINANCE AMENDING THE CITY OF WATERLOO CODE OF ORDINANCES BY REPEALING ARTICLE A, CITY CLERK OF CHAPTER 5, MUNICIPAL OFFICIALS, TITLE 1, ADMINISTRATION AND ARTICLE B, FIRE DEPARTMENT OF CHAPTER 6, MUNICIPAL DEPARTMENTS, TITLE 1, ADMINISTRATION, AND ENACTING IN LIEU THEREOF A NEW ARTICLE A, CITY CLERK OF CHAPTER 5, MUNICIPAL OFFICIALS, TITLE 1, ADMINISTRATION AND ARTICLE B, FIRE DEPARTMENT OF CHAPTER 6, MUNICIPAL DEPARTMENTS, TITLE 1, ADMINISTRATION.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WATERLOO, IOWA AS FOLLOWS:

Section 1: That Article A, City Clerk of Chapter 5, Municipal Officials, Title 1, Administration is hereby repealed and a new Article A, City Clerk of Chapter 5, Municipal Officials, Title 1, Administration, and is hereby enacted in lieu thereof as follows:

TITLE 1 ADMINISTRATION
CHAPTER 5 MUNICIPAL OFFICIALS
ARTICLE A. CITY CLERK

SECTION:
1-5A-1: APPOINTMENT, QUALIFICATION, AND TERM
1-5A-2: DEPUTY CITY CLERK
1-5A-3: DUTIES AND RESPONSIBILITIES
1-5A-4: REPORTS
1-5A-5: FEES OF OFFICE

1-5A-1: APPOINTMENT, QUALIFICATION, AND TERM:
The city clerk shall be appointed by the city council. Said appointment shall be in accordance with all city policies and procedures regarding recruitment, selection, and appointment of employees. The city clerk shall serve as an at-will employee, and unless the city clerk resigns or is terminated by the city council, shall continue to serve in the position. Within ten (10) days from such appointment, the city clerk shall qualify as provided by state law and city code.

1-5A-2: DEPUTY CITY CLERK:
The city clerk may, with the approval of the city council, appoint a deputy city clerk who shall perform the duties of the city clerk during the absence or disability of the city clerk. Said appointment shall be in accordance with all city policies and procedures regarding recruitment, selection, and appointment of employees. The deputy city clerk shall serve as an at-will employee, and unless the deputy clerk resigns or is terminated by the city clerk, shall continue to serve in the position.

1-5A-3: DUTIES AND RESPONSIBILITIES:
The city clerk shall perform the following duties:

A. General Duties:

1. Coordinate the preparation of council meeting agendas, attend meetings of the city council, and take minutes of said meetings; and

2. Write resolutions, ordinances, and amendments and publish hearing notices; and

3. Issue notices of regular and special elections required to be given by law or in pursuance of any provision of this code, or other city ordinance or resolution of the city council, issue all notices of special meetings of the city council when called, as provided by law; and

4. Notify committees of business referred to them by the city council; and

5. Maintain and safeguard records of the city and keep records in the manner and duration required by law; and

6. Administer the city liability insurance program, procure liability insurance for the city, and set liability limits and requirements as may be advisable and necessary to prevent unnecessary risk to the city; and

7. Direct, coordinate, and oversee the work of the employees of the city clerk's office; and

8. Perform such other duties as may be required by the laws of the state, this code, other city ordinances or resolutions, or as may be directed by the mayor and city council.

B. Certification of Assessments: Certify to the county auditor, as provided by law, all assessments and taxes of every kind and nature levied by the city council which are required to be so certified.

C. Records:

1. Deeds and Contracts: Keep copies of all deeds and contracts executed by or in favor of the city, and shall properly index them.

2. Licenses, Permits, Policies, and Petitions: Keep all licenses and permits granted by the city clerk's office for a period in accordance with state law, this code, or city policy, noting the date when issued, the person to whom issued, and the date of expiration of the license or permit. Keep on file a copy of all policies adopted by the city council. File and preserve in the city clerk's office all petitions, remonstrances, and other papers presented to the city council by the public at a public meeting.

D. Purchases: Procure materials for the city council to use during council meetings and materials, products, and supplies necessary to facilitate the operation of the city clerk's office.

1-5A-4: REPORTS:

The city clerk shall report upon any of the matters connected with the office of the city clerk whenever called upon by the city council to do so; keep all returns of assessments, and the election and appointment of city officers, and shall as soon as practicable after each meeting of the city council, prepare minutes of the business transacted and a correct copy of all resolutions and ordinances adopted, and deliver ordinances to the official newspaper for publication, and shall not allow any papers or documents to be taken from the office of the city clerk without the consent of the city council.

1-5A-5: FEES OF OFFICE:

For attested certificates and transcripts other than those ordered by the city council, the city clerk shall charge the same fees as are allowed to county officers for like services; and shall keep a record of such fees and turn the same into the general fund.

Section 2. That Article B, Fire Department of Chapter 6, Municipal Departments, Title 1, Administration, is hereby repealed and a new Article A, City Clerk of Chapter 5, Municipal Officials, Title 1, Administration and Article B, Fire Department of Chapter 6, Municipal Departments, Title 1, Administration, is hereby enacted as follows:

TITLE 1 ADMINISTRATION
CHAPTER 6 MUNICIPAL DEPARTMENTS
ARTICLE B. FIRE DEPARTMENT

SECTION:

1-6B-1: FIRE CHIEF APPOINTMENT TERM AND AUTHORITY:

1-6B-2: DEPARTMENT POWERS AND DUTIES:
1-6B-3: EXTRATERRITORIAL ASSISTANCE:
1-6B-4: DEPARTMENT ESTABLISHED; MEMBERS:

1-6B-1: FIRE CHIEF APPOINTMENT TERM AND AUTHORITY:
A. Appointment: The chief of the fire department shall be appointed by the mayor with approval of the city council from the fire chief civil service list. Nothing herein contained shall prevent the removal of and the termination of the appointment of the chief as provided by law or employment agreement. The supervision and management of the department shall be executed in accordance with this Article.

B. Authority to Order Removal of Buildings: To order the removal of any building or property that he may deem necessary for the purpose of checking or stopping the progress of fire in the city.

C. Prescribe Limits Where Entry Is Prohibited: Prescribe limits in the vicinity of any fire within which no person, except those who reside therein, shall be permitted to enter.

D. Fire Arson Investigator: The fire chief shall appoint the fire arson investigator to perform all of the duties and responsibilities of investigating the cause, origin, and circumstances of fires as set forth in this code. The fire arson investigator may be a peace officer as set forth in Iowa law and said investigator may have all the powers, duties and responsibilities attendant to the function of a peace officer, which shall include, but not be limited to, the power of arrest.

1-6B-2: DEPARTMENT POWERS AND DUTIES:
A. Police Authority: All members of the fire department shall have and exercise all the powers of police officers at the scene of a fire.

B. Presence for Duty: The members of the fire department shall remain in the quarters provided for them by the city, day and night, when not necessarily in other parts of the city attending to their duties prescribed by this article, or by the rules and regulations of the fire department, and no officer or member of the fire department shall be absent from duty at any time of day or night without permission from the chief of the fire department or person acting as such, and the procurement of a satisfactory substitute to act when absent.

C. Command at Fire Scene: It shall be the duty of the first officer of the fire department at a fire in the city to take charge thereof until a superior officer shall arrive, and for such purpose he shall have all the powers of the chief of the fire department.

D. Authority to Summon Assistance: If he deems it necessary, to summon any or all persons able to perform labor, including operators of vehicles for hire, to aid in the extinguishment of fires or removing property in danger thereof, and in guarding the property, and any person refusing to obey such summons shall be guilty of an offense.

E. Inspect Fire Hazards: After careful inquiry and investigations, immediately notify, in writing, the owner or occupants of any building in the city where there are any defective chimneys, smoke pipes or flues, or where there are any fires or inflammable materials not sufficiently secured and guarded, used or kept in, or in connection with, any such building, to forthwith repair, remove, change or secure the same, as the case may require.

F. Emergency Medical Services, Hazardous Materials, and Rescue Services: The department is authorized to provide ambulatory, hazardous materials, and rescue services in addition to fire services.

G. Records: Provide the record keeping and reporting systems necessary to assure proper maintenance and repair of fire department buildings, facilities, apparatuses and equipment; provide record keeping and reporting systems for all fire, fire inspection, emergency medical services, hazardous materials, and rescue services calls.

1-6E-3: EXTRATERRITORIAL ASSISTANCE:

A. The fire department of the city is hereby authorized to answer calls for firefighting or other emergency assistance outside the limits of the city, but within the county, at the discretion of the chief of the fire department or a duly authorized designee acting if the fire chief is absent.

B. The fire department of the city is further authorized to respond to calls for firefighting or other emergency assistance outside the limits of the city, but within the state, when requested by the mayor or the chief of the fire department of any city or town having an organized fire department, at the discretion of the fire chief of the city fire department, or a duly authorized assistant acting during the absence of the chief of the fire department.

C. When the firefighters or equipment of the city are engaged in rendering assistance pursuant to this subsection, they shall be considered to be within their jurisdiction, and the city shall have the same governmental immunity when responding to such calls as when operating within the city.

1-6B-4: DEPARTMENT ESTABLISHED; MEMBERS:

A. Composition of Department: There is hereby created and established a fire department in and for the city, consisting of:

1. One (1) fire chief, who shall be appointed pursuant to section 1-6B-1 of this chapter; and
2. Three (3) or more battalion chiefs; and
3. One (1) fire marshal; and
4. One (1) medical supervisor; and
5. Three (3) or more medical officers; and
6. One (1) or more fire lieutenant inspector/investigation; and
7. One (1) or more training officer; and
8. Three (3) or more fire captains; and
9. Twenty one (21) or more fire lieutenants; and
10. Twenty one (21) or more fire engineers; and
11. Fifty eight (58) or more fire fighters/paramedics and civilian staff.

Section 3. Effect and Severability: This ordinance shall be in full force and effect from and after its passage and publication as provided by law. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of this ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

INTRODUCED: _____, 2022
PASSED 1st CONSIDERATION: _____, 2022
PASSED 2nd CONSIDERATION: _____, 2022
PASSED 3rd CONSIDERATION: _____, 2022

PASSED AND ADOPTED this ____st day of _____ 2022.

_____
Quentin Hart, Mayor

ATTEST:

_____
Kelley Felchle
City Clerk

SEAL


CITY
WATERLOO
IOWA
SEAL

CITY OF WATERLOO

Council Communication

An Ordinance amending the 2020 Traffic Code by deleting Section 279, Truck and Bus Parking Prohibited, in its entirety, and inserting in lieu thereof of new Section 279, Truck and Bus Parking, to the 2020 Traffic Code.

City Council Meeting: 5/2/2022
Prepared: 4/19/2022

ATTACHMENTS:

Description	Type
Ordinance	Backup Material

SUBJECT:	An Ordinance amending the 2020 Traffic Code by deleting Section 279, Truck and Bus Parking Prohibited, in its entirety, and inserting in lieu thereof of new Section 279, Truck and Bus Parking, to the 2020 Traffic Code as follows: No person shall park a motor truck, implement of husbandry, special mobile unit, van or other vehicle used for the carrying of freight or persons on any residential street in the city, or on the following commercial streets: Cyclone Drive, Titan Trail and Athens Drive, except when making a delivery or picking up persons or freight on said street and when doing so shall park only for a length of time reasonably necessary to perform said function. Motion to suspend the rules. Motion to receive, file, consider and pass for the second and third time and adopt said ordinance.
Submitted by:	Submitted By: Sandie Greco, Traffic Operations Director
Recommended Action:	Adopt Ordinance
Summary Statement:	The City was notified of semi trailers parked along streets in the Greyhound Park area overnight and weekends. Meeting with the developer and city staff, it was recommended to prohibit truck parking along the three streets intersecting with Greyhound Drive. This is a safety concern as streets are narrow creating one lane traffic with trucks parked along the curb. With new development taking place, incoming businesses will be aware of parking restrictions.
Implementation, Accountability, and Communication:	Letters were mailed out to all businesses in the Greyhound area informing them of the pending ordinance change.

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE 2020 TRAFFIC CODE BY DELETING SECTION 279, TRUCK AND BUS PARKING PROHIBITED, IN ITS ENTIRETY, AND INSERTING IN LIEU THEREOF A NEW SECTION 279, TRUCK AND BUS PARKING, TO THE 2020 TRAFFIC CODE, AS FOLLOWS:

BE IT ORDAINED by the City Council of the City of Waterloo, Iowa:

That Section 279, Truck and Bus Parking Prohibited, of the 2020 Traffic Code shall be deleted in its entirety.

That a new Section 279, Truck and Bus Parking Prohibited, shall be inserted in lieu thereof to the 2020 Traffic Code, as follows:

SEC. 279. TRUCK AND BUS PARKING PROHIBITED.

No person shall park a motor truck, implement of husbandry, special mobile unit, van or other vehicle used for the carrying of freight or persons on any residential street in the city, or on the following commercial streets; Cyclone Drive, Titan Trail and Athens Drive, except when making a delivery or picking up persons or freight on said street and when doing so shall park only for a length of time reasonably necessary to perform said function.

Nothing in this ordinance shall prevent the parking of a light delivery truck, panel delivery truck or pick-up truck on a residential street. A school bus may park on a residential street only on those days that school is in session and only between the hours of 9:00 a.m. and 4:00 p.m. (Ord. #3758, 12/17/90).

PASSED AND ADOPTED by the City Council this _____ day of May, 2022, and approved by the Mayor this _____ day of May, 2022.

_____
Quentin Hart, Mayor

ATTEST:

_____
Kelley Felchle, City Clerk

CITY OF WATERLOO

Council Communication

Recommendation of denial of a refund request for property located at 314-320 Johnson Street, for incorrect charges for curbside garbage services, in the amount of $919.32.

City Council Meeting: 5/2/2022
Prepared: 4/14/2022

ATTACHMENTS:

Description	Type
email	Backup Material

SUBJECT:	Recommendation of denial of a refund request for property located at 314-320 Johnson Street, for incorrect charges for curbside garbage services, in the amount of $919.32.
Submitted by:	Submitted By: Randy Bennett, Public Works Division Manager

Scott Brunson

From: Scott Brunson
Sent: Tuesday, April 12, 2022 6:05 AM
To: 'griffininvestmentsllc@gmail.com'
Subject: Request for Refund

Looking over Spencer Gann's request for a credit, the City of Waterloo has found the following:

In April 2019, Spencer Gann stated he purchased the property located at 314-320 Johnson St. At the time of purchase, Mr. Gann would need to contact Water Works to put the services in his name. During these conversations with Water Works, he would have been instructed by Water Works of the previous owner having a private hauler and informing him of the exemption paperwork that must be filed annually (for account reconciliation and verifying viable hauler status).

The previous owner had a private hauler (Waste Management) providing dumpster service for the complex. Spencer found a better alternative hauler and switched from Waste Management to Rite Environmental. When Mr. Gann contacts a private hauler, it is in the hauler's best interest and procedure to ask if the customer has existing agreements or City services. If a customer has an existing agreement, the hauler is open for tortious interference proceedings. Having previously worked in the private sector, this is a procedure that should never be an afterthought. The hauler usually keeps these forms on hand and gives them to a customer to fill out the top portion. The hauler will fill out their information on the bottom and send the form to the City Clerk's office. The current exemption would be in place until December 31st, 2019.

At the beginning of 2020, the exemption status terminates and City service charges are applied to exempted residents until a new exemption form has been filled out. This process is in place for several reasons:

1. It allows the City of Waterloo to verify ownership of properties.
2. The hauler has to fill out the bottom portion of the form with their Permit # so the City of Waterloo can verify the hauler is permitted to do so by ordinance.
3. The form verifies that the resident has NOT terminated private services, in order to continue with the exemption.
4. The charges on the water bill are added as a reminder that Exemption Form has not been filled out for the current year.

***Carts are not delivered as there are residents that forget to fill the form out and do so at this time during their reconciliation of their charges (delivering and pickup would waste a lot of time and labor for an unnecessary need).

Upon receiving his first quarterly statement at the beginning of 2020, Mr. Gann should have noticed an increase in his charges for the garbage services. It is not the responsibility of the City to reconcile other's accounts. This should be the 3rd notice that the exemption form needs to be filled out to exempt those fees since he did contract with a private hauler.

In September 2021, Mr. Gann stated that he was having difficulty with illegal dumping in his dumpsters and called the City to deliver carts and therefore terminating his service with Rite Environmental. The garbage charges would not change since the Exemption Form was not filled out for the current year or year prior (2020 and 2021). The carts were delivered.

At the beginning of 2022, Mr. Gann noticed that his garbage charges remained the same after the carts were delivered while prepping for his taxes. This was 2 years after the charges were added to his water bill.

The process was not followed to exempt from the City's garbage services/charges for this time period. The City was not aware Mr. Gann was still using a private hauler as the form was not filled out. The City charges for garbage service

unless annual verification a licensed private hauler is the service provider for said property. It is the duty of the owner/resident to inform the City they wish to exempt from the City service and to verify a licensed hauler is providing said service and to reconcile their accounts.

Therefore, the City of Waterloo would respectfully deny the request for Mr. Gann's request of a refund due to not following protocol of exemption.

Scott A. Brunson
Sanitation Director
City of Waterloo
625 Glenwood St
Waterloo, IA 50703
PH: 319-291-4455 x3664
FX: 319-291-4094
Scott.Brunson@waterloo-ia.org

CITY OF WATERLOO

Council Communication

Executive Session on the purchase of real estate pursuant to Iowa Code Section 21.5(1)(j).

City Council Meeting: 5/2/2022
Prepared:

Submitted by: Submitted By:

CITY OF WATERLOO

Council Communication

Executive Session on discussion of strategy in matters relating to employment conditions of employees not covered by a collective bargaining agreement, pursuant to Iowa Code Section 21.9.

City Council Meeting: 5/2/2022
Prepared:

Submitted by: Submitted By:

CITY OF WATERLOO

Council Communication

3:45 p.m. Council Work Session, Harold E. Getty Council Chambers

City Council Meeting: 5/2/2022
Prepared:

Submitted by:	Submitted By:

CITY OF WATERLOO

Council Communication

5:10 p.m. Finance Committee, Harold E. Getty Council Chambers

City Council Meeting: 5/2/2022
Prepared:

Submitted by: Submitted By:

CITY OF WATERLOO

Council Communication

Leisure Services Commission Board Minutes of March 8, 2022.

City Council Meeting: 5/2/2022
Prepared: 4/12/2022

ATTACHMENTS:

Description	Type
3/8/2022 Minutes	Backup Material

SUBJECT: Leisure Services Commission Board Minutes of March 8, 2022.

Submitted by: Submitted By:

MINUTES
WATERLOO LEISURE SERVICES COMMISSION
TUESDAY, March 8, 2022
300 Jefferson Street

The meeting was held in the Multipurpose Room at the SportsPlex. Brenda Durbahn called the meeting to order at 7:34am.

Present: Brenda Durbahn, Jessica Rucker, Sharon Samec, Tom Powers, Tom Christensen, Tim Moses, Council Liaison Dave Boesen
Staff: Paul Huting, Todd Derifield, Chris Dolan, Travis Nichols, JB Bolger, Bri Boss
Absent: Bob Bamsey

Brenda Durbahn called for approval of the agenda. Motion to approve agenda by Sharon Samec second by Tom Powers Ayes: All Nays: None

Brenda Durbahn called for motion for approval of the 02/08/2022 meeting minutes. Motion by Jessica Rucker to approve minutes, second by Tom Christiansen Ayes: All Nays: None

Brenda Durbahn called for approval of the bills. Motion by Sharon Samec to approve February bills, second by Tom Powers Ayes: All Nays: None

ELECTION OF OFFICERS
Paul Huting asked for motions for position of Chair. Motion by Tom Powers to nominate Brenda Durbahn as Chair. Paul Huting asked for other motions, there were none. Paul asked for a second motion; motion by Tom Christensen to approve the motion by Tom Powers. Ayes: All Nays: None
Brenda Durbahn asked for motions for the vice-chair position. Tom Powers nominated Tom Christensen. There were no other motions. Brenda asked for a vote Ayes: All Nays: None
Brenda Durbahn asked for motions for the secretary position. Tom Powers nominated Jessica Rucker. There were no other nominations. Brenda asked for a vote Ayes: All Nays: None

COMMITTEE ASSIGNMENTS
Members are asked to submit the Committee Preference Sheet. The Commission Chair will make assignments after reviewing preferences.

UPDATE ON FYE 23-27 CAPITAL IMPROVEMENT FUNDING
Requests of Capital Improvement Program funding totaling $4.6 million were submitted for the upcoming fiscal year and $15.2 million total for the next five years. The highest priority submission was for Transformation of Gates and Byrnes Parks. We are awaiting word from the Planning Department on the amounts allocated for our department.

UPDATE ON FYE23 OPERATING BUDGET PROCESS
Personal Services budget information has been submitted to the Finance Department. Contractual and commodities line items were submitted January 11th within parameters set by the May and CFO. Additional funds have been requested as outlined in the attached documents. There will be a preliminary budget hearing on March 7th. The FYE

2023 Budget must be certified by the end of March. The final budget hearing is scheduled for Thursday, March 24th.

STAFF UPDATES

Young Arena – Chris Dolan

Young Arena was the host site for the 2022 AAU State Wrestling Championships March 5-6. There were 1,300 participants grades K-2. The Waterloo Warriors High School hockey team were the MWHSHL regular season champions. The Warriors will participate in the National Tournament March 24-27 in Texas. The Waterloo Black Hawks are currently in 5th place, the top 6 teams in each division participate in the playoffs. Young Arena will be a host site for World's Greatest Spring Break public skating sessions March 14-17.

Sports and SportsPlex – Bri Boss

Sportsplex

- Waterloo Schools Extramural swim program kicked off last week. We have around 35 kids, and growing, between 6th-8th grade (Central, Carver, Bunger, Hoover) being bussed to West 3-4 days per week for swim instruction.
- Hosting $1 open swims Monday-Friday next week for World's Greatest Spring Break. Limiting capacity to 100.
- Busy month for facility rentals and events. Hosting a couple softball tournaments this weekend and weekend of Spring Break. Taking gate and will have concession operations for both.
- As we get into April, rentals, events, and programming will slow down – leading us to start discussion on adjusted facility hours.
- Ending our winter family programming with a Parent's Night Out on March 25th.

Sports

- Summer 2022 pool passes will go on sale April 1st. Rates will stay the same.
- Working on a partnership with the Boy's and Girl's Club to offer a swim instruction program to be held at Gates Pool. Will be similar to the school's extramural program. Looking to have this funded as part of an opportunity to provide basic water safety/swim instruction to more kids in our community.
- Continuing to recruit volunteers and hire for summer seasonal positions.

Forestry – Todd Derifield

There are still a few trees available in the Plant Waterloo program – 18 Locust & 7 Ohio Buckeye. Crews are picking up litter along the corridor right of ways and in parks. Forestry crews are working on systematic trimming in the Highland Neighborhood area. Edison Park – Forestry crews trimmed and removed trees in the new Edison Park area; a grant was submitted through the Community Block Grant program for a playground and lighting at Edison Park. We should find out in June or July if we receive the funds; Edison Park received funding for a bike rack that will be installed this summer through the 50210 Healthy Choices Counts grant opportunity; Travis has been working with Hawkeye and Waterloo Career Center who will host a camp this summer where students will refurbish six picnic tables for use at Edison Park.

Construction – Travis Nichols

The crew continues to do the winter garbage route. This route is usually only one or two days a week. With the recent warm spell the crew has been busy with park usage. The crew continues to do park inspections and repairs related to them. The

crew is finishing up on some interior projects and will start outside projects with or without a weather change. All current large projects are completed and we are working on a list for projects this spring.

Golf and Downtown Area – JB Bolger

- Unity Plaza Update- Conceptual rendering of new space being designed on Commercial Street between West 4th and West 5th street was passed out. As this plan develops future updates will be brought back to the Commission.
- Deckhockey operation has been fully removed from the North block of Riverloop Expo. Poles remain in the ground cut off at grade so the space is useable now. Once the frost is out of the ground and as staff time allows the Downtown Crew will come back and remove brick, cut off the poles below grade, and fix pavers.
- Downtown Crew has been power washing crow droppings on warmer days. USDA Crew has had good luck keeping crows out of Lincoln Park. Additional properties are added to the USDA's watch list as representatives from those properties contact our department and ask for help.
- A $10,000 pledge has been made by staff to put towards the replacement of all LED fixtures on the Expo Towers. Currently the lights do not work and $10,000 is the estimated cost to repair however we feel that getting new equipment, which will work in conjunction with the overall downtown lighting project, is a better route to pursue than repairing 16 year old lights that have outdated technology in them.
- Golf Superintendents and JB attended the State Turfgrass Conference last week in Des Moines.

The next regular Leisure Services Commission Meeting will be held Tuesday, April 12, 2022.

Tom Powers made a motion to adjourn, second by Sharon Samec. Brenda Durbahn adjourned the meeting at 8:20am.

Jessica Rucker, Secretary

4/12/2022
Signed this Date

CITY OF WATERLOO

Council Communication

March 2022 Community Development Board Meeting Minutes.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

Description	Type
March 2022 Board Meeting Minutes	Backup Material

SUBJECT: March 2022 Community Development Board Meeting Minutes.

Submitted by: Submitted By: Rudy D. Jones, Community Development Director

Recommended Action: approval

Community Development
Meeting Minutes

March 15, 2022

I. Call to order

Cody Leistikow called to order the regular meeting of the Community Development Board via zoom at 4:00 p.m. on Tuesday, March 15, 2022. Leistikow asked for an approval of the agenda for March 15, 2022.
It was moved by Campbell and seconded by Hansen to approve the agenda. Motion carried.

II. Attendance:

Present: Chairperson Cody Leistikow, Tina Hummel, Angela Weekley, Zach Hansen, Cam Campbell

Members Absent: Jenna Northey and Felicia Carter

Also Present: Anita Rousselow, Administrative Secretary; Angie Fordyce, Community Development Coordinator; Mindy Smith, Intake Specialist; Rob Nichols, Councilperson; Jerome Amos, Councilperson; Nia Wilder, Councilperson

III. Approval of minutes from last meeting

Leistikow asked for an approval of the minutes of the February meeting that was held on February 15, 2022. It was moved by Hansen and seconded by Hummel to approve the minutes of the meeting on February 15, 2022. Motion carried.

IV. Old Business:

a) **Staff Updates**: Bids for 1-2 dozen roofs will be going out in early spring and staff will also pinpoint several garages to get demolished when the weather becomes nicer. Angie, Angie and Mindy will be traveling to Minnesota for training in June in regards to CDBG and HOME funding. Felicia Smith-Nalls have resigned from her position as Neighborhood Services Coordinator.

b) **CARES Act Funding:**

Round 1- Staff is running the rental assistance program internally and has processed several rent requests for tenants affected by Covid-19 or the ability to pay because of Covid-19. Community Development will also be recapturing funds from a couple agencies who do not have the capacity to allocate the CARES

Act funds that they had previously received. The recaptured funds will be redistributed to other agencies who have been able to spend the allocations satisfactorily.

Round 2- A preconstruction meeting will be held on March 29th at Peoples Clinic. Community Development staff and staff at Peoples Clinic will be highlighting this expansion via video for National Community Development Week in April.

Round 3-Contracts have been signed for North East Iowa Area Agency Aging Inc. for the Home Modification Program and Iowa Café Program. North East Iowa Area Agency on Aging has been given the go ahead to spend the funds as long as environmental reviews have been done prior. As to date there has been no invoices on either program.

V. New Business:

a) **Endorse Contracts February 2022**: Leistikow asked for a motion to approve the contracts signed in February of 2022. Hummel made a motion to approve the February contracts as shown and Campbell made a second on that motion. Motion carried.

b) **Rental Rehabilitation Loan Program:** A new program is being launched in the Community development Department. A goal of the program is to provide owners of rental housing a loan program to help them improve safety, integrity, accessibility and curbside appeal to their property. Another goal is to improve neighborhoods by upgrading housing stock. This loan program will provide a maximum of $25,000 at 0% interest loan to owners. The owner will be responsible for repayment of 80% of the loan and 20% will be forgiven. The Board reviewed the policies and procedures of the program and Hansen made a motion to approve those policies and procedures of the Rental Rehab Loan Program and Campbell seconded that motion. All ayes. Motion carried**.**

VI. Discussion Items:

a) **Neighborhood Services**: The board inquired as to how and when staff plans to refill the Coordinator position. Fordyce stated that a meeting has been set up with staff and the Mayor to discuss what will be done in regards to Neighborhood. Any activities or projects will need to coincide with a CDBG National Objective. Board members were concerned most specifically with neighborhood clean ups, National Neighborhood Night Out, and implementation of the new trailer.

b) **Ricker Street Redevelopment:** Community Development has acquired a property at 232 Ricker Street. This project will be a substantial rehabilitation project and when completed will be sold to an income eligible buyer. Community Development is looking at other property in close proximity to this location for possible purchase.

c) **National Community Development Week** On April 4th the Mayor will read a proclamation for NCDA week and staff will showcase the Peoples Clinic expansion on Tuesday April 12th in a video made by City staff.

VII. VIII. Adjournment

Leistikow asked for a motion to adjourn the meeting. A motion was made by Weekley and seconded by Hansen. Motion carried. Meeting Adjourned. Minutes submitted and approved by board.

CITY OF WATERLOO

Council Communication

Planning, Programming and Zoning minutes of March 8, 2022.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

	Description	Type
	minutes	Backup Material

SUBJECT: Planning, Programming and Zoning minutes of March 8, 2022.

Submitted by: Submitted By:

MINUTES
CITY OF WATERLOO, IOWA
PLANNING, PROGRAMMING, AND ZONING COMMISSION
REGULAR MEETING - 4:00 P.M. MARCH 8, 2022

The regular meeting of the Waterloo Planning, Programming, and Zoning Commission was called to order by Chairperson Wilber at 4:00 p.m. via zoom and in-person in the Harold E. Getty Council Chambers at Waterloo City Hall.

Members present were: Ali Parrish and Craig Holdiman.

Members present electronically were: Virginia Wilber, Cody Leistikow, Patrisha Serfling, and Janelle Ewing.

Members absent were: Brandon Schoborg and Steve Trost (1 opening from Human Rights Commission).

Others present were: Aric Schroeder, Lexi Blank, and John Dornoff – Planning Department.

Others present electronically: Noel Anderson – Community Planning and Development Director; and Dave Boesen and Rob Nichols – City Council Liaisons.

I. Approval of the Agenda

It was moved by Serfling, seconded by Holdiman to approve the agenda. Motion carried unanimously.

II. Approval of the Minutes from the regular meeting on February 8, 2022.

It was moved by Holdiman, seconded by Parrish to approve the minutes of February 8, 2022. Motion carried unanimously.

III. Financial Report January 2022.

Schroeder reviewed the financial report.

It was moved by Parrish, seconded by Holdiman to receive and place the financial report on file. Motion carried unanimously.

IV. Oral Presentations

There were no oral presentations.

V. New Business

A. Hearing-Site Plan Amendment

1. Request by Gray Transportation for a Site Plan Amendment for a new 115' X 75' truck maintenance facility in the "M-2, P" Planned Industrial District located north of 2550 GT Drive. *Item was recommended for approval at the December 28th, 2021 meeting; however, due to a meeting notice mailing error, it is being re-reviewed by the Commission again.*

It was moved by Holdiman and seconded by Leistikow to receive and place on file the statement of verification at 4:04 p.m. Motion carried unanimously, and Wilber declared the hearing open.

Dornoff read the staff report recommending approval of the Site Plan Amendment request with the following condition: that the final site plan meets all applicable city codes, regulations, etc., including, but not limited to, parking, landscaping, screening, drainage, etc.

Wilber asked if there were any comments from the letters that went out, to which Dornoff responded no.

It was moved by Leistikow, seconded by Ewing, to close the public hearing. Motion carried unanimously. The hearing was closed at 4:07 p.m.

It was moved by Leistikow, seconded by Holdiman, to recommend approval of the site plan amendment request with the following conditions: that the final site plan meets all applicable city codes, regulations, etc., including, but not limited to, parking, landscaping, screening, drainage, etc. Motion passed unanimously.

B. Vacates

1. Request by the City of Waterloo to vacate the north 30' of an existing 45' easement along the south property line of Lot 6 of Wagner Road Subdivision in the "M-1" Light Industrial District located north of 3488 Wagner Road.

Dornoff read the staff report recommending approval of the request.

Holdiman asked about the north-south easement, to which Dornoff responded it would not be vacated.

Parrish asked if there was any idea what was planned for the lot, to which Dornoff responded that the city had difficulty marketing the lot due to the easement, so there are no firm plans.

It was moved by Holdiman, seconded by Parrish to recommend approval of the vacate request. Motion carried unanimously.

C. Street Naming

1. Request by the City of Waterloo to remove the private street name "Chapel Court" in the "R-4, R-P" Planned Multiple Residence District located adjacent to 600 Park Lane. (Friendship Village).

Blank read the staff report recommending approval of the request.

There were no comments or questions on the request.

It was moved by Serfling, seconded by Leistikow to recommend approval of the removal of the private street name. Motion carried unanimously.

VI. Discussion

The next meeting of the Planning, Programming, and Zoning Commission will be on April 12th.

VII. Adjournment

It was moved by Holdiman, seconded by Serfling, to adjourn the meeting at 4:20 p.m. Motion carried unanimously.

Respectfully submitted,



John Dornoff,
Planner II

CITY OF WATERLOO

Council Communication

Historic Preservation Commission minutes of March 15, 2022

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

Description	Type
minutes	Backup Material

SUBJECT: Historic Preservation Commission minutes of March 15, 2022

Submitted by: Submitted By:

WATERLOO HISTORIC PRESERVATION COMMISSION MINUTES
REGULAR MEETING – MARCH 15, 2022– 4:30 P.M.
The meeting was held in the City Council Chambers and via Zoom.

Ottesen called the regular meeting of the City of Waterloo Historic Preservation Commission meeting to order at 4:33 p.m.

Commission Members present were: Ed Ottesen, Nick Hedrick, Mathew Gilbert, and Susan Price.

Commission Member(s) absent were: Terry Stevens.

Others present: Adrienne Miller and Lexi Blank – Planning Staff; Ed Gallagher – Grout Museum Liaison, and 1 citizen.

Approval of Agenda

Motion made by Hedrick, seconded by Price, to approve the agenda of the March 15, 2022, regular meeting. Motion carried unanimously.

Approval of Minutes

Motion made by Hedrick, seconded by Price to approve the minutes of February 15, 2022. Motion carried unanimously.

Oral Presentations

There were no oral presentations.

Hearings

There were no hearings.

Building Consultation

Brock Weliver from 159 Prospect Avenue

- Looking to pain and add new windows.
- Commission said to paint 1 to 3 colors, replace with something of character instead of new material.
- Looking to do wood windows with vinyl on the outside and wood on the inside.
- Landscaping updates.
    - Fences but not much for landscaping.
- More worried about house/fences than the sidewalk.

Maintain character on the outside more than on the inside

Reports

1. **Main Street**

Ottesen noted there was an email from Jessica asking for volunteers.
Price volunteered to help with Main Street on April 21st.
Sullivan Brothers Plaza on the Design Board Discussion.
Tour D'Loo is coming up, among other events.

2. **Silos and Smokestacks.**

No Report

3. **Grout Museum**

Gallagher stated that everyone should see the planetarium.
There will be no St. Patrick's Day brunch.
Project to move the entrance to the back.

4. **Building Update**

No Report.

5. **Project Update**

No Report

6. **Highland**

No Report

7. **Walnut**

Discussion with an architect to join the commission.

Discussion Items/Possible Action Items

1. **HPC Awards Banquet 2022**

Hedrick noted that bids for the catering have been slow to come in.
Speaking Volunteers:
- Most Endangered Buildings – Pat Morrissey
- Past Award Winners – Mathew
- Presentation of Awards – Ed

Everyone to Greet arrivals.

2. **School Project**

JSA has been contacted and said they would donate to the awards.

Other Discussion:

We need more commissioners.
Need to be gender-balanced.
As for a representative from Church Row?
Other neighborhood Associations.
Around Kingsley School.

Adjournment

Ottesen adjourned the meeting at 5:02 p.m.

Respectfully submitted,



John Dornoff
Planner II

CITY OF WATERLOO

Council Communication

Board of Adjustment minutes of January 25, 2022.

City Council Meeting: 5/2/2022
Prepared: 4/20/2022

ATTACHMENTS:

	Description	Type
	minutes	Backup Material

SUBJECT: Board of Adjustment minutes of January 25, 2022.

Submitted by: Submitted By:

MINUTES
CITY OF WATERLOO, IOWA
BOARD OF ADJUSTMENT
REGULAR MEETING - 4:00 P.M. JANUARY 25, 2022

The regular meeting of the City of Waterloo Board of Adjustment was called to order by Chairperson Condon at 4:00 p.m. via zoom and in-person in the Harold E. Getty Council Chambers at Waterloo City Hall.

Members present were: John Beckman and Brad Condon.

Members present electronically were: Jeri Thornsberry and Craig Holdiman.

Members absent were: None (with one open position).

Others present were: Lexi Blank and John Dornoff, – Planning Department; and three citizens.

Others present electronically: Noel Anderson – Community Planning and Development Director; Dave Boesen – City Council At-Large; Paul Huting – Leisure Services; Jaime Knutson – City Engineer; Aric Schroeder – Planning Department and two citizens.

I. Approval of the Agenda

It was moved by Beckman, seconded by Condon to approve the agenda. Motion carried unanimously.

II. Approval of the Minutes from the regular meeting on November 23, 2021.

It was moved by Thornsberry, seconded by Condon to approve the minutes of the November 23, 2021 meeting with an amendment to page 2 to replace the word stall with the word staff. Motion carried unanimously.

III. Decision Items

1. Request by Healing Water Assembly of God for a Special Permit to allow for a religious facility and a variance to the parking requirements to allow for 76 parking spaces, 90 less than the 166 required in the "C-2" Commercial District located at 1101 Black Hawk Road.

Hyberger read the staff report recommending approval of the request.

Condon asked if the Fire Department still had a concern about the building needing sprinklers, to which Dornoff responded that was before the staff was informed that they were looking to reduce the square footage to 10,000 square feet. However, they will still require architectural review to meet the fire department's requirements.

Holdiman asked if he should abstain from voting if he voted on this item at the Planning, Programming, and Zoning Commission meeting. Dornoff responded that Holdiman voted on the item, so he should abstain from voting at this meeting.

Thornsberry and Beckman questioned the total size of the building and if a new wall will be required. Schroeder responded that if they build a wall that will create a smaller main sanctuary, the occupancy and parking requirements are based on the main sanctuary. Beckman followed up, asking if they build a wall to reduce the sanctuary's size, if they will meet the criteria of what is being dealt with in the request, which Schroeder confirmed.

Thornsberry followed up, noting that the staff report says specifically that the applicant will need to partition off 6000 square feet of the building and did the board need to make that as part of the approval. Schroeder responded that he felt it was appropriate.

Beckman asked what the name of the applicant was and asked for clarification if this is the same church that is presently at 525 South Street and if they intend to move to this address, to which Dornoff responded that the only information on the application is the name of the church and noted that it is the same church that is currently at 525 South Street.

Beckman asked if the building was being purchased or leased, to which Dornoff responded that he thought that the building was going to be leased. Thornsberry noted that the application states that they are requesting the Special Permit to cover the entire building at 18,000 square feet. Schroeder pointed out that the Special Permit will cover the entire building but thought it was appropriate to have a condition that limits the size of the sanctuary, although that does not mean that the rest of the building cannot be used as something incidental to the sanctuary such as offices and Sunday school classrooms.

Beckman asked if any objections had been received, to which Dornoff responded no.

Condon and Thornsberry discussed if the word auditorium or sanctuary would be the appropriate word in the motion to approve since the wording used would restrict the building to a 300 capacity. Condon noted that the church itself/the building is bigger than the sanctuary and the way the motion was read the church could not have anyone else in the church beyond the 300 allowed in the sanctuary, but the staff report stated that the church would be restricted to 300 people.

Schroeder asked Condon what he was looking to have changed in the motion to which Condon stated have the word church then add the words not to exceed 300 in the sanctuary.

Holdiman asked if this question was in the scope for the Board of Adjustment since the Special Permit would be for the whole property and not just the sanctuary, to which Schroeder responded that it would be in the board's scope due to how it relates to the parking requirements. Staff is recommending approval for the variance for parking but not an open-ended variance in which the church puts in a sprinkler system and decides it can have an occupancy of 500 but have nowhere near the amount of parking. Still, the parking is purely based on the occupancy limits of the sanctuary.

Condon stated that it should read the church's capacity, and the sanctuary is restricted to 300 persons, which Schroeder said he was OK with. Condon stated they could have 500 in the whole building, but only 300 in the sanctuary, but Thornsberry countered that the limit needs to apply to the entire building because of the limitations on the parking on the site.

Condon and Thornsberry discuss the wording of the motion and how that affects the capacity of the sanctuary, the whole building, and the building meeting the parking requirements.

Beckman noted that there are many questions about this request, and it would have been nice if the applicant had been present to answer those questions. He further stated that the overall size of the building is 18,000 square feet. Still, they are only requesting or saying they are only going to use 10,200 square feet for the auditorium. There was no discussion about what would be done with the rest of the building then. If they are only using 10,200 square feet, then the focus needs to be on that number to which Condon states that their presentation says they will be using the entire building.

Beckman and Dornoff suggest that the item should be tabled at this time until questions can be answered.

Schroeder stated that staff would need to review from a building code standpoint. If they maintain the 300 in the main sanctuary and separately have more people in Sunday School or offices, they might be OK. Still, staff's concern with parking deals primarily with the sanctuary but is concerned about overall parking.

It was moved by Thornsberry, seconded by Beckman to approve the request of Healing Water Assembly of God for a Special Permit to allow for a religious facility and a variance to the parking requirements to allow for 76 parking spaces, 90 less than the 166 required in the "C-2" Commercial District located at 1101 Black Hawk Road with the following conditions: 1) that the capacity of the church will be limited to 300 persons; 2) the sanctuary and auditorium will be restricted to 10,178 square feet in size, and 3) the applicant will need to partition off 6,001 square feet of the building and meet the requirements of a fire-rated wall. The motion was withdrawn.

It was moved by Beckman, seconded by Thornsberry to table the request of Healing Water Assembly of God for a Special Permit to allow for a religious facility and a variance to the parking requirements to allow for 76 parking spaces, 90 less than the 166 required in the "C-2" Commercial District located at 1101 Black Hawk Road. Motion carried 3-0-1 with Holdiman abstaining.

2. Request by Thawng Khan Lian for a Special Permit for a Religious Facility and a variance to the parking requirements to allow for 25 spaces, 35 spaces less than the 60 required in the "C-2" Commercial District located at 701 West 5th Street.

Dornoff read the staff report recommending approval of the request.

Condon asked if the church members are currently meeting at the church, to which Dornoff said they are not now using it as a church.

Beckman asked for confirmation from the applicant that they are currently meeting at the church and if they intend to rent the building, to which Lian responded that they are meeting in a home currently and they have purchased the building and the business next to it. Beckman asked if there was a grocery store in that building, to which Liam responded yes, and Condon asked if that is where the barbershop used to be, and Beckman said yes.

Beckman asked Liam if he understood that the church would have to modify the building to meet ADA requirements. Liam answered yes, and Dornoff noted they would need to get that work done before getting a Certificate of Occupancy.

It was moved by Beckman, seconded by Thornsberry to approve the request by Thawng Khan Lian for a Special Permit for a Religious Facility and a variance to the parking requirements to allow for 25 spaces, 35 spaces less than the 60 required in the "C-2" Commercial District located at 701 West 5th Street. Motion carried unanimously.

3. Request by PCC Realty LLC (Peters Construction) for a variance to the accessory structure setback requirement to allow for a 2.7' setback, 0.3' less than the 3' required in the "C-2" Commercial District located at 901 Black Hawk Road.

Dornoff read the staff report recommending approval of the request.
Thornsberry questioned the amount of the variance to which Dornoff noted that the engineer used tenths of a foot instead of inches.

It was moved by Beckman, seconded by Thornsberry to approve the request of PCC Realty LLC (Peters Construction) for a variance to the accessory structure setback requirement to allow for a 2.7' setback, 0.3' less than the 3' required in the "C-2" Commercial District located at 901 Black Hawk Road. Motion carried unanimously.

4. Request by Tim Walsten for a variance to allow for an accessory structure to be built with vertical steel siding located in the "R-1" One and Two-Family Residence District at 196 Whispering Oaks Lane.

Dornoff read the staff report recommending denial of the request.

Thornsberry asked if the applicant could withdraw his request to which Schroeder responded yes if he wanted to withdraw, we would refund his money based on the fact that there was initial confusion on what was the front and back yard.

The applicant withdrew his request.

5. Request by Clyde Huntley Co. (Sled Shed) for a variance to the hard surfacing requirements to allow for a gravel driveway located in the "M-1" Light Industrial District at 1626 Burton Avenue.

Dornoff read the staff report recommending approval of the request.

Condon asked if he should abstain since he has been a customer of the business, to which Dornoff responded that as long as you are not benefiting financially, you don't need to abstain.

Zack Huntley, 1626 Burton Avenue, stated that the white garage in the back had not been used in a very long time, and with three shops closing over the last couple of years, it has put a lot of pressure on the three remaining structures.

Beckman asked if the existing structure is staying, to which Huntley stated no, it would be demolished.

It was moved by Beckman, seconded by Holdiman to approve the request by Clyde Huntley Co. (Sled Shed) for a variance to the hard surfacing requirements to allow for a gravel driveway located in the "M-1" Light Industrial District at 1626 Burton Avenue. Motion carried unanimously.

6. Request by Patrick Moloney (Valley Wide Towing & Recovery) for a Special Permit to allow for an impound lot (considered part of a recycling, junk, or salvage yard) and variances to the fencing requirements for a non-solid fence of 6', 2' less than required; to allow for a lot that is 1.53 acres, 3.47 acres less than the 5 acres required; and allowing for a yard to be within 600 feet of a protected use in the "M-1" Light Industrial District located northeast of 2721 Lackland Drive.

Dornoff read the staff report recommending approval of the request for a Special Permit with the following conditions: That the final site plan meets all applicable city codes, regulations, etc. including, but not limited to, parking, landscaping, screening, drainage, setbacks, etc. except as approved by the Board of Adjustment; 2) That no cars may be stored at the facility for longer than 90-days; 3) Dismantling of vehicles will be prohibited; and 4) A salvage yard license or permit application will not be accepted or approved for the property unless it meets all of the requirements of the Salvage Yard section of the Zoning Ordinance, and go through another Special Permit process and be approved as a full recycling, junk, or salvage yard.

Thornsberry asked if a drainage plan will need to be part of this motion to which Dornoff responded it would not, as that goes through the engineering department and is taken care of when the applicant applies for a building permit.

Patrick Moloney, 1150 Columbus Drive, stated that he is available to answer questions.

Beckman asked how long the applicant has been in business, what type of business is the applicant in, if he is on the rotation list, is the applicant going to have a problem with the 90-day restriction on cars being stored at the location, to which Moloney answered March 22nd, 2022, that the business is a towing business, that he is working on getting on the rotation list and needs to wait until his fencing is installed before he can get on the rotation list, the applicant then explained how his business operates and how the 90-day limitation should not be a problem.

Beckman asked where the applicant is currently conducting business, to which Moloney stated that he is running the company out of his house with the truck parked in his driveway. He now only takes cars to repair shops or for auto clubs.

Beckman then asked how many vehicles the applicant thinks he can keep on-site, to which Moloney answered he is not sure but plans to start by putting cars in the back of the lot. Moloney also noted that there would be no stacking of vehicles and explained the process of selling abandoned vehicles.

Beckman explained that it would be up to the applicant to ensure that cars were off the facility within 90 days and the property did not become an eyesore and asked if the applicant was up to it, to which Moloney stated that he was.

Condon asked when the applicant would build a building and noted that hard surfacing would be required. Moloney answered that he plans to build the structure in either spring or summer and understands the hard surfacing requirement.

Beckman asked if the entire property will have to be hard-surfaced, to which Dornoff responded only the customer and employee parking area at the front needs to be hard-surfaced; the back portion of the lot does not have to be, as a storage yard.

Beckman asked the applicant if he intends to leave the back section grass, to which the applicant stated that he plans to install gravel since the existing surface is virgin and would become a mud pit if it was not gravel.

Condon noted it would probably be challenging to monitor the 90-day requirement.

It was moved by Thornsberry, seconded by Condon to approve the request by Patrick Moloney (Valley Wide Towing & Recovery) for a Special Permit to allow for an impound lot (considered part of a recycling, junk, or salvage yard) and variances to the fencing requirements for a non-solid fence of 6', 2' less than required; to allow for a lot that is 1.53 acres, 3.47 acres less than the 5 acres required; and allowing for a yard to be within 600 feet of a protected use in the "M-1" Light Industrial District located northeast of 2721 Lackland Drive with the following conditions That the final site plan meets all applicable city codes, regulations, etc. including, but not limited to, parking, landscaping, screening, drainage, setbacks, etc. except as approved by the Board of Adjustment; 2) That no cars may be stored at the facility for longer than 90-days; 3) Dismantling of vehicles will be prohibited; and 4) A salvage yard license or permit application will not be accepted or approved for the property unless it meets all of the requirements of the Salvage Yard section of the Zoning Ordinance, and go through another Special Permit process and be approved as a full recycling, junk, or salvage yard. Motion carried unanimously.

IV. Discussion

Dornoff introduced Lexi Blank as the new Planner I for the Planning Department.

V. Adjournment

It was moved by Beckman, seconded by Thornsberry, to adjourn the meeting at 5:27 p.m. Motion carried unanimously.

Respectfully submitted,



John Dornoff,
Planner II