THE CITY COUNCIL OF WATERLOO, IOWA
WORK SESSION TO BE HELD AT
Harold E. Getty Council Chambers
Monday, April 1, 2024
4:50 PM

RULES FOR WORK SESSION PUBLIC COMMENT

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

Roll Call

Agenda, as proposed or amended

Approval of Minutes of the March 18, 2024, Council Work Session as proposed or amended.

4:50 p.m. **Discussion of the FY2025 Budget.**

Submitted by: Bridgett Wood, Finance Director

ADJOURNMENT

Kelley Felchle
City Clerk

March 18, 2024

COUNCIL WORK SESSION
Harold E. Getty Council Chambers
3:50 p.m.

Roll Call.

Members present: Mayor Quentin Hart in the Chair. Mr. Boesen, Mr. Chiles, Mr. Simon, Ms. Wilder and Mr. Feuss. Mr. Nichols entered the meeting at 4:15 p.m., and Ms. Creighton-Smith entered the meeting at 4:23.

Approval of Agenda, as proposed or amended.

Feuss/Simon
that the agenda, as proposed, be approved. Voice vote-Ayes: Five. Motion carried.

Approval of Minutes of March 4, 2024, as proposed or amended.

that the minutes of March 4, 2024, as proposed, be approved. Voice vote-Ayes: Five. Motion carried.

Discussion of a one-way street in front of Irving School.

Mohammad Elahi, Traffic Operations Director, provided information regarding traffic concerns of Irving School staff during drop-off and pick-up of children, suggesting that Western and Johnson Streets be designated as one-way streets. A study was performed and consultants recommended the street be designated as one-way to six corners.

Ms. Wilder shared as a representative of the Safety Committee for the Church Row Neighborhood she appreciated the efforts to make the community safer and recommended the council members approve the recommendation to help the Irving School community.

Mayor Hart questioned if a round-about was considered in the study.

Mr. Chiles questioned if any other measures were considered to avoid confusion changing to one-way traffic.

Mohammad Elahi assured the council signs would be posted noting one-way traffic and reviewed the parameters and history included in the study.

Mr. Boesen requested clarification one-way traffic starting on Baltimore, traveling east and continue onto Western Avenue traveling south.

Mohammad Elahi explained the one-way would start on Pleasant, just past the church driveway, traveling north on Western Avenue and then West on Johnson Street.

Mr. Boesen expressed concern it would confuse drivers starting a one-way in the middle of a block as opposed to an intersection.

Mohammad Elahi explained his intention was to avoid disrupting the church traffic and this could be accomplished with center lane markings and signage, but indicated he could speak with the churches regarding the project.

Mr. Nichols questioned what communication will look like with families to make them aware of the changes.

Mr. Simon questioned if this included widening the street.

Mohammad Elahi responded the project was only for changing the streets to one-way traffic.

Mr. Feuss questioned if the project could be done after school is let out for the summer and so drivers are used to the change by fall when school starts back up again and the impact or changelles if 5th Street is turned into a two-way street and Johnston is turned into a one-way.

Mohammad Elahi responded the changes will not have a negative impact that they will help the situation.

Zach Zimmerman, Principal at Irving Elementary, shared that if there is a change they would like it to happen in the summer.

Mr. Boesen questioned if the study looked at the impact this would have on Pleasant Street.

Mohammad Elahi responded the study included both intersections and feel the existing volume would not be adversely effected by the change.

Ms. Creighton-Smith agreed she would like to see the one-way start at the intersection rather than the middle of the block.

Update from the Sanitation Department on technology and operations.

Scott Brunson, Sanitation Director, provided an update on various aspects of Sanitation Department operations.

Mr. Boesen questioned how much is being lost per month in recycling.

Scott Brunson explained they will lose with $5,000-$6,0000 per month, dipping into reserves.

Mr. Boesen asked if the City eliminates use of the calendars how do they reach people who do not have internet or smart phones?

Scott Brunson explained, in those instances a calendar can be requested and mailed to a citizen.

Mr. Boesen questioned when the city will be charging for overfilling cans.

Scott Brunson explained the city currently doesn't charged for overfilling a can but for the return visit from sanitation to pick up excess refuse.

Mr. Boesen questioned moving to a system for dumpsters being located in a secured enclosed area.

Scott Brunson responded they have had that conversation, but that a decision has not been made yet. It is his opinion that the best solution would be to have locking mechanisms on the lids to control loose trash.

Mr. Chiles commented that he likes the idea of an app and questioned if other city departments could use the same app or if other departments could use the same app.

Chris Youngblut, IT Director, shared that ReCollect is specific to Sanitation operations and looking at other cities that have this software have a second, city specific app.

Ms. Wilder questioned where the funds for the app would originate.

Scott Brunson responded this has been budgeted for in this fiscal year already.

Mr. Simon questioned overlap between the mailings and app use.

Scott Brunson stated he would research the crossover futher.

Mayor Hart explained citizens would have the choice of using the app vs. receiving a paper copy of the calendar and the savings associated with using the app.

Mr. Simon questioned obtaining the customer data base to contact customers.

Scott Brunson explained they use routeware to gather that information and coordinate informing costumers regarding the app.

<u>Discussion of an ordinance regarding rental application fees.</u>

Ms. Creighton-Smith provided an overview of the proposed ordinance and shared that the ordinance proposes to limit rental application fees charged by property owners for applications to what it would cost to run a credit check and a background check.

Martin Petersen, City Attorney, explained that he spoke with an attorney in Iowa City who successfully argued a case at the Iowa Supreme Court that defended tenants regarding application fees.

Mr. Boesen questioned how fees will be monitored.

Ms. Creighton-Smith commented the city can determine an average of what background checks cost and use that amount to establish the ordinance limiting application fees as the fees cannot be banned totally.

Ms. Wilder considers this a great step in protecting renters.

Mr. Simon feels the fee should be equitable but have an avenue for adjusting the amount as the avererage increase for background and credit checks.

Mr. Feuss questioned if the information could be added to the city website and investigating the entire application process and cost for both landlord and tenant.

Kelley Felchle, City Clerk, explained all information could be added to the City Website to add transparency to the process and explained the new rental registration software allows for tenants to access landlord information online to determine if property has been inspected and if landlords are licensed and registered. She explained the payment of fees in the ordinance change would make the payment of fees for inspection a condition of maintaining a rental permit as opposed to a condition of receiving a rental permit.

Mayor Hart questioned if a person submits a rental application and the background or credit check is denied does the applicant have a right to know the reason for the denial.

Martin Petersen responded he is not aware of a requirement to inform and applicant of the reason for denial.

Mayor Hart questioned if the applicant had a right to a copy of the report if the application is denied.

LeKeisha Veasley, Director of Housing Authority, explained if an applicant signs a disclosure document they may receive a copy of the report.

Mr. Nichols questioned if a renter could have one credit or background check run and that report used across the board for applications rather than paying for multiple applications.

Mr. Simon questioned the accuracy and longevity of using and running one report as credit and background reports can change daily. He also questioned if a landlord overcharged for an application if that could be rebated to the renter upon first payment.

Mayor Hart commented there is a consensus to do something with rental applications but that there needs to be more discussion.

Kelley Felchle questioned if section 2 of the proposed ordinance could be moved forward to the April 1, 2024 meeting as a stand alone ordinance.

Mayor Hart asked that the council schedule to complete additional discussion within a month to move forward with the remaining ordinance changes.

<u>ADJOURNMENT</u>

Simon/Wilder that the council adjourn at 4:55 p.m. Voice vote-Ayes: Seven. Motion carried.

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Kelley Felchle
City Clerk

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Outline

1. FY2025 Published Levy Rates
2. FY2025 Proposed Certified Budget

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FY2025 Published Levy Rates

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FY2025 Published Levy Rates

Program	Tax Levy Portion		Percentage of Levy
Police and Fire	$	13.41669	60%
Debt Service	$	3.20294	14%
All Other Services	$	5.79648	26%
Total City Levies	$	22.41611	100%
Total	$	22.41611	

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FY2025 Published Levy Rates

Building Inspections	$	(0.06795)
Public Works	$	0.909583
Health & Social Services	$	0.156344
Culture & Recreation	$	3.64364
Community & Economic Development	$	0.335678
General Government	$	0.81919
Total Other	$	5.79648

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FY2025 Published Levy Rates

Published Tax Levy Rate	$22.41611
Non-Ag Change	13.85%
Ag Change	(5.75%)

Tax Rate Comparison - Current VS. Proposed

Residential property with an actual/assessed value of $100,000		Current Year Certified 2023/2024	Budget Year Certified 2023/2024	Percent Change
	City Regular Resident	$1,078	$1,039	-3.62%

Commercial property with an actual/assessed value of $100,000		Current Year Certified 2023/2024	Budget Year Certified 2023/2024	Percent Change
	City Regular Commercial	$1,078	$1,039	-3.62%

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Where does my property tax dollar go?

City of Waterloo
49 cents

Waterloo Schools
32 cents

Black Hawk Co.
16 cents

Other
3 cents

For the Year Ending 6-30-24

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FY2025 Proposed Certified Budget

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FY2025 Proposed Certified Budget

Program	Published Tax Levy Portion	**Estimated Certified Tax Levy Portion**	Change from Published
Police and Fire	$13.41669	**$ 13.31370**	$ (0.10299)
Debt Service	$3.20294	**$ 3.09910**	$ (0.10384)
All Other Services	$5.79648	**$ 5.67637**	$ (0.12011)
Total City Levies	$22.41611	**$ 22.08917**	$ (0.32694)

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FY2025 Proposed Certified Budget

Program-Breakout of Other	Published Tax Levy Portion	**Estimated Certified Tax Levy Portion**	Change from Published
Building Inspections	($0.06795)	**$ (0.06743)**	$ 0.00052
Public Works	$0.90958	**$ 0.82698**	$ (0.08261)
Health & Social Services	$0.15634	**$ 0.15514**	$ (0.00120)
Culture & Recreation	$3.64364	**$ 3.61567**	$ (0.02797)
Community & Economic Development	$0.33568	**$ 0.33310**	$ (0.00258)
General Government	$0.81919	**$ 0.81291**	$ (0.00628)
Use of Fund Balance	-	**$ -**	$ -
Total Other	$5.79648	**$ 5.67637**	$ (0.12012)

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How is the tax bill on my home determined?

	FY2025 Published	**FY2025 Estimated Certified**	FY2024 Certified
Assessed Value	$ 100,000	**$ 100,000**	$ 100,000
Times Rollback	0.463428	**0.463428**	0.546501
Equals Taxable Value	$ 46,343	**$ 46,343**	$ 54,650
Divide by $1,000	46.3428	**46.3428**	54.6501
Times Total Tax Levy Rate	$42.87322	**$42.54628**	$40.18730
Equals Total Tax Bill	$1,986.87	**$ 1,971.71**	$2,196.24
City Portion of Tax Bill	$1,038.83	**$ 1,023.67**	$1,078.26
Projected Annual Incr (Decr)	$ (39.43)	**$ (54.58)**	$ 51.32
Percentage Incr (Decr)	-3.80%	**-5.33%**	4.76%

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FY2025 Proposed Certified Budget

Published Tax Levy Rate	$22.08917
Non-Ag Change	12.11%
Ag Change	(5.75%)

Tax Rate Comparison - Current VS. Proposed

Residential property with an actual/assessed value of $100,000	Current Year Certified 2023/2024	Budget Year Certified 2023/2024	Percent Change
City Regular Resident	$1,078	$1,024	-5.01%

Commercial property with an actual/assessed value of $100,000	Current Year Certified 2023/2024	Budget Year Certified 2023/2024	Percent Change
City Regular Commercial	$1,078	$1,024	-5.01%

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FY2025 General Fund Budget Impacts at Proposed Certified Budget

Personnel Increases (Primarily Contractual)	
Pay Increases, including payroll taxes, overtime, and other payouts.	$2,162,116
Increase in Fire Dept Overtime (military)	$75,000
Health Insurance Increase	$626,677
Police & Fire Pension Increase	$250,770
Total Personnel Increases	$3,114,563

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FY2025 General Fund Impacts At Proposed Certified Budget

Other Significant Non-Personnel Changes	
Increase in Grant Funded Expenses	$822,830
Increase in Liability Insurance	$253,692
Increase in work comp expenses	$190,000
Increase in sidewalk expenses	$175,000
Increase in airport expenses	$137,097
Other expense changes-net	$411,951
Total Net Non-Personnel Expense Changes	$1,990,570

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FY2025 General Fund Budget Impacts at Proposed Levy Rates

Significant Revenue Changes	
Increase in Ambulance Transport Revenue	$453,863
Increase in Police ATE Revenue	$100,000
Increase in Airport Revenue	$184,500
Increase in Clerk/Finance Revenue	$228,450
Increase in Sidewalk Assessments	$175,000
Other increases, fees, grants - net	$761,791
Total Net Revenue Increase	$1,903,604

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FY2025 General Fund Budget Impacts at Proposed Levy Rates

Net Change in General Fund Property Taxes	
Net increase in personnel expenses	$3,114,563
Net increase in other expenses	$1,990,570
Net increase in revenue	($1,903,604)
Net decrease in use of fund balance	$1,650,000
Total Net Increase in Property Taxes	**$4,851,529**

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FY2025 General Fund Budget Impacts at Proposed Levy Rates

Net Change in Property Taxes

Increase in General Fund property taxes	$4,851,529
Increase in Debt Service Fund property taxes	$1,530,492
Overall Net Increase in Total Property Taxes	**$6,382,021**

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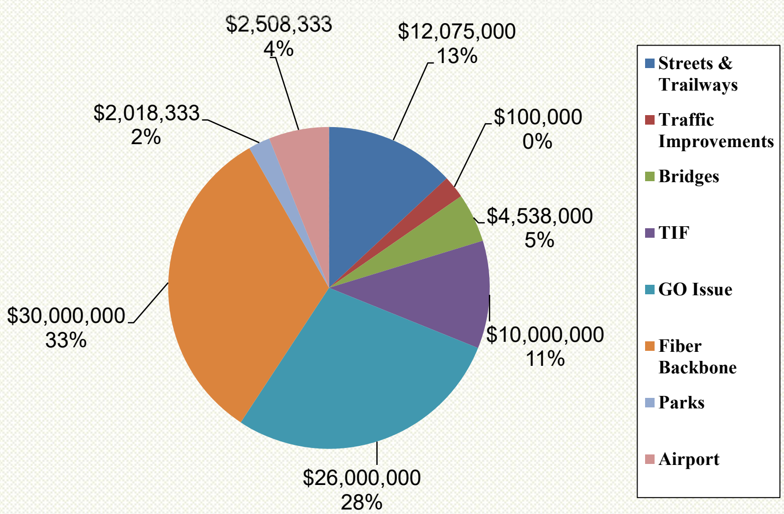
How are Capital Project Funds used?



For the Year Ending 6-30-2025
Funded by TIF, Bonds, FAA Funds, Grants

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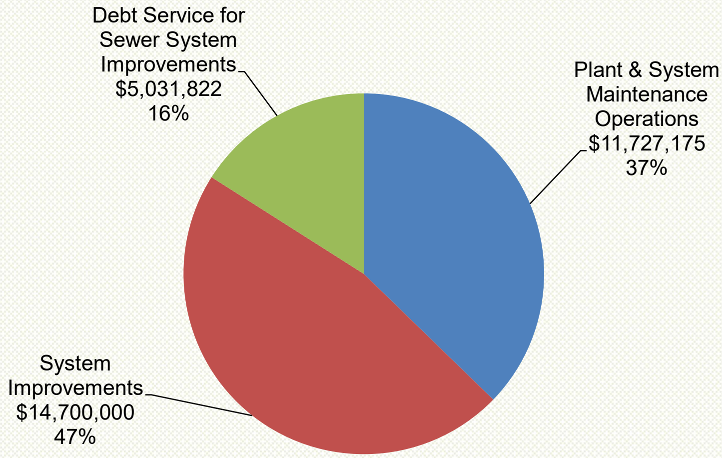
Sewer Fund Budget



For the Year Ending 6-30-2025
Funded by Sewer Fees and SRF Loans

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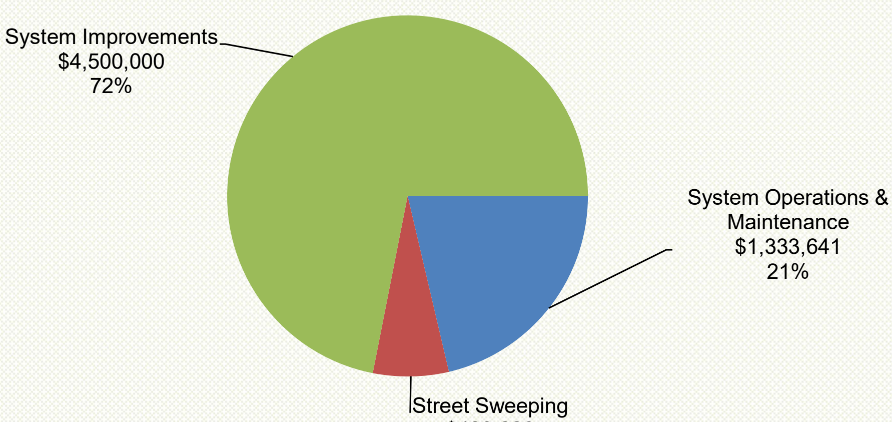
Storm Water Fund Budget



For the Year Ending 6-30-2025
Funded by User Fees

20

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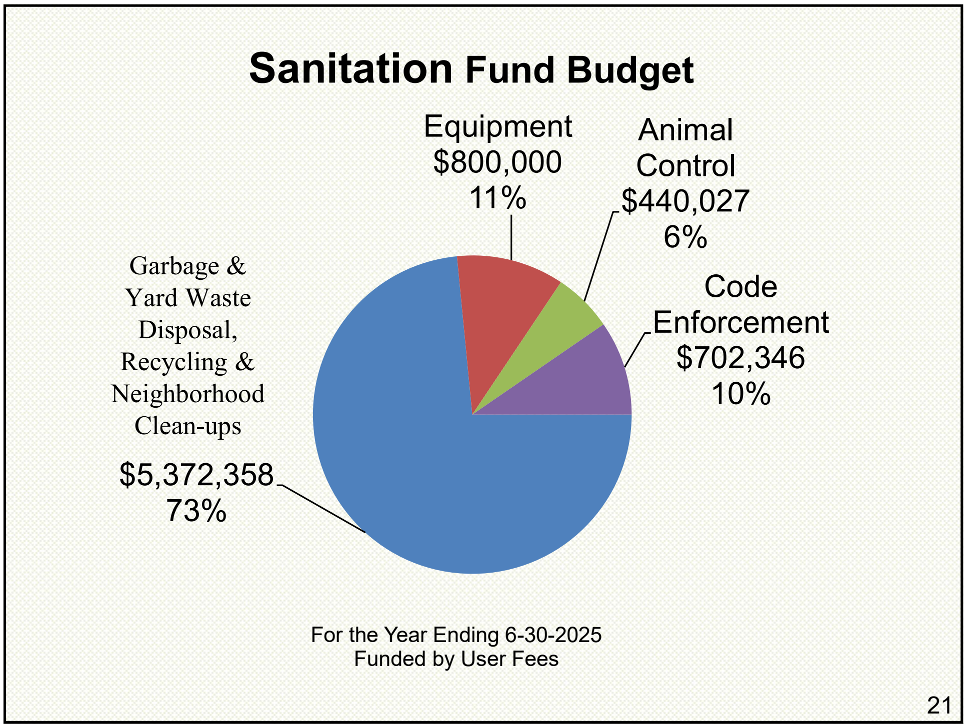
Sanitation Fund Budget
Equipment
$800,000
11%
Animal
Control
$440,027
6%
Code
Enforcement
$702,346
10%
Garbage &
Yard Waste
Disposal,
Recycling &
Neighborhood
Clean-ups
$5,372,358
73%
For the Year Ending 6-30-2025
Funded by User Fees
21

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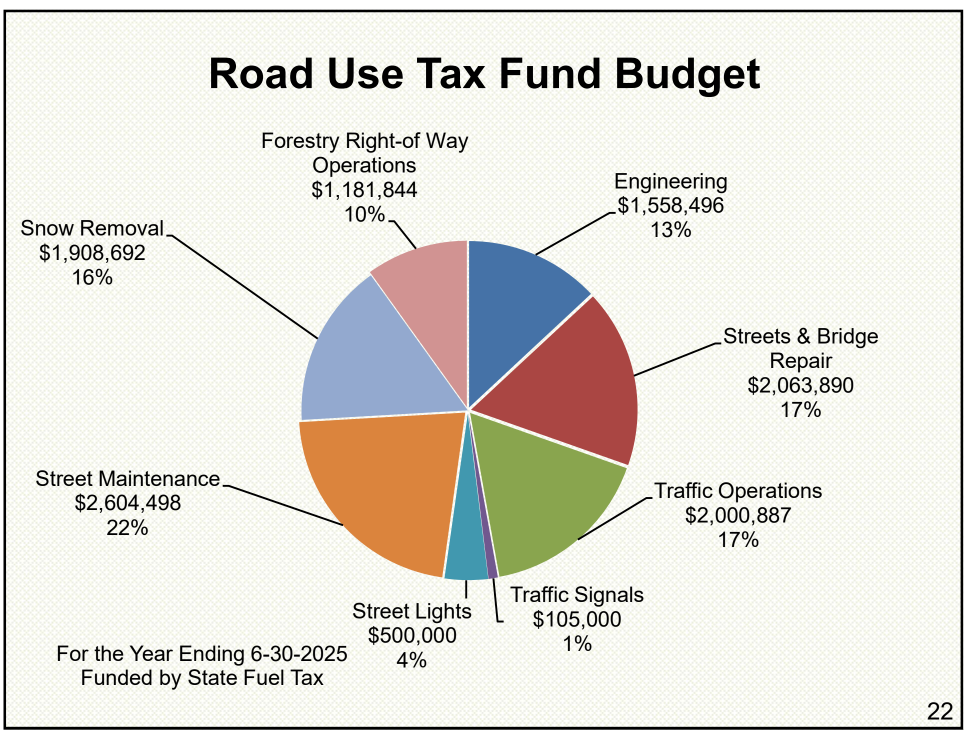
Road Use Tax Fund Budget
Forestry Right-of Way
Operations
$1,181,844
10%
Engineering
$1,558,496
13%
Snow Removal
$1,908,692
16%
Streets & Bridge
Repair
$2,063,890
17%
Street Maintenance
$2,604,498
22%
Traffic Operations
$2,000,887
17%
Traffic Signals
$105,000
1%
Street Lights
$500,000
4%
For the Year Ending 6-30-2025
Funded by State Fuel Tax
22

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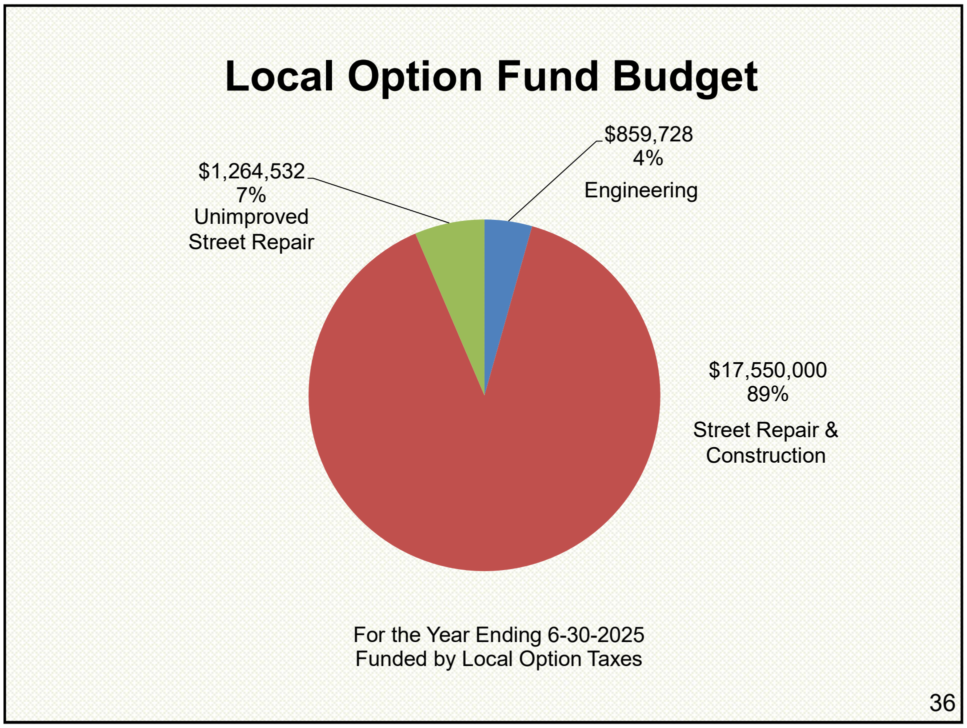
Local Option Fund Budget
$859,728
4%
Engineering
$1,264,532
7%
Unimproved
Street Repair
$17,550,000
89%
Street Repair &
Construction
For the Year Ending 6-30-2025
Funded by Local Option Taxes
36

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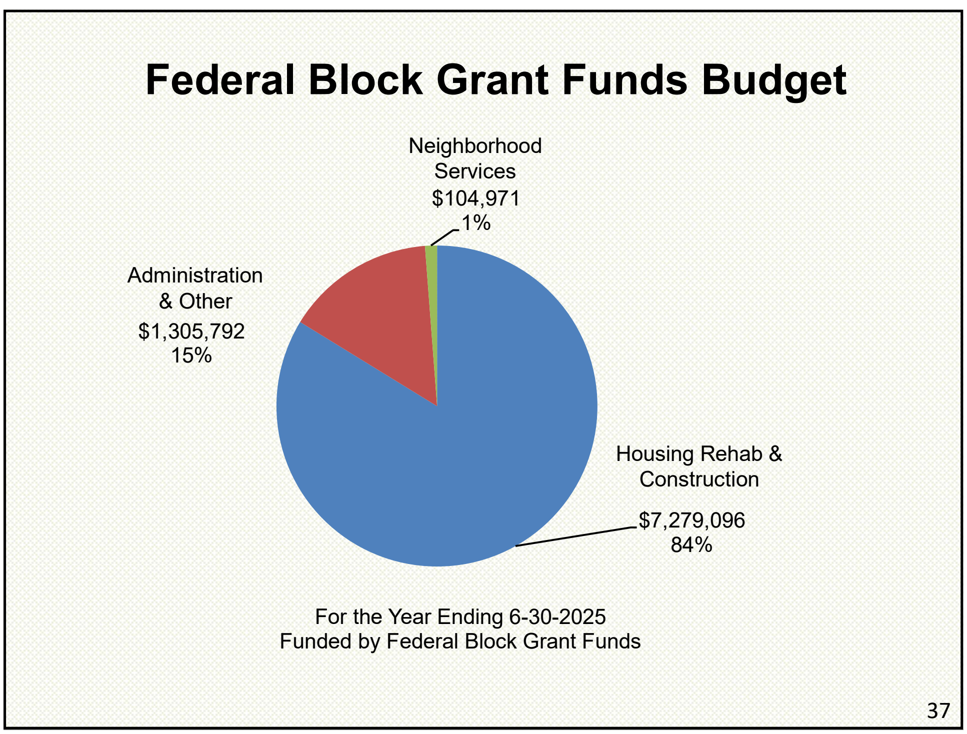
Federal Block Grant Funds Budget
Neighborhood
Services
$104,971
1%
Administration
& Other
$1,305,792
15%
Housing Rehab &
Construction
$7,279,096
84%
For the Year Ending 6-30-2025
Funded by Federal Block Grant Funds
37

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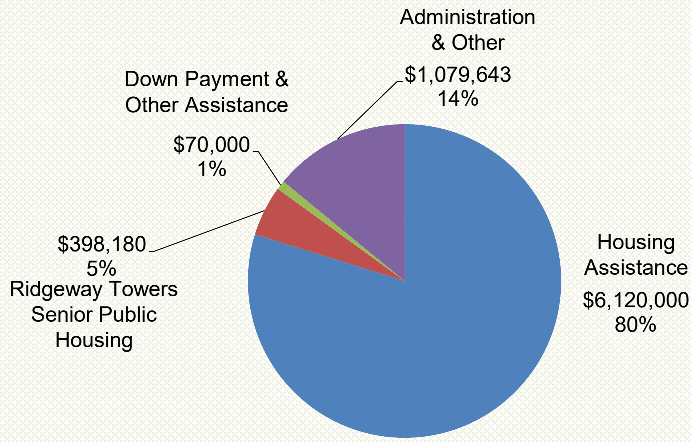
Federal Housing Funds Budget



For the Year Ending 6-30-2025
Funded by Federal Housing Funds

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Questions?

Please contact City Hall to speak with Mayor Hart or Bridgett Wood with more questions.

A special thank you to Mayor Hart, the City Council, the Finance Department Staff, and all City departments for their work to develop the budget and for the service they provide to our citizens year round.

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