



**NOTICE AND CALL OF PUBLIC MEETING, FOLLOWED BY JOINT WORK SESSION OF  
WEBSTER CITY CITY COUNCIL AND HAMILTON COUNTY BOARD OF SUPERVISORS**

This meeting will be open to the public and can also be attended via Zoom.com:

**Meeting ID 815 7987 7212**

Phone number to call to participate via telephone is **1-312-626-6799 US (Chicago)**

Governmental Body: **Webster City City Council,  
Hamilton County Board of Supervisors**

Date of Meeting: **March 27, 2023**

Time of Meeting: **6:00 p.m.**

Place of Meeting: **City Hall Council Chambers**

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for said meeting is as follows:

1. Roll Call of City Council
2. Approval of Agenda
3. Pledge of Allegiance
4. **COUNCIL MEMORANDUM: RESOLUTION** setting the date for public hearing on proposal to enter into a General Obligation Loan Agreement and to borrow money thereunder, to Consider Maximum Tax Dollars from Certain Levies for FY 24. *(April 3, 2023 - 6:05 p.m.)*
5. Work Session on Wilson Brewer Historic Park. **BOWDEN LETTER**

and any other matters that may come before the Council.

6. Adjourn

This notice is given at the direction of the City Council pursuant to Chapter 21 Code of Iowa and the local rules of the City of Webster City, Iowa.

Signature: Karyl K. Bonjour  
Title: City Clerk  
CITY OF WEBSTER CITY



**MEMORANDUM**

**TO:** Mayor & City Council

**FROM:** Daniel Ortiz-Hernandez, City Manager  
Dodie Wolfgram, Finance Director

**DATE:** March 27, 2023

**RE:** Resolution setting date for public hearing on proposal to enter into a General Obligation Loan Agreement and to borrow money thereunder to Consider Maximum Tax Dollars from Certain Levies for FY24

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**SUMMARY:** The resolution sets a time and date for public hearing regarding proposed general obligation loan agreement and borrowing of funds. Said funds would be used to purchase certain public safety and public works equipment.

**PREVIOUS COUNCIL ACTION:** City Council held their budget workshop for FY 2023-2024 budget on January 30, 2023. On March 20, 2023, City Council set a public hearing for max levy hearing.

**BACKGROUND/DISCUSSION:** The General Fund is the primary source of funds for non-utility operations. This largely includes police, fire, recreation, certain public works functions, and public grounds. Expenses in the City’s General Fund exceed incoming revenues in current and upcoming year. This is an issue that will become more dire because of legislative changes adopted in recent years. The legislative changes affect primary sources of revenue for the City’s General Fund, property taxes. There remain other proposed legislative initiatives that will further add to the fiscal challenges the City faces with its General Fund.

On March 20, 2023, the City Council approved setting the public hearing for approving max levy for fiscal year 2023-2024 scheduled for April 3, 2023. The proposed max levy that was developed based on the city council’s guidance and direction from the budget workshop held on January 30, 2023. During the discussion on setting the max levy public hearing the council and staff shared information of recent and pending legislative bills and the General Fund’s status. Staff shared with the City Council examples of ways other cities utilize the debt service levy to purchase equipment necessary for public safety and other essential corporate purposes as outlined by state statutes. Council concurred with seeking additional information, considering authorizing general obligation debt, and increasing the debt service levy to fund

the purchase of certain eligible equipment necessary for the operations of police, fire, and public works operations.

General obligation debt is authorized to be repaid with the city’s property tax revenue. Two major categories of general obligation debt are based upon the type and size of the project or equipment; essential corporate purpose and general corporate purpose. Essential corporate purpose debt is for basic city services such as street repair and construction, solid waste, sanitary sewer and water works construction and repair, equipping of police, fire, and a variety of other reasons described in Code of Iowa Chapter 384.24(3).

**FINANCIAL IMPLICATIONS:**

The amount proposed to be borrowed under the general obligation loan and paid by funds levied under debt service levy is not to exceed \$300,000. The proposed equipment recommended to be purchased with loan/debt service levy funds are for mostly necessary non-routine or one-time items:

<i>Equipment to be purchase with proceeds from Bond Levy FY 2023-2024</i>		
	<u>Eligible</u>	<u>Recommended</u>
<b>Fire Department (Dept. 22)</b>		
Battery Operated PPV fan	7,000	7,000
Digital Pager	10,000	10,000
Mobile (cb) Radio	6,000	6,000
Portable Radio	10,500	10,500
PPE Wash Machine	8,000	8,000
Tanker Truck	450,000	
Turnout Gear	18,500	
<i>Department Total</i>	510,000	41,500
<b>Police (Dept. 21)</b>		
Police Ammunition	6,500	
Police Tasers	8,000	8,000
Police Vehicle (prior loan and/or new vehicle)	129,400	129,400
Police Vehicle In-Car Cameras	20,000	20,000
Toughbooks for Police Dept (x2)	11,900	11,900
<i>Department Total</i>	175,800	169,300
<b>Street Department (Dept. 30,62,71)</b>		
CRACK SEAL MACHINE	65,000	65,000
DUMP TRUCK - FY 23	185,000	
LOADER #18	290,000	
PAINT MACHINE #43	10,000	10,000
SNOW BLOWER	225,000	
<i>Department Total</i>	775,000	75,000
<b>Total Amount</b>	<b>\$ 1,460,800</b>	<b>\$ 285,800</b>

The City would seek to obtain a short-term loan to purchase said items. The loan would be repaid with the funds levied for the amount needed during the 2023-2024 fiscal year. This is a practice utilized by Fort Dodge, Charles City, and other communities. Given the deficit in the general fund, this method of funding the purchase of necessary equipment for these key departments alleviates relying on other general fund revenues or drawing down on financial reserves. The remaining equipment/items would be purchased with regular general fund revenues or other sources such as Road Use Tax.

The debt service levy is in addition to the max levy and would increase the overall levy assessed to property owners in the City. The estimated impact of the increase in the debt service levy is showed on the following table:

ESTIMATED YEARLY PROPERTY TAX INCREASE - PROPOSED LEVY - ADD'L DEBT						
	FY23	FY24		Increase from 18.59525 Levy		
Rollback	0.541302	0.5465		FY24 Rollback		
				Additional	Additional	Additional
	City FY23	City FY24		\$100,000	275,000	300,000
	17.6715	18.59525	Difference			
				New Levy	New Levy	New Levy
				18.97911	19.65085	19.74682
				0.38386	1.0556	1.15157
Taxable Valuation						
20,000	191.31	203.25	11.93	4.20	11.54	12.59
25,000	239.14	254.06	14.92	5.24	14.42	15.73
30,000	286.97	304.87	17.90	6.29	17.31	18.88
35,000	334.80	355.68	20.88	7.34	20.19	22.03
40,000	382.62	406.49	23.87	8.39	23.08	25.17
50,000	478.28	508.12	29.83	10.49	28.84	31.47
75,000	717.42	762.17	44.75	15.73	43.27	47.20
100,000	956.56	1,016.23	59.67	20.98	57.69	62.93
125,000	1,195.70	1,270.29	74.59	26.22	72.11	78.67
150,000	1,434.84	1,524.35	89.50	31.47	86.53	94.40
175,000	1,673.98	1,778.40	104.42	36.71	100.95	110.13
200,000	1,913.12	2,032.46	119.34	41.96	115.38	125.87
225,000	2,152.26	2,286.52	134.25	47.20	129.80	141.60
250,000	2,391.40	2,540.58	149.17	52.44	144.22	157.33
275,000	2,630.55	2,794.63	164.09	57.69	158.64	173.07
300,000	2,869.69	3,048.69	179.01	62.93	173.07	188.80
325,000	3,108.83	3,302.75	193.92	68.18	187.49	204.53
350,000	3,347.97	3,556.81	208.84	73.42	201.91	220.27
375,000	3,587.11	3,810.86	223.76	78.67	216.33	236.00

**RECOMMENDATION:** Recommend City Council approving the setting of the public hearing on April 3, 2023.

RESOLUTION NO. \_\_\_\_\_

Resolution setting the date for public hearing on proposal to enter into a General Obligation Loan Agreement and to borrow money thereunder

WHEREAS, the City of Webster City (the “City”), in Hamilton County, State of Iowa, proposes to enter into a General Obligation Loan Agreement (the “Loan Agreement”), pursuant to the provisions of Section 384.24A of the Code of Iowa, and to borrow money thereunder in a principal amount not to exceed \$300,000 for the purpose of paying the costs, to that extent, of acquiring vehicles and equipment for the municipal public works/street, police, fire and emergency services departments (the “Acquisitions”); and it is necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the Loan Agreement and to give notice thereof as required by such law;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Webster City, Iowa, as follows:

Section 1. This City Council shall meet on April 3, 2023, at the Council Chambers in City Hall, Webster City, Iowa, at 6:05 o’clock p.m., at which time and place a hearing will be held and proceedings will be instituted and action taken to enter into the Loan Agreement.

Section 2. The City Clerk is hereby directed to give notice of the proposed action on the Loan Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held by publication at least once, not less than four (4) and not more than twenty (20) days before the date of said meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE PROCEEDINGS TO  
ENTER INTO A LOAN AGREEMENT AND TO BORROW MONEY  
THEREUNDER IN A PRINCIPAL AMOUNT NOT TO EXCEED \$300,000

(GENERAL OBLIGATION)

The City Council of the City of Webster City, Iowa (the “City”), will meet on April 3, 2023, at the Council Chambers at City Hall, Webster City, Iowa, at 6:05 o’clock p.m., for the purpose of instituting proceedings and taking action on a proposal to enter into a loan agreement (the “Loan Agreement”) and to borrow money thereunder in a principal amount not to exceed \$300,000 for the purpose of paying the costs, to that extent, of acquiring vehicles and equipment for the municipal public works/street, police, fire and emergency services departments.

The Loan Agreement is proposed to be entered into pursuant to authority contained in Section 384.24A of the Code of Iowa and will constitute a general obligation of the City.

At that time and place, oral or written objections may be filed or made to the proposal to enter into the Loan Agreement. After receiving objections, the City may determine to enter into the Loan Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Webster City, Iowa.

Karyl Bonjour  
City Clerk

Section 3. Pursuant to Section 1.150-2 of the Income Tax Regulations (the “Regulations”) of the Internal Revenue Service, the City declares (a) that it intends to undertake the Acquisitions which are reasonably estimated to cost approximately \$300,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the “Bonds”), or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the City, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Acquisitions have heretofore been made by the City and no expenditures will be made by the City until after the date of this Resolution or a prior intent resolution of the City, and (c) that the City reasonably expects to reimburse the expenditures made for costs of the City out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved this March 27, 2023.

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John Hawkins, Mayor

Attest:

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Karyl K. Bonjour, City Clerk

To: Webster City Iowa City Council and Hamilton County Supervisors

Re: Wilson Brewer Park Proposal

Having been asked to put in writing some things regarding supporting the WBP project plus additional support for the building of a Hamilton County Historical Museum on the site donated by the Hamilton Co. Board of Supervisors.

I submit the following:

Until the E-28 Agreement crafted between the council and the supervisors is finalized and signed by both entities, I would not continue my support, i.e., the most important point to me is the formation of an elected Board of Trustees to govern the entire project as spelled out in the agreement, plus the hiring of a manager, curator.

At such time as the Agreement is finalized and the Board of Trustees is established, I will pledge \$1,000,000.00 to the foundation as an endowment to help assure continued operation of the park into perpetuity. My hope is that the \$1,000,000.00 gift will serve as an incentive for other contributions to the endowment. The date of a gift is flexible, but most likely I would wait until July 1, 2024.

In the meantime, I will pledge \$50,000.00 to the fund now held by the City. I would hope that in 2023, the patio deck planned for the depot be completed, as well as the court house and a public rest room on the grounds as previously planned. By doing these things, I hope it shows the will of the community to finish the park and start work in 2024 to build a 1900's circa barn on the grounds as per layout for building, parking, etc. To that end, I would pledge \$500,000.00 to the completion of the building with the hopes that the community would at least match that amount to complete the project and should there be more monies pledged, it would be added to the existing endowment fund.

*Alan A. Barden*

3-13-23