



**AGENDA**  
**City Council Meeting**  
**City Hall Council Chambers - Webster City, Iowa**  
**February 3, 2025 6:00 p.m.**

This meeting will be open to the public and can be viewed live on the City Facebook page <https://www.facebook.com/cityofwebstercity/> or viewed on the City of Webster City website <https://webstercity.com/government/city-council/city-council-meetings/> the morning following the meeting.

**FAIR HOUSING BOARD (City Council)**

**ROLL CALL**

**Motion on Approval of Agenda**

- a. Motion on MINUTES of January 15, 2024
- b. Motion to Elect Chairperson and Vice Chairperson.  
(Currently - *Mayor and Mayor Pro Tem*)
- c. Motion on Appointment by the Chairperson of the Investigating Committee and such other offices as the Board may decide, as Provided by the CODE of Ordinances of the City of Webster City Iowa 2019 Chapter 28, Article II, Section 28-27.  
(Currently *City Manager/ City Clerk and Community Development Director*)
- d. Any other matters that may come before the Board
- e. Adjourn Fair Housing Board meeting

**REGULAR CITY COUNCIL MEETING**

**CALL TO ORDER**

**ROLL CALL**

**PLEDGE OF ALLEGIANCE**

**Motion on Approval of Agenda**

**1. PETITIONS – COMMUNICATIONS – REQUESTS**

This is the time of the meeting that a citizen may address the Council on a matter not on the Agenda. **(No more than five minutes per person)** Except in cases of emergency, the City Council will not take any action at this meeting, but may ask the City Staff to research the matter or have the matter placed on the Agenda for a future meeting.

- a. Public Information

## City Council Meeting Agenda February 3, 2025

### 2. CONSENT AGENDA

The following items have been deemed to be non-controversial, routine actions to be approved by the Council in a single motion. If a Council member, or a member of the audience wishes to have an item removed from this list, it will be considered in its normal sequence on the Agenda.

- a. [MINUTES](#) of January 20, 2025 Regular City Council Meeting
- b. [CLAIMS](#), including Payroll ending January 25, 2025 and [FUND LIST](#)
- c. Recommend approval for issuance of Beer & Liquor Licenses by the Iowa Department of Commerce for the following:  
Approve ownership update amendment for Dollar General #2421, 814 Superior St.

### [AGENDA STATEMENT](#)

- d. Approve entering into a three-year [FARM LEASE](#) (March 1, 2025 to February 28, 2028) with Brock Miller, 1946 Blueberry Hill Drive, Webster City, Iowa on City owned property.
- e. Approve entering into a three-year [FARM LEASE](#) (March 1, 2025 to February 28, 2028) with Travis Wearda, 1973 Xavier Avenue, Duncombe, Iowa on City owned property.
- f. Council Committee Reports
- g. Other reports and recommendations

### 3. GENERAL AGENDA

#### **PUBLIC HEARING 6:05 p.m.**

- a. Presentation by Williams & Company P.C. on the 2023-2024 Audit for the City of Webster City, Iowa.  
[AUDIT](#)  
Motion accepting and placing on file the 2023-2024 City of Webster City Audit.
- b. **Public Hearing** on Designation of the 2025 Webster City Housing Urban Renewal Area and on Urban Renewal Plan and Project.  
[URBAN RENEWAL PLAN](#)
- c. [RESOLUTION](#) to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan and Project for the 2025 Webster City Housing Urban Renewal Area.
- d. Consider First Reading of [ORDINANCE](#) Providing for the Division of Taxes Levied on Taxable Property in the 2025 Webster City Housing Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa.
- e. Consider [RESOLUTION](#) Setting a Date of Meeting at which it is Proposed to Approve a Development Agreement with Wilson Estates LLC, Including Annual Appropriation Tax Increment Payments.  
(February 17 6:05 p.m.) [DEVELOPMENT AGREEMENT](#)
- f. [RESOLUTION](#) accepting Permanent and Temporary Easement Agreement from the owners of Property – Kendra K. Chizek and Zachary S. Chizek. [ATTACHMENT 1](#) [EASEMENT](#)

**City Council Meeting Agenda February 3, 2025**

g. [AGENDA STATEMENT](#) Consider [RESOLUTION](#) to Accept and Approve the Final Plat and Offer of Dedication of Lynx Development in Webster City, Iowa. [PREVIOUS RESO 2020-083](#)

h. Consider payment of workforce Tax Credit Housing Match for Lynx Development that were not paid previously. [PREVIOUS ACTIONS 2017 & 2019 & BACKGROUND INFORMATION](#)

i. Consider a [RESOLUTION](#) Authorizing the City Manager to enter into an Industrial Sewer User Wastewater Services Agreement between the City of Webster City, Iowa and Webster City Custom Meats, Inc.  
[PREVIOUS ACTION RESO 2023-153](#) [AGREEMENT](#)

j. [AGENDA STATEMENT](#) [RESOLUTION](#) authorizing the Street Department Supervisor to Seek Bids and Proceed with the Lowest Bidder for Concrete Crushing. [BID SHEET](#)

**4. City Attorney [REPORT/UPDATE 1-30-25](#)**

**5. ADJOURN**

NOTE: The Council may act by motion, resolution or ordinance on items listed on the Agenda.

**FAIR HOUSING BOARD MEETING MINUTES**  
**Webster City, Iowa    January 15, 2024**

The Fair Housing Board, Webster City, Iowa met in regular session at 6:00 p.m. January 15, 2024 prior to the regular City Council Meeting, upon call of the Mayor Pro Tem and the advance agenda. The meeting was called to order by Mayor Pro Tem Logan Welch and roll being called there were present Mayor Pro Tem Logan Welch and Council Members Abbie Hansen and Megan McFarland. Council Members John Hawkins and Matt McKinney were absent.

*This meeting was Open to the Public and by electronic means utilizing the Zoom Platform. Details were provided in using the Zoom platform either by joining through the web portal or by calling in to view or participate.*

It was moved by McFarland and seconded by Hansen to approve the agenda.

ROLL CALL:     Hansen, McFarland and Welch voting aye.

a. It was moved by Hansen and seconded by McFarland that the minutes of the January 16, 2023 meeting be approved.

ROLL CALL:     McFarland, Welch and Hansen voting aye.

b. It was moved by McFarland and seconded by Hansen authorizing the Mayor (John Hawkins) to serve as Chairperson and the Mayor Pro Tem (Logan Welch) to serve as Vice-Chairperson.

ROLL CALL:     Welch, Hansen and McFarland voting aye.

c. It was moved by McFarland and seconded by Hansen that the Appointment by the Chairperson of the City Manager, City Clerk and Community Development Director to the Investigating Committee and such other offices as the Board may decide, as provided by the Code of Ordinances of the City of Webster City, Iowa 2019, Chapter 28, Article II, Section 28-27 be approved.

ROLL CALL:     Hansen, McFarland and Welch voting aye.

d. Other matters brought before the board - None brought forth.

It was moved by McFarland and seconded by Hansen that the Fair Housing Board adjourn.

ROLL CALL:     McFarland, Welch and Hansen voting aye.

The January 15 , 2024 Fair Housing Board stood adjourned at 6:04 p.m.

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Logan Welch, Mayor Pro Tem

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Karyl K. Bonjour, City Clerk

**ARTICLE II. FAIR HOUSING PRACTICES AND STANDARDS\*****Sec. 28-21. Purpose.**

The purpose of this article is to establish standards to ensure that all residents in the city may purchase or rent adequate housing facilities of their choice without regard to their race, color, creed, gender, sexual orientation, gender identity, religion, national origin, disability, or familial status.

(Code 1996, § 166.01)

**Sec. 28-22. Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

*Commission* means the state civil rights commission created by the Code of Iowa ch. 601A.

*Commissioner* means a member of the commission.

*Disability* means the physical or mental condition of a person which constitutes a substantial disability, and the condition of a person with a positive human immunodeficiency virus test result, a diagnosis of acquired immune deficiency syndrome, a diagnosis of acquired immune deficiency syndrome-related complex, or any other condition related to acquired immune deficiency syndrome. The inclusion of a condition related to a positive human immunodeficiency virus test result in the meaning of the term "disability" under the provisions of this article does not preclude the application of the provisions of this article to conditions resulting from other contagious or infectious diseases.

*Housing* means any building, structure, or facility, or portion thereof, that is used or occupied or is intended, arranged, or designed to be used or occupied as the home, residence or sleeping place of one or more individuals, groups or families, and any vacant land offered for sale or lease for the purpose of constructing or locating such building, structure, facility and includes any interest in housing as so defined, fee simple, leasehold or other.

*Lending institution* means any bank, insurance company, savings and loan association or any other person regularly engaged in the business of lending money or guaranteeing loans.

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\*State law reference—Unfair or discriminatory housing practices, Code of Iowa § 216.8.

*Unfair practice or discriminatory practice* means any of those practices specified as unfair or discriminatory in section 28-33.

(Code 1996, § 166.02)

**Sec. 28-23. Unfair or discriminatory housing practices.**

It shall be an unfair or discriminatory practice for any owner, or person acting for an owner, of rights to housing or real property, with or without compensation, including, but not limited to, persons licensed as real estate brokers or salespersons, attorneys, auctioneers, agents or representatives by power of attorney or appointment, or any person acting under court order, deed of trust, or will:

- (1) *Refuse to sell, rent or lease.* To refuse to sell, rent, or lease, assign or sublease any real property or housing accommodation or part, portion or interest therein, to any person because of the race, color, creed, gender, sexual orientation, gender identity, religion, national origin, disability, or familial status of such person.
- (2) *Discriminate.* To discriminate against any person because of his race, color, creed, gender, sexual orientation, gender identity, religion, national origin, disability, or familial status in the terms, conditions or privileges of the sale, rental, lease assignment or sublease of any real property or housing accommodation or any part, portion or interest therein.
- (3) *Advertising.* To directly or indirectly advertise, or in any other manner indicate or publicize that the purchase, rental, lease, assignment or sublease of any real property or housing accommodation or any part, portion or interest therein, by persons of a particular race, color, creed, gender, sexual orientation, gender identity, religion, national origin, disability, or familial status is unwelcome, objectionable, not acceptable or not solicited.
- (4) *Terms or conditions.* To include in the terms or conditions of any sale, lease, sublease, rental, assignment or other transfer of housing any condition or provision that purports to forbid or discourages or attempts to discourage the ownership, leasing, possession, occupancy or use of such housing by persons because of race, color, creed, gender, sexual orientation, gender identity, religion, national origin, disability, or familial status.
- (5) *Coercion.* Directly or indirectly to cause or coerce, or attempt to cause or coerce, any person to do any act declared to be an unlawful housing practice, or to engage in economic reprisal or otherwise retaliate, or to cause or coerce or attempt to cause or coerce another person to engage in economic reprisal or otherwise retaliate, against any person because such person has opposed an

unlawful housing practice or has filed a complaint, testified, assisted or participated in any manner in any investigation, proceeding or hearing under this article.

(Code 1996, § 166.03)

State law reference—Similar provision, Code of Iowa § 216.8.

**Sec. 28-24. Unfair or discriminatory housing practices by lending institutions.**

It shall be an unlawful housing practice for any lending institution to discriminate in lending money, guaranteeing loans, accepting mortgages or otherwise making available money for the purchase, acquisition, construction, alteration, repair or maintenance of any housing or to discriminate in the extension of service in connection therewith because of race, color, creed, gender, sexual orientation, gender identity, religion, national origin, disability, or familial status.

(Code 1996, § 166.04)

State law reference—Unfair credit practices, Code of Iowa § 216.10.

**Sec. 28-25. Aiding, abetting or retaliation.**

It is unfair or discriminatory practice for any person to intentionally aid, abet, compel or coerce another person to engage in any of the practices declared unfair or discriminatory by this article. It is also an unfair or discriminatory practice for any person to discriminate or retaliate against another person in any of the rights protected against discrimination by this article because such person has lawfully opposed any practice forbidden under this article, obeys the provisions of this article, or has filed a complaint, testified, or assisted in any proceeding under this article.

(Code 1996, § 166.05)

State law reference—Similar provision, Code of Iowa § 216.11.

**Sec. 28-26. Exceptions.**

The provisions of this article shall not apply to:

- (1) *Religion.* Any bona fide religious institution with respect to any qualifications it may impose based on religion, when such qualifications are related to a bona fide religious purpose.
- (2) *Owner occupied duplex.* The rental or leasing of a housing accommodation in a building which contains housing accommodations for not more than two families living independently of each other, if the owner or members of the owner's family reside in one of such housing accommodations.

- (3) *Rental of rooms.* The rental or leasing of less than six rooms within a single housing accommodation by the occupant or owner of such housing accommodation, if the owner or member of the owner's family resides therein.

(Code 1996, § 166.06)

State law reference—Similar provisions, Code of Iowa § 216.12.

**Sec. 28-27. Fair housing board.**

(a) *Established; membership; terms.* The city has created a fair housing board which shall consist of the elected council members. The terms for those on the board shall be the same terms that each elected council member holds for the council office.

(b) *Officers, quorum, expenses, member compensation and rules.* The board shall:

- (1) *Officers.* Hold one meeting in the month of January to elect a chairperson and vice-chairperson and such other officers as the board may decide. All officers shall be members of the board.
  - (2) *Quorum.* A quorum shall be three members of the board.
  - (3) *Meetings.* Hold all other meetings at the call of the chairperson, vice-chairperson or any three members of the board by giving at least 48 hours' notice to every member of the board. The call for a meeting shall include an agenda and only matters included in that agenda may be discussed at the meeting. If all members of the board agree in writing, prior notice of 48 hours to a meeting may be waived.
  - (4) *Expenses and compensation.* Receive actual and necessary expenses incurred within the limits established in city budget. Members of the board shall receive no compensation.
  - (5) *Rules.* Adopt, amend or rescind such rules as may be necessary for the conduct of its business.
- (c) *Powers.* The board shall have the following powers and duties:
- (1) *Complaints.* To receive, investigate, and pass upon charges or complaints alleging unfair or discriminatory practices, as provided in section 28-23.
  - (2) *Reduce discrimination.* To investigate and study the existence, character, causes, and extent of discrimination in housing in the city and to attempt the elimination of such discrimination by education and conciliation.
  - (3) *Reports and publications.* To issue such publications and reports of investigations and research as in the judgment of the board shall tend to promote good



will among the various racial, religious and ethnic groups of the city and which shall tend to minimize or eliminate discrimination in housing because of race, creed, color, national origin, religion or ancestry.

- (4) *Report to council.* To prepare and transmit to the mayor and council from time to time, but not less often than once each six months, reports describing its proceedings, investigations, hearings conducted and the outcome thereof, decisions rendered, and the other work performed by the board.
- (5) *Recommendations.* To make recommendations to the mayor and council for such further legislation concerning discrimination because of race, creed, color, national origin, religion, or ancestry as it may deem necessary and desirable.
- (6) *Cooperate with others.* To cooperate, within the limits of any appropriations made for its operation, with other agencies or organizations, both public and private, whose purposes are not inconsistent with those of this article, and in the planning and conducting of programs designed to eliminate racial, religious, cultural and inter-group tensions in housing.

(Code 1996, §§ 166.07—166.09)

#### **Sec. 28-28. Charge.**

Charges may be made as follows:

- (1) *Who may file.* Any person claiming to be aggrieved by a discriminatory or unfair practice in housing within the city may, alone or by an attorney, make, sign, and file a verified written charge of discriminatory practice. The board, a member of the board, the city attorney, or the state civil rights commission may in like manner make, sign and file such charge.
- (2) *Filing.* Charges may be filed with any member of the board, with the director or secretary of the board or with the clerk.
- (3) *Time of filing.* Any charge filed under this article shall be so filed within 60 days after the most recent act constituting the alleged discriminatory or unfair practice in housing.

(Code 1996, § 166.10)

#### **Sec. 28-29. Notice to state civil rights commission.**

Notice shall be given the state civil rights commission as follows:

- (1) *Manner of notice.* The secretary of the board shall immediately notify the state civil rights commission in writing of the filing of a charge under this article by forwarding a copy of the charge and shall provide such other and further information thereon as from time to time the board shall deem proper.

- (2) *Time of notice.* Whenever this article requires the board or its secretary to notify the state civil rights commission of any matter, it shall be the duty of the secretary of the board to transmit such notice or information in writing within five days of the event giving rise to the duty to give notice or information.

(Code 1996, § 166.11)

**Sec. 28-30. Investigation for probable cause.**

Investigation for probable cause shall be conducted in accordance with the following:

- (1) *Investigating committee.* Within five days after the filing of a charge, the chairperson of the board or, in the absence of or upon failure of the chairperson to act, the vice-chairperson or other member designated by the board shall designate two or more members of the board or one or more members of the staff of the board to investigate the charge. The persons are hereafter designated as the "investigating committee." If two or more persons are members of the investigating committee, the vote of a majority shall determine all questions. If the members of the investigating committee are equally divided on some issue, the chairperson of the investigating committee shall have an additional vote.
- (2) *Procedure.* The investigating committee shall first determine whether probable cause exists to believe that the person charged in the charge has committed an unfair or discriminatory practice. The investigating committee shall take the sworn testimony of the complainant and such other evidence as it deems relevant. The proceedings of the investigating committee shall be in executive session.

(Code 1996, § 166.12)

**Sec. 28-31. No probable cause.**

Upon a finding of no probable cause, the following procedures shall be followed:

- (1) *Investigating committee.* If the investigating committee shall find no probable cause to believe that the person charged has committed an unfair or discriminatory practice, it shall report the same to the board and shall notify the complainant in writing by registered or certified mail.
- (2) *Failure of complainant to object.* If the complainant fails to object to such findings within ten days of delivery of such written notice, the board shall close the case. The secretary of the board shall report such fact to the state civil rights commission.

- (3) *Objection by complainant.* If the complainant objects in writing to such findings within ten days of delivery of such written notice, the board shall hear the complainant's evidence in an executive session. If the board finds no probable cause to believe that the person charged has committed an unfair or discriminatory practice, it shall declare the case closed. If the board finds probable cause to exist, it shall take further proceedings as are provided in the following sections of this article.

(Code 1996, § 166.13)

**Sec. 28-32. Finding of probable cause.**

Upon report or finding of probable cause, the following procedures shall be followed:

- (1) *Investigating committee.* If the investigating committee shall find probable cause to believe that the person charged has committed an unfair or discriminatory practice, it shall report the same to the board.
- (2) *Conciliation.* If the board shall find, on the report of the investigating committee or on its own investigation as provided in section 28-31, probable cause to believe that the person charged has committed an unfair or discriminatory practice as defined by this article, it shall direct the appropriate person to attempt to conciliate the matter, and it shall issue a cause to be served upon such person charged a notice stating the charges against such person and requesting the cooperation of the person charged in conciliation. Service of the notice may be registered or certified mail or by any means provided for the service of original notices in civil actions.
- (3) *Public hearing.* If the board shall find that probable cause does exist to believe that the person charged has committed an unfair or discriminatory practice as defined by this article, and the board also has probable cause to believe based on past experience or on the surrounding circumstances of the charge in question that conciliation will not be successful, the board may file a complaint for a public hearing as provided by section 28-35 without conducting conciliation proceedings.

(Code 1996, § 166.14)

**Sec. 28-33. Conciliation.**

The proceedings toward conciliation shall be:

- (1) *Prepared conciliation agreement.* If the person directed to conciliate succeeds in conciliation, they shall report to the board and shall submit a proposed written

conciliation agreement. The conciliation agreement shall be effective only if approved by the person charged and by the board. The complainant shall have an opportunity to be heard as to the terms of the conciliation agreement shall be effective only if approved by the person charged and by the board. The complainant shall have an opportunity to be heard as to the terms of the conciliation agreement, but the board may act without the complainant's approval.

- (2) *Agreement accepted by board.* If the board accepts the conciliation agreement, it shall close the case, subject to whatever continuing supervision of the charged party is provided in the agreement. If the board accepts the conciliation agreement, it shall communicate the terms of the agreement to the state civil rights commission.
- (3) *Agreement rejected by board.* If the board rejects the conciliation agreement, it may either direct that further attempts at conciliation be made or it may file its complaint of the discriminatory practice charged and proceed as provided in the following sections of this article. It shall notify the state civil rights commission of the rejection of the proposed agreement and of the action taken.

(Code 1996, § 166.15)

#### **Sec. 28-34. Proceedings upon failure to conciliate.**

If after attempts to conciliate, the person directed to conciliate shall find that they are unable to conciliate the matter, they shall report the same in writing to the board. If the board determines the charge to be well founded, it may then file its complaint of the discriminatory practice charged. If the board determines the charge not to be well founded, it shall declare the case closed and shall so notify the parties. In either event, the board shall notify the state civil rights commission of the failure of conciliation efforts and of the action taken.

(Code 1996, § 166.16)

#### **Sec. 28-35. Public hearing.**

(a) *Notice and hearing.* Upon filing the complaint, the board shall issue and cause to be served on the person charged a notice, containing a copy of the complaint and a notice of the time and place at which the hearing will be held on the complaint. The hearing must be held not less than ten days after the issuance of the notice and must be held in a building open to the public in the city. The board may adjourn the hearing from time to time.

(b) *Rights of person charged.* The person charged shall have the right to file a written answer to the complaint, to appear in person or by attorney at the hearing, to testify, to call witnesses, and to cross-examine any witnesses who appear.

(c) *Complaint amended.* The board shall have the power to amend, reasonably and fairly, the complaint and the party charged shall have the power to amend, reasonably and fairly, the answer to the complaint at any time before a final order is entered in the case.

(d) *City attorney.* The city attorney or any attorney designated by the city attorney shall conduct the case on behalf of the board. If the city attorney is unable to conduct the case by reason of conflict of interest or otherwise, the council may appoint a special attorney to conduct the case on behalf of the board. The complainant may introduce further evidence to support the claims alleged in the charge, either in person or by attorney. No member of the investigating committee shall participate in the deliberations of the board on the case except as a witness.

(e) *Failure to appear.* If the person charged shall fail to file an answer to the complaint or shall fail to appear in person or by attorney at the hearing, the board shall proceed to consider the testimony offered and shall base its decision thereon.

(f) *Oath; codes of evidence.* The evidence shall be taken under oath. The board shall not be bound by the strict rules of evidence prevailing in courts of law or equity, but the right of cross-examination shall be preserved.

(Code 1996, § 166.17)

#### **Sec. 28-36. Remedy.**

After a public hearing on a complaint is concluded, the board shall within five days issue a written finding of facts which states whether any person charged in the complaint has engaged in or is engaging in the unfair or discriminatory practice complained of. If the board finds a violation of this article, it shall order the person to cease and desist from the unfair or discriminatory practice and to take such affirmative action as necessary to remedy the practice. If the board finds no violation, it shall issue a written finding of facts and dismiss the complaint.

(Code 1996, § 166.18)

#### **Sec. 28-37. Suit to enforce.**

The board may, within two years after entry of any order under section 28-36, direct the city attorney to bring a suit in the district court of the county for an injunction to compel obedience to its order.

(Code 1996, § 166.19)

**CITY COUNCIL MEETING MINUTES**  
**Webster City, Iowa January 20, 2025 – 6:00 p.m.**

The City Council met in regular session at the City Hall, Webster City, Iowa at 6:00 p.m. on January 20, 2025 upon call of the Mayor Pro Tem and the advance agenda. The meeting was called to order by Mayor Pro Tem Logan Welch and roll being called there were present in Council Chambers the following Council Members: Abbie Hansen, Megan McFarland and Matt McKinney. Mayor John Hawkins was absent.

*This meeting was open to the public and can be viewed live on the City Facebook page <https://www.facebook.com/cityofwebstercity/> or viewed on the City of Webster City website <https://webstercity.com/government/city-council/city-council-meetings/> the following morning.*

Mayor Pro Tem Welch led the Pledge of Allegiance.

It was moved by McFarland and seconded by McKinney to approve the agenda.

ROLL CALL: Hansen, McFarland, McKinney, and Welch voting aye.

**PETITIONS- COMMUNICATIONS- REQUESTS**

None brought forth

**PUBLIC INFORMATION**

None brought forth

**CONSENT AGENDA**

It was moved by McKinney and seconded by Hansen that the following consent items including minutes, claims, reports, licenses (a-f) be approved collectively:

- a. Minutes of January 6, 2025 Regular City Council Meeting
- b. Claims, including Payroll ending January 11, 2025 and Fund List
- c. Reports Wastewater, Electric, Water for December 2024 be accepted and placed on file.
- d. Police Department Activity Report for December 2024 be accepted and placed on file.
- e. Fire Department Report for December 2024 be accepted and placed on file.
- f. That the issuance of Beer & Liquor Licenses by the Iowa Department of Commerce be recommended for the following:

Renewal of Special Class C Retail Alcohol License, Hamilton County Exposition (Hamilton County Fairgrounds, does not include Speedway), 1200 Bluff St.

Auto Renewal of Class E Retail Alcohol License Casey's General Store #3054, 700 Superior St.

- g. Council Committee Reports
- h. Other reports and recommendations

ROLL CALL: McFarland, McKinney, Welch, and Hansen voting aye.

**GENERAL AGENDA**

**PUBLIC HEARING 6:05 p.m.**

- a. January 20, 2025 at 6:05 p.m. in Council Chambers at City Hall, 400 Second Steet, Webster City

## City Council Meeting Minutes January 20, 2025

Iowa being the time and place for a Public Hearing on development agreement between City of Webster City and Kading Properties, the same was held. No written objections were filed and one oral objection by Diana and Rob Carpenter, 1620 Wall Street was presented.

It was moved by McKinney and seconded by Hansen that Resolution No. 2025-013 expressing intent to provide economic development support to Wilson Estates LLC. be passed and adopted.

ROLL CALL: Welch, Hansen, McFarland, and McKinney voting aye.

b. It was moved by McFarland and seconded by Hansen that Resolution No. 2025-014 accepting Permanent and Temporary Easement Agreement from the owners of Webster City IA Assisted Living Owner, LLC, a Delaware Limited Liability Company be passed and adopted.

ROLL CALL: Hansen, McFarland, McKinney, and Welch voting aye.

c. It was moved by McFarland and seconded by Hansen that Resolution No. 2025-015 authorizing the City Manager to purchase an Elgin RegenX Street Sweeper via Sourcewell from MacQueen in the amount of \$413,318.00 be passed and adopted.

ROLL CALL: McFarland, McKinney, Welch, and Hansen voting aye.

d. It was moved by McKinney and seconded by Hansen that Resolution No. 2025-016 authorizing the selection of Utility Service Group for Surface Preparation, Priming, Painting, and Miscellaneous Welding Work on the Lime and Soda Ash Silos in the amount of \$65,979.00 be passed and adopted.

ROLL CALL: McKinney, Welch, Hansen, and McFarland voting aye.

e. It was moved by McFarland and seconded by Hansen that Resolution No. 2025-017 authorizing the purchase of a 2025 Chevrolet Silverado 1500 4WD Double Cab to replace the 2002 Chevrolet vehicle from Karl Chevrolet for the Water Treatment Plant in the amount of \$43,812.60 be passed and adopted.

ROLL CALL: Welch, Hansen, McFarland, and McKinney voting aye.

f. It was moved by Hansen and seconded by McKinney that Resolution No. 2025-018 authorizing the purchase of two 1-ton 4x4 Utility trucks equipped for the Line Department in an amount not to exceed \$70,000.00 each be passed and adopted.

ROLL CALL: Hansen, McFarland, McKinney, and Welch voting aye.

### **CLOSED SESSION**

It was moved by McFarland and seconded by Hansen that the Council meet in closed session to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation, as provided by Chapter 21.5 c. of the Code of Iowa.

ROLL CALL: McFarland, McKinney, Welch, and Hansen voting aye.

Council went out of Open Session at 6:37 p.m.

Council took a 4-minute recess.

Council went into Closed Session at 6:41 p.m.

**City Council Meeting Minutes January 20, 2025**

It was moved by Hansen and seconded by McFarland to return to Open Session.

ROLL CALL: McKinney, Welch, Hansen, and McFarland voting aye.

Council returned to Open Session at 6:53 p.m.

It was moved by McKinney and seconded by Hansen that Council adjourn.

ROLL CALL: Welch, Hansen, McFarland, and McKinney voting aye.

The January 20, 2025 Regular City Council meeting stood adjourned at 6:53 p.m.

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Logan Welch, Mayor Pro Tem

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Sherry Simmons, Deputy City Clerk



Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>RESCO (812)</b>							
3045642	2	Invoice	MAJOR MATERIAL PKG - PHASE 1 DIST	08/28/2024	995.10-	07/25	614-23-52-5588-299
3045642	3	Invoice	MAJOR MATERIAL PKG - PHASE 1 DIST	08/28/2024	995.10	07/25	612-23-52-5588-299
Total 3045642:					.00		
Total RESCO (812):					.00		
Total 09/16/2024:					.00		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>RESCO (812)</b>							
3054918	2	Invoice	50KVA TRANSFORMER - 50/50 w/ CORN BEL	11/19/2024	6,711.04-	07/25	614-23-52-5588-299
3054918	3	Invoice	50KVA TRANSFORMER - 50/50 w/ CORN BEL	11/19/2024	6,711.04	07/25	612-23-52-5588-299
Total 3054918:					.00		
3055774	2	Invoice	REISNER SUB-MAJOR MATERIALS PH.1 DIS	11/26/2024	4,911.30-	07/25	614-23-52-5588-299
3055774	3	Invoice	REISNER SUB-MAJOR MATERIALS PH.1 DIS	11/26/2024	4,911.30	07/25	612-23-52-5588-299
Total 3055774:					.00		
Total RESCO (812):					.00		
Total 12/16/2024:					.00		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>PEOPLES CREDIT UNION (4140)</b>							
2/1/25	1	Invoice	LOAN PAYMENT 2/1/25-POLICE-PRINCIPAL P	01/29/2025	5,299.61	07/25	100-41-21-5110-910
2/1/25	2	Invoice	LOAN PAYMENT 2/1/25 -POLICE-INTEREST P	01/29/2025	66.88	07/25	100-41-21-5110-911
Total 2/1/25:					5,366.49		
Total PEOPLES CREDIT UNION (4140):					5,366.49		
Total 01/29/2025:					5,366.49		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>AVAILA BANK (6318)</b>							
2-1-25	1	Invoice	FULLER HALL PRINCIPAL PAYMENT	01/30/2025	4,436.99	07/25	300-22-98-5295-910
2-1-25	2	Invoice	FULLER HALL INTEREST PAYMENT	01/30/2025	4,717.31	07/25	300-22-98-5295-911
Total 2-1-25:					9,154.30		
Total AVAILA BANK (6318):					9,154.30		
<b>NORTH IOWA MUNICIPAL ELECTRIC (705)</b>							
DEC2024	1	Invoice	PURCHASED POWER - DECEMBER 2024	01/10/2025	600,081.35	07/25	601-23-50-5555-233
Total DEC2024:					600,081.35		
Total NORTH IOWA MUNICIPAL ELECTRIC (705):					600,081.35		
Total 01/30/2025:					609,235.65		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>ACCESS SYSTEMS (3917)</b>							
INV1713053	1	Invoice	PRINTER CONTRACT - UTILITY OFFICE	01/22/2025	274.42	08/25	100-24-14-5435-225
Total INV1713053:					274.42		
Total ACCESS SYSTEMS (3917):					274.42		
<b>AGSOURCE (4458)</b>							
PS-INV3888	1	Invoice	POOL TESTING	01/21/2025	28.00	08/25	100-22-42-5233-299
Total PS-INV388885:					28.00		
Total AGSOURCE (4458):					28.00		
<b>ALTEC INDUSTRIES, INC. (35)</b>							
12803811	1	Invoice	PARTS FOR TK6	01/21/2025	1,118.83	08/25	601-23-52-5935-314
Total 12803811:					1,118.83		
Total ALTEC INDUSTRIES, INC. (35):					1,118.83		
<b>AMES REGIONAL ECONOMIC ALLIANCE (8026)</b>							
162742	1	Invoice	QTRLY ECON DEV CONTRACT	01/28/2025	18,125.00	08/25	242-23-36-5393-299
Total 162742:					18,125.00		
Total AMES REGIONAL ECONOMIC ALLIANCE (8026):					18,125.00		
<b>APWA IOWA CHAPTER (8128)</b>							
22494393	1	Invoice	BRANDON BAHRENFUSS - APWA IA SPRING	01/21/2025	245.00	08/25	204-23-30-5310-231
Total 22494393:					245.00		
Total APWA IOWA CHAPTER (8128):					245.00		
<b>ARNOLD MOTOR SUPPLY (68)</b>							
26NV114846	1	Invoice	PARTS FOR CHIPPER	01/20/2025	5.99	08/25	601-23-52-5935-314
Total 26NV114846:					5.99		
26NV114958	1	Invoice	TK7 FUEL FILTER	01/21/2025	12.07	08/25	601-23-52-5935-314
Total 26NV114958:					12.07		
26NV115080	1	Invoice	TK2 BRACKET	01/23/2025	11.36	08/25	601-23-52-5935-314
Total 26NV115080:					11.36		
Total ARNOLD MOTOR SUPPLY (68):					29.42		
<b>BACKFLOW SOLUTIONS INC. (7875)</b>							
9898	1	Invoice	ANNUAL BSI ONLINE SUBSCRIPTION FEE	01/01/2025	995.00	08/25	602-23-61-5930-215
Total 9898:					995.00		
Total BACKFLOW SOLUTIONS INC. (7875):					995.00		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>BECKSTROM CONSTRUCTION INC. (8017)</b>							
8397	1	Invoice	EAST SIDE CONVERSION PROJECT CONST	01/20/2025	258,352.26	08/25	614-23-52-5588-299
Total 8397:					258,352.26		
Total BECKSTROM CONSTRUCTION INC. (8017):					258,352.26		
<b>BERGLUND, KRISTINE (5732)</b>							
12/28/24	1	Invoice	ENERGY EFFICIENCY REBATE	12/28/2024	75.00	08/25	601-23-36-5930-979
Total 12/28/24:					75.00		
Total BERGLUND, KRISTINE (5732):					75.00		
<b>BIGGS, CONNIE (8127)</b>							
10/8/24	1	Invoice	ENERGY EFFICIENCY REBATE	10/08/2024	75.00	08/25	601-23-36-5930-979
Total 10/8/24:					75.00		
Total BIGGS, CONNIE (8127):					75.00		
<b>BLACK HILLS ENERGY (3466)</b>							
2074931097	1	Invoice	GAS UTILITY/CEMETERY	01/22/2025	754.66	07/25	100-23-42-5371-234
Total 2074931097 1/22/25:					754.66		
5470636360	1	Invoice	GAS UTILITY/FULLER HALL	01/16/2025	691.57	07/25	100-22-42-5233-234
Total 5470636360 1/16/25:					691.57		
5542531803	1	Invoice	GAS UTILITY/FIRE STATION	01/16/2025	752.41	07/25	100-21-22-5140-234
Total 5542531803 1/16/25:					752.41		
6686529163	1	Invoice	GAS UTILITY/OD POOL	01/23/2025	43.37	07/25	100-22-42-5242-234
Total 6686529163 1/23/25:					43.37		
7824805624	1	Invoice	GAS UTILITY/CITY SEWAGE DISP PLT	01/23/2025	2,709.13	07/25	603-23-70-5642-234
Total 7824805624 1/23/25:					2,709.13		
8081102404	1	Invoice	GAS UTILITY/SENIOR CENTER	01/16/2025	647.13	07/25	100-22-42-5280-234
Total 8081102404 1/16/25:					647.13		
9634407409	1	Invoice	GAS UTILITY/STREET DEPT	01/23/2025	1,766.37	07/25	204-23-30-5310-234
Total 9634407409 1/23/25:					1,766.37		
Total BLACK HILLS ENERGY (3466):					7,364.64		
<b>BLACKHAWK AUTOMATIC SPRINKLERS, INC (8124)</b>							
122211	1	Invoice	ANNUAL SPRINKLER INSPECTION, ST DEPT	12/19/2024	251.95	08/25	204-23-30-5310-226
Total 122211:					251.95		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total BLACKHAWK AUTOMATIC SPRINKLERS, INC (8124):					251.95		
<b>BOMGAARS (5165)</b>							
62222132	1	Invoice	TORCH HEAD , BATTERIES, MISC	01/15/2025	137.64	08/25	100-23-42-5371-318
Total 62222132:					137.64		
62222206	1	Invoice	HOSE ASSEMBLY	01/15/2025	19.99	08/25	100-23-42-5371-318
Total 62222206:					19.99		
62222705	1	Invoice	HOOK & EYE SAFETY	01/17/2025	5.98	08/25	100-23-42-5371-318
Total 62222705:					5.98		
62223581	1	Invoice	STORAGE TOTE	01/20/2025	24.98	08/25	204-23-30-5320-318
Total 62223581:					24.98		
62223621	1	Invoice	ROCK BOX TK4	01/20/2025	59.99	08/25	601-23-52-5935-314
Total 62223621:					59.99		
62223627	1	Invoice	CHLORINE ROOM HEATER	01/20/2025	103.99	08/25	100-22-42-5233-310
Total 62223627:					103.99		
62223878	1	Invoice	FASTENERS FOR CHLORINE ROOM HEATE	01/21/2025	7.08	08/25	100-22-42-5233-310
Total 62223878:					7.08		
62223882	1	Invoice	CLEANER	01/21/2025	24.37	08/25	601-23-52-5588-318
62223882	2	Invoice	FUEL TRANSFER PUMP	01/21/2025	339.99	08/25	601-23-52-5935-314
Total 62223882:					364.36		
62224044	1	Invoice	SPRAYPAINT	01/21/2025	27.96	08/25	100-23-42-5371-318
Total 62224044:					27.96		
62224492	1	Invoice	PRIMER & SPRAYPAINT TK2	01/23/2025	37.96	08/25	601-23-52-5935-314
Total 62224492:					37.96		
62224566	1	Invoice	PRIMER & SPRAYPAINT TK2	01/23/2025	43.96	08/25	601-23-52-5935-314
Total 62224566:					43.96		
62224610	1	Invoice	SPRAYPAINT TK2	01/23/2025	21.98	08/25	601-23-52-5935-314
Total 62224610:					21.98		
62224622	1	Invoice	SIGN TRAILER	01/23/2025	258.60	08/25	204-21-30-5120-318
Total 62224622:					258.60		
Total BOMGAARS (5165):					1,114.47		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>BORDER STATES INDUSTRIES INC (109)</b>							
929739569	1	Invoice	19=30 CONCRETE POLES	01/22/2025	38,430.20	08/25	601-23-52-5935-871
Total 929739569:					38,430.20		
929768582	1	Invoice	STOCK SUPPLIES	01/28/2025	824.17	08/25	601-23-52-5588-318
Total 929768582:					824.17		
Total BORDER STATES INDUSTRIES INC (109):					39,254.37		
<b>BSN SPORTS, LLC (125)</b>							
928432614	1	Invoice	YOUTH BOYS BASKETBALLS	01/06/2025	832.16	08/25	100-22-42-5222-318
Total 928432614:					832.16		
928523874	1	Invoice	YOUTH BOYS BASKETBALLS	01/14/2025	14.86	08/25	100-22-42-5222-318
Total 928523874:					14.86		
928539471	1	Invoice	YOUTH BOYS BASKETBALLS	01/15/2025	44.58	08/25	100-22-42-5222-318
Total 928539471:					44.58		
Total BSN SPORTS, LLC (125):					891.60		
<b>BUTRUM, CALVIN (3852)</b>							
9/12/24	1	Invoice	ENERGY EFFICIENCY REBATE	09/12/2024	250.00	08/25	601-23-36-5930-979
Total 9/12/24:					250.00		
Total BUTRUM, CALVIN (3852):					250.00		
<b>CAPITAL SANITARY SUPPLY (6096)</b>							
C399953	1	Invoice	SHOP SUPPLIES	01/15/2025	915.40	08/25	204-23-30-5310-318
Total C399953:					915.40		
C399999	1	Invoice	FH SUPPLIES	01/15/2025	215.47	08/25	100-22-42-5233-318
Total C399999:					215.47		
C400395	1	Invoice	FH SUPPLIES	01/22/2025	100.04	08/25	100-22-42-5233-318
Total C400395:					100.04		
C400395A	1	Invoice	FH SUPPLIES	01/29/2025	84.95	08/25	100-22-42-5233-318
Total C400395A:					84.95		
C400396	1	Invoice	SHOP SUPPLIES	01/22/2025	137.67	08/25	601-23-52-5588-318
Total C400396:					137.67		
C400726	1	Invoice	FH SUPPLIES	01/29/2025	119.09	08/25	100-22-42-5233-318
Total C400726:					119.09		



Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total CAPITAL SANITARY SUPPLY (6096):					1,572.62		
<b>CENTRAL IOWA BLDG SUPPLY (1298)</b>							
1024878	1	Invoice	18" COATED REBAR (split)	01/06/2025	15.60	08/25	603-23-71-5662-318
1024878	2	Invoice	18" COATED REBAR (split)	01/06/2025	32.76	08/25	602-23-62-5662-318
1024878	3	Invoice	18" COATED REBAR (split)	01/06/2025	107.64	08/25	204-23-30-5330-318
Total 1024878:					156.00		
1024908	1	Invoice	MATERIALS FOR NEW TRAILER	01/07/2025	1,193.84	08/25	204-21-30-5120-318
Total 1024908:					1,193.84		
1025082	1	Invoice	WELDING WIRE	01/21/2025	140.00	08/25	601-23-52-5588-318
Total 1025082:					140.00		
1025149	1	Invoice	D PLATE - TK2	01/24/2025	165.31	08/25	601-23-52-5935-314
Total 1025149:					165.31		
Total CENTRAL IOWA BLDG SUPPLY (1298):					1,655.15		
<b>CHIZEK LAW OFFICE (5715)</b>							
1/21/2025	1	Invoice	MISC COST ADVANCED 12/2/24-1/17/25	01/21/2025	661.62	08/25	100-21-18-5190-211
Total 1/21/2025:					661.62		
FEB2025	1	Invoice	CITY ATTORNEY FEES - FEB2025	01/29/2025	6,500.00	08/25	100-24-13-5460-212
Total FEB2025:					6,500.00		
Total CHIZEK LAW OFFICE (5715):					7,161.62		
<b>CITY OF WEBSTER CITY (176)</b>							
1/15/2025	12	1 Invoice	CITY UTILITIES	01/15/2025	236.52	07/25	100-21-18-5190-233
Total 1/15/2025 12:00:00 AM:					236.52		
1/24/2025	12	1 Invoice	CITY UTILITIES	01/24/2025	2,027.32	07/25	100-21-22-5140-233
1/24/2025	12	2 Invoice	CITY UTILITIES	01/24/2025	496.96	07/25	100-22-42-5210-233
1/24/2025	12	3 Invoice	CITY UTILITIES	01/24/2025	617.95	07/25	100-22-42-5222-233
1/24/2025	12	4 Invoice	CITY UTILITIES	01/24/2025	4,728.53	07/25	100-22-42-5233-233
1/24/2025	12	5 Invoice	CITY UTILITIES	01/24/2025	595.92	07/25	100-22-42-5242-233
1/24/2025	12	6 Invoice	CITY UTILITIES	01/24/2025	718.29	07/25	100-22-42-5280-233
1/24/2025	12	7 Invoice	CITY UTILITIES	01/24/2025	555.28	07/25	100-23-42-5371-233
1/24/2025	12	8 Invoice	CITY UTILITIES	01/24/2025	474.06	07/25	100-23-43-5361-233
1/24/2025	12	9 Invoice	CITY UTILITIES	01/24/2025	3,556.00	07/25	100-24-36-5480-233
1/24/2025	12	10 Invoice	CITY UTILITIES	01/24/2025	1,346.92	07/25	204-23-30-5310-233
1/24/2025	12	11 Invoice	CITY UTILITIES	01/24/2025	273.19	07/25	601-23-51-5566-233
1/24/2025	12	12 Invoice	CITY UTILITIES	01/24/2025	1,793.38	07/25	601-23-52-5585-233
1/24/2025	12	13 Invoice	CITY UTILITIES	01/24/2025	234.19	07/25	601-23-52-5586-233
1/24/2025	12	14 Invoice	CITY UTILITIES	01/24/2025	234.19	07/25	601-23-52-5588-233
1/24/2025	12	15 Invoice	CITY UTILITIES	01/24/2025	32,602.24	07/25	602-23-60-5601-233
1/24/2025	12	16 Invoice	CITY UTILITIES	01/24/2025	3,085.91	07/25	602-23-61-5642-233
1/24/2025	12	17 Invoice	CITY UTILITIES	01/24/2025	426.10	07/25	602-23-62-5662-233
1/24/2025	12	18 Invoice	CITY UTILITIES	01/24/2025	16,642.62	07/25	603-23-70-5642-233
1/24/2025	12	19 Invoice	CITY UTILITIES	01/24/2025	779.89	07/25	603-23-71-5662-233

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total 1/24/2025 12:00:00 AM:					71,188.94		
Total CITY OF WEBSTER CITY (176):					71,425.46		
<b>COLUMN SOFTWARE PBC (7826)</b>							
D1EC1C38-0	1	Invoice	PH - URBAN RENEWAL	01/14/2025	51.60	08/25	100-24-18-5470-210
Total D1EC1C38-0107:					51.60		
Total COLUMN SOFTWARE PBC (7826):					51.60		
<b>CONFERENCE TECHNOLOGIES, INC. (5644)</b>							
P-INV17586	1	Invoice	MEDIA ROOM REPAIR	01/16/2025	398.00	08/25	100-22-12-5370-318
Total P-INV17586:					398.00		
Total CONFERENCE TECHNOLOGIES, INC. (5644):					398.00		
<b>DAILY FREEMAN JOURNAL, INC. (211)</b>							
1/15/2025 12	1	Invoice	1/6/25 MIN & BILLS	01/15/2025	319.58	08/25	100-24-14-5435-210
Total 1/15/2025 12:00:00 AM:					319.58		
Total DAILY FREEMAN JOURNAL, INC. (211):					319.58		
<b>DAKOTA SUPPLY GROUP (3498)</b>							
S104175091.	1	Invoice	ELECTRIC DIST IMPROVEMENT MATERIALS	01/15/2025	9,250.38	08/25	612-23-52-5588-299
Total S104175091.003:					9,250.38		
Total DAKOTA SUPPLY GROUP (3498):					9,250.38		
<b>DESIGNER GRAPHIX PLUS, INC (1214)</b>							
2025-0004	1	Invoice	YOUTH BOYS BASKETBALL	01/20/2025	1,008.00	08/25	100-22-42-5222-318
Total 2025-0004:					1,008.00		
Total DESIGNER GRAPHIX PLUS, INC (1214):					1,008.00		
<b>DOOLITTLE OIL COMPANY, INC. (243)</b>							
90707	1	Invoice	#1 DIESEL FUEL - FIRE	01/28/2025	46.20	08/25	100-21-22-5140-315
Total 90707:					46.20		
Total DOOLITTLE OIL COMPANY, INC. (243):					46.20		
<b>FAITH UNITED METHODIST CHURCH (5322)</b>							
1/27/2025 12	1	Invoice	COMMERCIAL LIGHTING REBATE	01/24/2025	427.72	08/25	601-23-53-5588-212
Total 1/27/2025 12:00:00 AM:					427.72		
Total FAITH UNITED METHODIST CHURCH (5322):					427.72		
<b>FLETCHER-REINHARDT SERVICE COMPANY (305)</b>							
S1336570.00	1	Invoice	HIGH VOLTAGE LABELS	01/09/2025	746.55	08/25	601-23-52-5588-318

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total S1336570.001:					746.55		
Total FLETCHER-REINHARDT SERVICE COMPANY (305):					746.55		
<b>GORDON FLESCH COMPANY (6978)</b>							
IN15006437	1	Invoice	WWTP PRINTER	01/19/2025	46.60	08/25	603-23-70-5931-225
Total IN15006437:					46.60		
Total GORDON FLESCH COMPANY (6978):					46.60		
<b>GRAINGER (3288)</b>							
9361061220	1	Invoice	WATER PLANT MATERIALS	01/03/2025	12.16	08/25	602-23-61-5642-318
Total 9361061220:					12.16		
9362249287	1	Invoice	CHISEL	01/06/2025	50.09	08/25	602-23-61-5642-311
Total 9362249287:					50.09		
Total GRAINGER (3288):					62.25		
<b>HACH COMPANY (362)</b>							
14324615	1	Invoice	WATER TESTING SUPPLIES	01/13/2025	1,134.10	08/25	602-23-61-5642-319
Total 14324615:					1,134.10		
14331389	1	Invoice	WATER TESTING SUPPLIES	01/16/2025	396.20	08/25	602-23-61-5642-319
Total 14331389:					396.20		
Total HACH COMPANY (362):					1,530.30		
<b>HEART OF IOWA REGIONAL (6757)</b>							
2025MATCH	1	Invoice	HIRHTF MATCHING FUNDS - 2025 APP	01/14/2025	8,258.00	08/25	228-23-36-5391-299
Total 2025MATCH:					8,258.00		
Total HEART OF IOWA REGIONAL (6757):					8,258.00		
<b>HIVIS SUPPLY (7482)</b>							
542969A	1	Invoice	SAFETY VESTS	01/20/2025	133.99	08/25	204-23-30-5310-312
Total 542969A:					133.99		
Total HIVIS SUPPLY (7482):					133.99		
<b>HYDRITE CHEMICAL CO. (421)</b>							
2025000004	1	Invoice	SODA ASH 1/14/25	01/20/2025	17,316.64	08/25	602-23-61-5641-318
Total 2025000004109:					17,316.64		
Total HYDRITE CHEMICAL CO. (421):					17,316.64		
<b>inTANDEM (6526)</b>							
2525	1	Invoice	FEBRUARY 2025 RETAINER	11/22/2024	2,440.00	08/25	100-24-12-5430-299

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total 2525:					2,440.00		
Total inTANDEM (6526):					2,440.00		
<b>IOWA ONE CALL (485)</b>							
268566	1	Invoice	IOWA ONE CALL - DEC2024	01/20/2025	10.66	08/25	603-23-71-5662-299
268566	2	Invoice	IOWA ONE CALL - DEC2024	01/20/2025	10.67	08/25	602-23-62-5662-299
268566	3	Invoice	IOWA ONE CALL - DEC2024	01/20/2025	20.57	08/25	601-23-52-5930-299
Total 268566:					41.90		
Total IOWA ONE CALL (485):					41.90		
<b>IOWA PRISON INDUSTRIES (489)</b>							
300905	1	Invoice	CUSTOM 30X30	01/21/2025	132.20	08/25	204-21-30-5120-318
Total 300905:					132.20		
Total IOWA PRISON INDUSTRIES (489):					132.20		
<b>KARL CHEVROLET BUICK GMC (7306)</b>							
4485	1	Invoice	CAP	01/27/2025	66.67	08/25	603-23-70-5935-314
Total 4485:					66.67		
Total KARL CHEVROLET BUICK GMC (7306):					66.67		
<b>LINCOLN NATL LIFE INSURANCE CO (3031)</b>							
4794080960	1	Invoice	LIFE INS PREM - FEB2025	01/17/2025	1,594.78	08/25	902-11215
Total 4794080960:					1,594.78		
Total LINCOLN NATL LIFE INSURANCE CO (3031):					1,594.78		
<b>LIWANAG, LUZ ARANEZ (8126)</b>							
1/24/25	1	Invoice	UTILITY REFUND	01/24/2025	105.00	08/25	601-23-80-5903-980
Total 1/24/25:					105.00		
Total LIWANAG, LUZ ARANEZ (8126):					105.00		
<b>MACQUEEN EQUIPMENT (5144)</b>							
037363PP	1	Invoice	HOSE REPLACEMENT	01/16/2025	3,416.00	08/25	100-21-22-5140-311
Total 037363PP:					3,416.00		
P40662	1	Invoice	BATTERY OPERATED CUTTER - CEP	12/16/2024	13,663.00	08/25	100-41-22-5140-515
Total P40662:					13,663.00		
P42115	1	Invoice	HOSE REPLACEMENT	01/16/2025	5,184.00	08/25	100-21-22-5140-311
Total P42115:					5,184.00		
P42119	1	Invoice	HOSE	01/16/2025	4,752.00	08/25	100-21-22-5140-311

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total P42119:					4,752.00		
Total MACQUEEN EQUIPMENT (5144):					27,015.00		
<b>MAYNARD NEXSEN PC (8115)</b>							
536146945	1	Invoice	SPEED CAMERA COUNCEL	01/13/2025	7,748.59	08/25	120-21-21-5120-212
Total 536146945:					7,748.59		
Total MAYNARD NEXSEN PC (8115):					7,748.59		
<b>MC CLURE ENGINEERING CO. (7469)</b>							
157126	1	Invoice	#18 =FFA AIP No.3-19-0097-021-2003 FAA BIL	12/30/2024	1,650.00	08/25	205-23-45-5372-880
Total 157126:					1,650.00		
157137	1	Invoice	RECONSTRUCT AIRFIELD LIGHTING & NAVA	12/30/2024	1,740.83	08/25	205-23-45-5372-880
Total 157137:					1,740.83		
Total MC CLURE ENGINEERING CO. (7469):					3,390.83		
<b>McDOWELL &amp; SONS CONTRACTING (8016)</b>							
428403 / 9-2	1	Invoice	REISNER SUBSTATION GRADING - PAY EST	01/29/2025	22,422.44	08/25	611-23-51-5566-299
Total 428403 / 9-23-011 #2:					22,422.44		
Total McDOWELL & SONS CONTRACTING (8016):					22,422.44		
<b>MENARDS (622)</b>							
24945	1	Invoice	AIR FILTERS	01/20/2025	20.34	08/25	204-23-30-5310-310
24945	2	Invoice	SOCKETS, PRY BAR, DRILL BIT SET	01/20/2025	142.92	08/25	204-23-30-5310-311
Total 24945:					163.26		
25091	1	Invoice	STORAGE TOTES	01/23/2025	26.94	08/25	601-23-52-5588-318
25091	2	Invoice	PVC CUTTER	01/23/2025	39.98	08/25	601-23-52-5588-311
25091	3	Invoice	BUILDING/SHOP SUPPLIES	01/23/2025	381.30	08/25	601-23-52-5591-310
Total 25091:					448.22		
Total MENARDS (622):					611.48		
<b>MILLER MECHANICAL SPECIALTIES, INC. (5851)</b>							
3068310	1	Invoice	REPAIR KIT 12" VALVE	01/23/2025	3,117.70	08/25	602-23-61-5642-318
Total 3068310:					3,117.70		
Total MILLER MECHANICAL SPECIALTIES, INC. (5851):					3,117.70		
<b>MISSISSIPPI LIME COMPANY (652)</b>							
CD56595	1	Invoice	QUICKLIME	01/15/2025	8,911.59	08/25	602-23-61-5641-318
Total CD56595:					8,911.59		
Total MISSISSIPPI LIME COMPANY (652):					8,911.59		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>MOORE CLEANING SERVICE, LLC (2902)</b>							
FEB2025 #1	1	Invoice	CLEANING SERICES FOR CITY HALL	01/29/2025	1,300.00	08/25	100-24-36-5480-299
Total FEB2025 #1:					1,300.00		
Total MOORE CLEANING SERVICE, LLC (2902):					1,300.00		
<b>MUNICIPAL SUPPLY, INC. (672)</b>							
0931519-IN	1	Invoice	6"X15" REPAIR CLAMP	01/10/2025	279.57	08/25	602-23-62-5662-318
Total 0931519-IN:					279.57		
0931786-IN	1	Invoice	6"X15" REPAIR CLAMP	01/15/2025	300.89	08/25	602-23-62-5662-318
Total 0931786-IN:					300.89		
Total MUNICIPAL SUPPLY, INC. (672):					580.46		
<b>NAPA AUTO PARTS (677)</b>							
998296	1	Invoice	TK4 MATERIALS	01/20/2025	149.90	08/25	601-23-52-5935-314
Total 998296:					149.90		
998388	1	Invoice	V-BELT	01/21/2025	131.96	08/25	603-23-70-5935-314
Total 998388:					131.96		
998740	1	Invoice	LIGHT TK27	01/28/2025	67.99	08/25	204-23-30-5310-314
Total 998740:					67.99		
998741	1	Invoice	BUTANE FUEL	01/28/2025	14.49	08/25	204-23-30-5310-314
Total 998741:					14.49		
Total NAPA AUTO PARTS (677):					364.34		
<b>O'REILLY AUTOMOTIVE, INC. (727)</b>							
0357-216510	1	Invoice	WIPER BLADES	01/20/2025	61.28	08/25	601-23-52-5935-314
Total 0357-216510:					61.28		
Total O'REILLY AUTOMOTIVE, INC. (727):					61.28		
<b>PATEK HOSPITALITY CONSULTANTS, INC. (7939)</b>							
572-24	1	Invoice	HOTEL DEVELOPMENT STUDY	12/12/2024	3,082.48	08/25	242-23-36-5393-299
Total 572-24:					3,082.48		
Total PATEK HOSPITALITY CONSULTANTS, INC. (7939):					3,082.48		
<b>PFM FINANCIAL ADVISORS LLC (7566)</b>							
132629	1	Invoice	MUNICIPAL ADVISOR SVCS - 2024A GO BON	09/27/2024	16,740.36	08/25	300-24-98-5495-299
Total 132629:					16,740.36		
Total PFM FINANCIAL ADVISORS LLC (7566):					16,740.36		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>PITNEY BOWES BANK INC RESERVE ACCT (758)</b>							
FEB2025	1	Invoice	PREPAID POSTAGE	01/29/2025	4,500.00	08/25	100-11210
Total FEB2025:					4,500.00		
Total PITNEY BOWES BANK INC RESERVE ACCT (758):					4,500.00		
<b>PREVENTIVE MAGAZINE (8129)</b>							
2406	1	Invoice	PD AD	01/16/2025	195.00	08/25	100-21-21-5110-210
Total 2406:					195.00		
Total PREVENTIVE MAGAZINE (8129):					195.00		
<b>PRINTING SERVICES, INC. (1130)</b>							
10939	1	Invoice	FH OFFICE SUPPLIES	01/22/2025	53.31	08/25	100-22-42-5233-316
Total 10939:					53.31		
Total PRINTING SERVICES, INC. (1130):					53.31		
<b>QTpod (6808)</b>							
1483-SP202	1	Invoice	AIRPORT-FUEL SYSTEM BASE ACCESS SUP	01/10/2025	1,675.00	08/25	205-23-45-5372-299
Total 1483-SP2025:					1,675.00		
Total QTpod (6808):					1,675.00		
<b>RELIANT GASES, LTD (6253)</b>							
130-1645219	1	Invoice	BULK CO2	01/14/2025	1,273.05	08/25	602-23-61-5641-318
Total 130-1645219:					1,273.05		
Total RELIANT GASES, LTD (6253):					1,273.05		
<b>RESCO (812)</b>							
3059064	1	Invoice	URD CONVERSION TRANSFORMERS	01/09/2023	148,863.75	08/25	614-23-52-5588-299
Total 3059064:					148,863.75		
3059214	1	Invoice	URD CONVERSION TRANSFORMER	01/13/2025	9,416.00	08/25	614-23-52-5588-299
Total 3059214:					9,416.00		
3059217	1	Invoice	URD CONVERSION TRANSFORMER	01/13/2025	5,189.50	08/25	614-23-52-5588-299
Total 3059217:					5,189.50		
Total RESCO (812):					163,469.25		
<b>RICOH USA, INC. (4831)</b>							
108896409	1	Invoice	COPY MACHINE LEASE (PD)	01/10/2025	178.12	08/25	100-21-21-5110-225
Total 108896409:					178.12		
Total RICOH USA, INC. (4831):					178.12		

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
<b>RIVER CITY COMMUNICATIONS, INC (818)</b>							
105729	1	Invoice	343 PHONE PROGRAMMING & SUPPLIES	01/27/2025	333.00	08/25	100-22-42-5233-230
Total 105729:					333.00		
Total RIVER CITY COMMUNICATIONS, INC (818):					333.00		
<b>STAR EQUIPMENT, LTD (2002)</b>							
04118193	1	Invoice	FILTER	01/09/2025	117.38	08/25	204-23-30-5310-314
Total 04118193:					117.38		
Total STAR EQUIPMENT, LTD (2002):					117.38		
<b>STEIN HEATING &amp; COOLING, INC. (5576)</b>							
18276	1	Invoice	WATER LEAK REPAIRS - RSVP	01/15/2025	549.72	08/25	100-22-42-5280-226
Total 18276:					549.72		
Total STEIN HEATING & COOLING, INC. (5576):					549.72		
<b>STOREY KENWORTHY (5937)</b>							
PINV123155	1	Invoice	BUS CARDS - THUMMA	01/22/2025	45.00	08/25	100-21-21-5110-316
Total PINV1231550:					45.00		
Total STOREY KENWORTHY (5937):					45.00		
<b>STORM FLYING SERVICE, INC. (911)</b>							
FEB2025	1	Invoice	AIRPORT MANAGER FEE - FEB2025	01/30/2025	4,583.33	08/25	205-23-45-5372-299
Total FEB2025:					4,583.33		
Total STORM FLYING SERVICE, INC. (911):					4,583.33		
<b>TERMINAL SUPPLY CO. (6527)</b>							
91185-00	1	Invoice	DRILL BITS	01/20/2025	163.54	08/25	204-23-30-5310-311
Total 91185-00:					163.54		
Total TERMINAL SUPPLY CO. (6527):					163.54		
<b>T-MOBILE (7288)</b>							
973411563 J	1	Invoice	CELL SVC Inspection	01/21/2025	25.80	08/25	100-21-18-5190-230
973411563 J	2	Invoice	CELL SVC Nuisances	01/21/2025	52.52	08/25	100-21-18-5190-230
973411563 J	3	Invoice	CELL SVC Inspector	01/21/2025	21.37	08/25	100-21-18-5190-230
973411563 J	4	Invoice	CELL SVC Police Dept	01/21/2025	154.80	08/25	100-21-21-5110-230
973411563 J	5	Invoice	CELL SVC Investigator	01/21/2025	33.47	08/25	100-21-21-5110-230
973411563 J	6	Invoice	CELL SVC GETAC/Toughbooks	01/21/2025	253.20	08/25	100-21-21-5110-230
973411563 J	7	Invoice	CELL SVC Hot spot	01/21/2025	31.15	08/25	100-24-12-5430-230
973411563 J	8	Invoice	CELL SVC Street (LOCATES)	01/21/2025	10.69	08/25	204-23-30-5310-230
973411563 J	9	Invoice	CELL SVC Street (LOCATES)	01/21/2025	10.68	08/25	602-23-62-5662-230
Total 973411563 JAN 21, 2025:					593.68		
974816802 J	1	Invoice	CELL SVC	01/21/2025	14.99	07/25	601-23-52-5588-230
974816802 J	2	Invoice	CELL SVC	01/21/2025	14.99	07/25	601-23-51-5566-230
974816802 J	3	Invoice	CELL SVC	01/21/2025	46.16	07/25	100-24-18-5470-230



Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
974816802 J	4	Invoice	CELL SVC	01/21/2025	40.20	07/25	204-23-30-5310-230
974816802 J	5	Invoice	CELL SVC	01/21/2025	15.39	07/25	100-22-42-5210-230
974816802 J	6	Invoice	CELL SVC	01/21/2025	15.39	07/25	100-22-42-5233-230
974816802 J	7	Invoice	CELL SVC	01/21/2025	15.38	07/25	100-23-42-5371-230
974816802 J	8	Invoice	CELL SVC	01/21/2025	34.33	07/25	100-23-42-5371-230
974816802 J	9	Invoice	CELL SVC	01/21/2025	34.33	07/25	100-22-42-5210-230
974816802 J	10	Invoice	CELL SVC	01/21/2025	44.44	07/25	602-23-61-5642-230
974816802 J	11	Invoice	CELL SVC	01/21/2025	44.44	07/25	603-23-70-5642-230
974816802 J	12	Invoice	CELL SVC	01/21/2025	22.22	07/25	602-23-61-5642-230
974816802 J	13	Invoice	CELL SVC	01/21/2025	22.22	07/25	603-23-70-5642-230
974816802 J	14	Invoice	CELL SVC	01/21/2025	68.66	07/25	100-24-12-5430-230
974816802 J	15	Invoice	CELL SVC	01/21/2025	30.83	07/25	100-21-21-5110-230
974816802 J	16	Invoice	CELL SVC	01/21/2025	19.97	07/25	602-23-61-5642-230
974816802 J	17	Invoice	CELL SVC	01/21/2025	9.99	07/25	602-23-80-5902-299
974816802 J	18	Invoice	CELL SVC	01/21/2025	9.98	07/25	601-23-80-5905-299
974816802 J	19	Invoice	CELL SVC	01/21/2025	19.97	07/25	100-24-30-5380-230
974816802 J	20	Invoice	CELL SVC	01/21/2025	19.96	07/25	100-24-30-5380-230
974816802 J	21	Invoice	Cameras	01/21/2025	9.99	07/25	100-24-16-5420-215
974816802 J	22	Invoice	Cameras	01/21/2025	9.99	07/25	601-24-16-5930-215
974816802 J	23	Invoice	Cameras	01/21/2025	9.99	07/25	602-24-16-5930-215
974816802 J	24	Invoice	Cameras	01/21/2025	9.98	07/25	603-24-16-5930-215
974816802 J	25	Invoice	CELL SVC	01/21/2025	39.94	07/25	204-23-30-5310-230
974816802 J	26	Invoice	CELL SVC	01/21/2025	39.94	07/25	602-23-62-5662-230
974816802 J	27	Invoice	LIVESTREAM	01/21/2025	30.83	07/25	100-24-11-5410-215
Total 974816802 JAN 21,2025:					694.50		
Total T-MOBILE (7288):					1,288.18		
<b>US CELLULAR (986)</b>							
0703739960	1	Invoice	WATER FILL STATION	01/10/2025	16.02	08/25	602-23-62-5662-230
Total 0703739960:					16.02		
Total US CELLULAR (986):					16.02		
<b>USA BLUEBOOK (3281)</b>							
INV0053345	1	Invoice	FREIGHT PYMT	11/05/2024	9.41	08/25	602-23-61-5642-312
INV0053345	2	Invoice	FREIGHT PYMT	11/05/2024	28.25	08/25	603-23-70-5642-312
Total INV0053345-A:					37.66		
INV0059444	1	Invoice	BATTERY FOR PORTABLE SAMPLER	01/15/2025	290.28	08/25	603-23-70-5642-318
Total INV00594440:					290.28		
Total USA BLUEBOOK (3281):					327.94		
<b>UTILITY SERVICE CO., INC. (3294)</b>							
618383	1	Invoice	QTRLY PYMT-520 TOWER	01/01/2025	6,444.31	08/25	602-23-60-5614-299
Total 618383:					6,444.31		
618384	1	Invoice	QTRLY PYMT - GROUND TANK	01/01/2025	5,422.76	08/25	602-23-60-5614-299
Total 618384:					5,422.76		
618385	1	Invoice	QTRLY PYMT - HY-VEE TOWER	01/01/2025	5,485.03	08/25	602-23-60-5614-299

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total 618385:					5,485.03		
Total UTILITY SERVICE CO., INC. (3294):					17,352.10		
<b>VALUTECH PEST CONTROL (6822)</b>							
5495	1	Invoice	PEST CONTROL - SR CENTER	01/17/2025	38.00	08/25	100-22-42-5280-299
Total 5495:					38.00		
5496	1	Invoice	PEST CONTROL - CITY HALL	01/17/2025	32.00	08/25	100-24-36-5480-299
Total 5496:					32.00		
5497	1	Invoice	PIGEON CONTROL - DOWNTOWN SSMID	01/17/2025	68.00	08/25	260-23-36-5393-299
Total 5497:					68.00		
5498	1	Invoice	PEST CONTROL - FULLER HALL	01/17/2025	35.00	08/25	100-22-42-5233-299
Total 5498:					35.00		
Total VALUTECH PEST CONTROL (6822):					173.00		
<b>VAN DIEST MEDICAL CENTER (4456)</b>							
740288-MAY	1	Invoice	CITY EMPLOYEE WELLNESS SCREENING M	01/21/2025	2,680.00	08/25	902-11215
Total 740288-MAY2024:					2,680.00		
Total VAN DIEST MEDICAL CENTER (4456):					2,680.00		
<b>VAN MAANEN ELECTRIC, INC. (6254)</b>							
2115-01EB	1	Invoice	INSTALLATION OF LED BEACON (not in contr	01/28/2025	11,773.38	08/25	205-23-45-5372-880
Total 2115-01EB:					11,773.38		
8-RETAINAG	1	Invoice	AIRPORT RUNWAY 14/32 LIGHTING PRJ-FFA	01/28/2025	24,935.74	08/25	205-23-45-5372-880
Total 8-RETAINAGE:					24,935.74		
NO.7	1	Invoice	AIRPORT RUNWAY 14/32 LIGHTING PRJ-FFA	01/17/2025	282,934.21	08/25	205-23-45-5372-880
Total NO.7:					282,934.21		
Total VAN MAANEN ELECTRIC, INC. (6254):					319,643.33		
<b>VAN WALL EQUIPMENT (2622)</b>							
22778	1	Invoice	FREIGHT ON LIME	01/15/2025	2,297.72	08/25	602-23-61-5921-221
22778	2	Adjustmen	FREIGHT ON LIME	01/15/2025	2,297.72	08/25	602-23-61-5921-221
Total 22778:					.00		
Total VAN WALL EQUIPMENT (2622):					.00		
<b>VAN-HOF TRUCKING, INC. (2655)</b>							
22778	1	Invoice	FREIGHT ON LIME	01/15/2025	2,297.72	08/25	602-23-61-5921-221

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total 22778:					2,297.72		
Total VAN-HOF TRUCKING, INC. (2655):					2,297.72		
<b>VISUAL EDGE IT, INC. (3995)</b>							
24AR238129	1	Invoice	PRINTER CONTRACT - UTILITY	01/20/2025	183.97	08/25	100-24-14-5435-225
Total 24AR2381298:					183.97		
24AR238129	1	Invoice	PRINTER CONTRACT - WWTP	01/20/2025	26.03	08/25	603-23-70-5931-225
Total 24AR2381299:					26.03		
Total VISUAL EDGE IT, INC. (3995):					210.00		
<b>WEBSTER CITY TRUE VALUE (2155)</b>							
2501-082332	1	Invoice	SHOP SUPPLIES	01/20/2025	17.36	08/25	601-23-52-5588-318
Total 2501-082332:					17.36		
2501-082543	1	Invoice	ICE SPREADER - CITY HALL	01/22/2025	149.99	08/25	100-24-36-5480-318
Total 2501-082543:					149.99		
Total WEBSTER CITY TRUE VALUE (2155):					167.35		
<b>WEBSTER CITY VETERINARY CLINIC (1030)</b>							
522871	1	Invoice	2024-4TH QTR DOG POUND	01/20/2025	1,625.00	08/25	100-22-21-5240-299
Total 522871:					1,625.00		
Total WEBSTER CITY VETERINARY CLINIC (1030):					1,625.00		
<b>WESCO RECEIVABLES CORP (1038)</b>							
352719	1	Invoice	STOCK	01/27/2025	136.75	08/25	601-23-52-5588-318
Total 352719:					136.75		
352720	1	Invoice	FUSE LINK	01/27/2025	109.53	08/25	601-23-52-5588-318
Total 352720:					109.53		
354037	1	Invoice	STOCK	01/26/2027	536.33	08/25	601-23-52-5588-318
Total 354037:					536.33		
Total WESCO RECEIVABLES CORP (1038):					782.61		
<b>WIEMANN, MIKE (8130)</b>							
12725	1	Invoice	VINYL FLOORING LOGO - WCFD	01/27/2025	100.00	08/25	100-21-22-5140-226
Total 12725:					100.00		
Total WIEMANN, MIKE (8130):					100.00		
<b>WILLIAMS &amp; COMPANY P.C. (3390)</b>							
198036	1	Invoice	FY24 AUDIT SVCS	01/12/2025	17,500.00	08/25	100-24-14-5435-212

Invoice	Seq	Type	Description	Invoice Date	Total Cost	Period	GL Account
Total 198036:					17,500.00		
Total WILLIAMS & COMPANY P.C. (3390):					17,500.00		
<b>WINDOW MAN LLC (3653)</b>							
6173	1	Invoice	WINDOW CLEANING - RSVP OCT,NOV,DEC2	01/13/2025	42.00	08/25	100-22-42-5280-299
Total 6173:					42.00		
Total WINDOW MAN LLC (3653):					42.00		
<b>WOLFGRAM, JOE (5604)</b>							
12/8/24	1	Invoice	EE REBATE/1541 2nd ST	12/08/2024	75.00	08/25	601-23-36-5930-979
Total 12/8/24:					75.00		
Total WOLFGRAM, JOE (5604):					75.00		
<b>WOOLSTOCK MUTUAL TELEPHONE ASN (1054)</b>							
0087000023	1	Invoice	INTERNET SERVICE	02/01/2025	34.59	08/25	100-24-14-5435-230
0087000023	2	Invoice	INTERNET SERVICE	02/01/2025	24.73	08/25	100-24-12-5430-230
0087000023	3	Invoice	INTERNET SERVICE	02/01/2025	24.73	08/25	100-24-30-5380-230
0087000023	4	Invoice	INTERNET SERVICE	02/01/2025	14.84	08/25	100-21-22-5140-230
0087000023	5	Invoice	INTERNET SERVICE	02/01/2025	39.57	08/25	100-21-21-5110-230
0087000023	6	Invoice	INTERNET SERVICE	02/01/2025	7.42	08/25	601-23-52-5588-230
0087000023	7	Invoice	INTERNET SERVICE	02/01/2025	7.42	08/25	601-23-51-5566-230
0087000023	8	Invoice	INTERNET SERVICE	02/01/2025	14.84	08/25	602-23-61-5642-230
0087000023	9	Invoice	INTERNET SERVICE	02/01/2025	4.95	08/25	100-23-43-5361-230
0087000023	10	Invoice	INTERNET SERVICE	02/01/2025	129.43	08/25	601-24-16-5921-230
0087000023	11	Invoice	INTERNET SERVICE	02/01/2025	22.74	08/25	602-24-16-5921-230
0087000023	12	Invoice	INTERNET SERVICE	02/01/2025	22.74	08/25	603-24-16-5921-230
0087000023	13	Invoice	INTERNET SERVICE	02/01/2025	55.00	08/25	602-23-61-5642-230
Total 0087000023 2/1/25:					403.00		
0087000684	1	Invoice	INTERNET / RSVP CENTER	02/01/2025	45.00	08/25	100-22-42-5280-230
Total 0087000684 2/1/25:					45.00		
Total WOOLSTOCK MUTUAL TELEPHONE ASN (1054):					448.00		
Total 02/03/2025:					1,091,446.67		
Grand Totals:					1,706,048.81		

Report GL Period Summary

GL Period	Amount
07/25	694,086.74
08/25	1,011,962.07
Grand Totals:	1,706,048.81

Vendor number hash: 566620

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Terms Description	Invoice Amount	Net Invoice Amount
Vendor number hash - split:	859622	
Total number of invoices:	150	
Total number of transactions:	229	

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Terms Description	Invoice Amount	Net Invoice Amount
Open Terms	1,706,048.81	1,706,048.81
Totals:	1,706,048.81	1,706,048.81

Payroll Ending January 25, 2025 \$208,208.77

=====  
**GRAND TOTAL: \$1,914,257.58**

**FUND LIST TOTALS FOR BILLS February 3, 2025**

<u>Account</u>	<u>Fund</u>	<u>Total Amount</u>
100	General	\$ 90,680.72
120	Speed Camera	\$ 7,748.59
204	Road Use Tax Fund	\$ 6,994.38
205	Airport	\$ 329,292.49
228	LMI Revolving	\$ 8,258.00
242	Economic Development	\$ 21,207.48
260	SSMID	\$ 68.00
300	Debt Service	\$ 25,894.66
601	Electric Utility	\$ 647,418.58
602	Water Utility	\$ 89,869.73
603	Sewer Fund	\$ 20,847.07
611	Reisner Substation Project	\$ 22,422.44
612	69kV Distribution Project	\$ 21,867.82
614	URD Conversion	\$ 409,204.07
902	Medical/Flex	\$ 4,274.78
	Claims Total	\$ 1,706,048.81
<b><u>PAYROLL</u></b>		
Payroll Ending January 25, 2025		\$ 208,208.77
<hr/>		
	<b>Grand Total</b>	<b>\$ 1,914,257.58</b>

## AGENDA STATEMENT

**TO:** Mayor and City Council  
**FROM:** John D. Harrenstein, City Manager  
**DATE:** January 31, 2025  
**RE:** Farm Leases – Miller / Wearda

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**SUMMARY:** The City of Webster City leases certain property that is used for agricultural purposes. The prior leases have expired and new leases have been prepared for approval by the City Council.

**PREVIOUS COUNCIL ACTION:** The Council has typically leased the farms on three-year cycles following a bid process made open to the public. During the term of the last lease, one area of one of the farms was removed from the tenant in anticipation of construction of the new wastewater treatment plant. Following deliberations about the location of the new wastewater plant, the city contacted the tenant to determine if they were again interested in leasing the farm that had been removed from the lease for the price contracted at the time of the bids. The previous tenant declined and another tenant was secured.

**BACKGROUND/DISCUSSION:** Recognizing the terms of the last leases were disrupted as a result of planning process for the wastewater plant, staff recommends renewing with the existing tenants on the properties eligible for renewal for a three-year term. Rent rates per acre range from \$300 to \$335 for the property owned by the City

**FINANCIAL IMPLICATIONS:** Annual rent from the farms will be approximately \$43,000.

**RECOMMENDATION:** Staff recommends approval of the proposed leases as proposed on the consent agenda.

## FARM LEASE - CASH OR CROP SHARES

THIS LEASE ("Lease") is made between City of Webster City, Iowa ("Landlord"), whose address for the purpose of this Lease is 400 2nd Street, Webster City, Iowa 50595 and Brock Miller ("Tenant"), whose address for the purpose of this Lease is 1946 Blueberry Hill Dr., Webster City, Iowa 50595.

THE PARTIES AGREE AS FOLLOWS:

1. **PREMISES AND TERM.** Landlord leases to Tenant the following real estate situated in HAMILTON County, Iowa (the "Real Estate"):

34.5 tillable acres: All that part of the NW 1/4 of SW 1/4, Section 12, Township 88 North, Range 26 West of the 5th P.M., lying South of Highway #20, being within the Corporate Limits of Webster City, Iowa, subject to whatever portion of said land conveyed for highway purposes along west side thereof,

and containing 34.5 **tillable acres** per county FSA records, more or less, with possession by Tenant for a term of 3 year(s) to commence on **March 1, 2025**, and end on **February 28, 2028**. The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the premises. In the event that possession cannot be delivered within fifteen (15) days after commencement of this Lease, Tenant may terminate this Lease by giving the Landlord notice in writing.

2. **RENT.** Tenant shall pay to Landlord as rent for the Real Estate (the "Rent"):

a. Total annual cash rent of **\$10,695.00** payable, unless otherwise agreed, as follows: **\$5,347.50 on March 1, 2025** and **\$5,347.50 on December 1, 2025** and the same each year thereafter for the term of this lease.

All Rent is to be paid to Landlord at the address above or at such other place as Landlord may direct in writing. Rent must be in Landlord's possession on or before the due date. Participation of this farm in any offered program by the U.S. Department of Agriculture or any state for crop production control or soil conservation, the observance of the terms and conditions of this program, and the division of farm program payments, requires Landlord's consent. Payments from participation in these programs shall be divided 0% Landlord 100% Tenant. Governmental cost-sharing payments for permanent soil conservation structures shall be divided 0% Landlord 100% Tenant. Crop disaster payments shall be divided 0% Landlord 100% Tenant.

3. **LANDLORD'S LIEN AND SECURITY INTEREST.** As security for all sums due or which will become due from Tenant to Landlord, Tenant hereby grants to Landlord, in addition to any statutory liens, a security interest as provided in the Iowa Uniform Commercial Code and a contractual lien in all crops produced on the premises and the proceeds and products thereof, all contract rights concerning such crops, proceeds and/or products, all proceeds of insurance collected on account of destruction of such crops, all contract rights and U.S. government and/or state agricultural farm program payments in connection with the above described premises whether such contract rights be payable in cash or in kind, including the proceeds from such rights, and any and all other personal property kept or used on the real estate that is not exempt from execution. Tenant shall also sign any additional forms required to validate the security interest in government program payments.

Tenant shall not sell such crops unless Landlord agrees otherwise. Tenant shall notify



Landlord of Tenant's intention to sell crop at least three (3) business days prior to sale of the crop (with business days being described as Monday through Friday, except any Iowa or federal holidays). Tenant shall pay the full rent for the crop year in which the crop is produced, whether due or not, at the time of sale pursuant to Landlord's consent to release Landlord's security interests. Upon payment in full Landlord shall release Landlord's lien on the crop produced in that crop year on the premises. The parties agree that by the Landlord releasing the lien as to the crop in one year, the Landlord in no way releases the lien or agrees to release the lien in any prior or subsequent year.

Tenant shall sign and deliver to Landlord a list of potential buyers of the crops upon which Landlord has been granted a security interest in this lease. Unless Landlord otherwise consents, Tenant will not sell these crops to a buyer who is not on the potential list of buyers unless Tenant pays the full rent due for the crop year to the Landlord at or prior to the date of sale. Landlord may give notice to the potential buyers of the existence of this security interest.

Landlord is further granted the power, coupled with an interest, to sign on behalf of Tenant as attorney-in-fact and to file one or more financing statements under the Iowa Uniform Commercial Code naming Tenant as Debtor and Landlord as Secured Party and describing the collateral herein specified. Tenant consents to the financing statement being filed immediately after execution of this Lease.

**4. INPUT COSTS AND EXPENSES.** Tenant shall prepare the Real Estate and plant such crops in a timely fashion as may be directed by Landlord. Tenant shall only be entitled to pasture or till those portions of the Real Estate designated by Landlord. All necessary machinery and equipment, as well as labor, necessary to carry out the terms of this lease shall be furnished by and at the expense of the Tenant. The following materials, in the amounts required by good husbandry, shall be acquired by Tenant and paid for by the parties as follows:

	% Landlord	% Tenant
(1) Commercial Fertilizer	0	100
(2) Lime and Trace Minerals	0	100
(3) Herbicides	0	100
(4) Insecticides	0	100
(5) Seed	0	100
(6) Seed cleaning	0	100
(7) Harvesting and/or Shelling Expense	0	100
(8) Grain Drying Expense	0	100
(9) Grain Storage Expense	0	100
(10) Other	0	100

Tenant agrees to furnish, without cost, all labor, equipment and application for all fertilizer, lime, trace minerals and chemicals.

**5. PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS AND GRASS.** Tenant shall farm the Real Estate in a manner consistent with good husbandry, seek to obtain the best crop production that the soil and crop season will permit, properly care for all growing crops in a manner consistent with good husbandry, and harvest all crops on a timely basis. In the event Tenant fails to do so, Landlord reserves the right, personally or by designated agents, to enter upon the Real Estate and properly care for and harvest all growing crops, charging the cost of the care and harvest to the Tenant, as part of the Rent. Tenant shall timely control all weeds, including noxious weeds, weeds in the fence rows, along driveways and around buildings throughout the premises. Tenant shall comply with all

terms of the conservation plan and any other required environmental plans for the leased premises. Tenant shall do what is reasonably necessary to control soil erosion including, but not limited to, the maintenance of existing watercourses, waterways, ditches, drainage areas, terraces and tile drains, and abstain from any practice which will cause damage to the Real Estate.

Upon request from the Landlord, Tenant shall by August 15 of each lease year provide to the Landlord a written listing showing all crops planted, including the acres of each crop planted, fertilizers, herbicides and insecticides applied showing the place of application, the name and address of the applicator, the type of application and the quantity of such items applied on the lease premises during such year.

Tenant shall distribute upon the poorest tillable soil on the Real Estate, unless directed otherwise by Landlord, all of the manure and compost from the farming operation suitable to be used. Tenant shall not remove from the Real Estate, nor burn, any straw, stalks, stubble, or similar plant materials, all of which are recognized as the property of Landlord. Tenant may use these materials, however, upon the Real Estate for the farming operations. Tenant shall protect all trees, vines and shrubbery upon the Real Estate from injury by Tenant's cropping operation or livestock.

Tenant shall maintain accurate yield records for the real estate, and upon request, during or after lease term, shall disclose to Landlord, all yield base information required for participation in government program

## 6. ENVIRONMENTAL.

a. Landlord. To the best of Landlord's knowledge to date:

- i) Neither Landlord nor, Landlord's former or present tenants, are subject to any investigation concerning the premises by any governmental authority under any applicable federal, state, or local codes, rules, and regulations pertaining to air and water quality, the handling, transportation, storage, treatment, usage, or disposal of toxic or hazardous substances, air emissions, other environmental matters, and all zoning and other land use matters.
- ii) Any handling, transportation, storage, treatment, or use of toxic or hazardous substances that has occurred on the premises has been in compliance with all applicable federal, state, and local codes, rules, and regulations.
- iii) No leak, spill release, discharge, emission, or disposal of toxic or hazardous substances has occurred on the premises.
- iv) The soil, groundwater, and soil vapor on or under the premises is free of toxic or hazardous substances except for chemicals (including without limitation fertilizer, herbicides, insecticides) applied in conformance with good farming methods, applicable rules and regulations and the label directions of each chemical.

Landlord shall hold Tenant harmless against liability for removing solid waste disposal sites existing at the execution of this Lease, with the exception that Tenant shall be liable for removal of solid waste disposal sites to the extent that the Tenant created or contributed to the solid waste disposal site at any time.

Landlord shall assume liability and shall indemnify and hold Tenant harmless against any liability or expense arising from any condition which existed, whether known or unknown, at the time of execution of the lease which is not a result of actions of the Tenant or which arises after date of execution but which is not a result of actions of the Tenant.

Landlord shall disclose in writing to Tenant the existence of any known wells,

underground storage tanks, hazardous waste sites, and solid waste disposal sites. Disclosure may be provided by a properly completed groundwater hazard statement to be supplemented if changes occur.

h. Tenant. Tenant shall comply with all applicable environmental laws concerning application, storage and handling of chemicals (including, without limitation, herbicides and insecticides) and fertilizers. Tenant shall apply any chemicals used for weed or insect control at levels not to exceed the manufacturer's recommendation for the soil types involved. Farm chemicals may not be stored on the premises for more than one year. Farm chemicals for use on other properties may not be stored on this property. Chemicals stored on the premises shall be stored in clearly marked, tightly closed containers. No chemicals or chemical containers will be disposed of on the premises. Application of chemicals for agricultural purposes per manufacturer's recommendation shall not be construed to constitute disposal.

Tenant shall employ all means appropriate to insure that well or ground water contamination does not occur, and shall be responsible to follow all applicator's licensing requirements. Tenant shall install and maintain safety check valves for injection of any chemicals and/or fertilizers into an irrigation system (injection valve only, not main well check valve). Tenant shall properly post all fields (when posting is required) whenever chemicals are applied by ground or air. Tenant shall haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements. Tenant shall not dispose of waste oil, tires, batteries, paint, other chemicals or containers anywhere on the premises. Solid waste may not be disposed of on the premises. Dead livestock may not be buried on the premises. If disposal of solid waste or burial of dead animals is permitted as stated in the previous two sentences, the disposal or burial shall be in compliance with all applicable environmental laws. Tenant shall not use waste oil as a means to suppress dust on any roads on or near the premises. No underground storage tanks, except human waste septic systems that meet current codes, rules, and regulations, shall be maintained on the premises.

Tenant shall immediately notify Landlord of any chemical discharge, leak, or spill which occurs on premises. Tenant shall assume liability and shall indemnify and hold Landlord harmless for any claim or violation of standards which results from Tenant's use of the premises. Tenant shall assume defense of all claims, except claims resulting from Landlord's negligence, in which case each party shall be responsible for that party's defense of any claim. After termination, Tenant shall remain liable for violations which occurred during the term of this Lease.

**In the absence of selection of an alternative where choices are provided in this paragraph 8b, the choice of the word "may" shall be presumed unless that presumption is contrary to applicable environmental laws and regulations.**

**7. TERMINATION OF LEASE.** This Lease shall automatically renew upon expiration from year-to-year, upon the same terms and conditions unless either party gives due and timely written notice to the other of an election not to renew this Lease. If renewed, the tenancy shall terminate on March 1 of the year following, provided that the tenancy shall not continue because of an absence of notice in the event there is a default in the performance of this Lease. All notices of termination of this Lease shall be as provided by law.

**8. POSSESSION AND CONDITION AT END OF TERM.** At the termination of this Lease, Tenant will relinquish possession of the Real Estate to the Landlord. If Tenant fails to do

so Tenant agrees to pay Landlord \$100.00 per day, as liquidated damages until possession is delivered to Landlord. At the time of delivery of the Real Estate to Landlord, Tenant shall assure that the Real Estate is in good order and condition, and substantially the same as it was when received by Tenant at the commencement of this Lease, excusable or insurable loss by fire, unavoidable accidents and ordinary wear, excepted.

**9. LANDLORD'S RIGHT OF ENTRY AND INSPECTION.** In the event notice of termination of this Lease has been properly served, Landlord may enter upon the Real Estate or authorize someone else to enter upon the Real Estate to conduct any normal tillage or fertilizer operation after Tenant has completed the harvesting of crops even if this is prior to the date of termination of the lease. Landlord may enter upon the Real Estate at any reasonable time for the purpose of viewing or seeding or making repairs, or for other reasonable purposes.

**10. VIOLATION OF TERMS OF LEASE.** If Tenant or Landlord violates the terms of this Lease, the other may pursue the legal and equitable remedies to which each is entitled. Tenant's failure to pay any Rent when due shall cause all unpaid Rent to become immediately due and payable, without any notice to or demand upon Tenant.

**11. REPAIRS.** Tenant shall maintain the fences on the leased premises in good and proper repair. Landlord shall furnish necessary materials for repairs that Landlord deems necessary within a reasonable time after being notified of the need for repairs. Tenant shall haul the materials to the repair site without charge to Landlord.

**12. NEW IMPROVEMENTS.** All buildings, fences and improvements of every kind and nature that may be erected or established upon the Real Estate during the term of the Lease by the Tenant shall constitute additional rent and shall inure to the Real Estate, becoming the property of Landlord unless the Landlord has agreed in writing prior to the erection that the Tenant may remove the improvement at the end of the lease.

**13. WELL, WINDMILL, WATER AND SEPTIC SYSTEMS.** Tenant shall maintain all well, windmill, water and septic systems on the Real Estate in good repair at Tenant's expense except damage caused by windstorm or weather. Tenant shall not be responsible for replacement or installation of well, windmill, water and septic systems on the Real Estate, beyond ordinary maintenance expenses. Landlord does not guarantee continuous or adequate supplies of water for the premises.

**14. EXPENSES INCURRED WITHOUT CONSENT OF LANDLORD.** No expense shall be incurred for or on account of the Landlord without first obtaining Landlord's written authorization. Tenant shall take no actions that might cause a mechanic's lien to be imposed upon the Real Estate.

**15. NO AGENCY.** Tenant is not an agent of the Landlord.

**16. TELEVISION AND RADIO.** Tenant may install and remove, without causing material injury to the premises, Tenant's television reception antennas, microwave dishes, and radio reception and transmission antennas.

**17. ACCOUNTING.** The method used for dividing and accounting for the harvested grain shall be the customary and usual method used in the locale.

18. **ATTORNEY FEES AND COURT COSTS.** If either party files suit to enforce any of the terms of this Lease, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees.

19. **CHANGE IN LEASE TERMS.** The conduct of either party, by act or omission, shall not be construed as a material alteration of this Lease until such provision is reduced to writing and executed by both parties as addendum to this Lease.

20. **CONSTRUCTION.** Words and phrases herein, including the acknowledgment, are construed as in the singular or plural and as the appropriate gender, according to the context.

21. **NOTICES.** The notices contemplated in this Lease shall be made in writing and shall either be delivered in person, or be mailed in the U.S. mail, certified mail to the recipient's last known mailing address, except for the notice of termination set forth in Section 9, which shall be governed by the Code of Iowa.

22. **ASSIGNMENT.** Tenant shall not assign this Lease or sublet the Real Estate or any portion thereof without prior written authorization of Landlord.

23. **CERTIFICATION.** Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

**24. ADDITIONAL PROVISIONS.**

a. In the event the Landlord wishes to terminate this Lease for the farmland hereinabove described, or any portion thereof, the Landlord may do so for any reason by giving Tenant a thirty (30) day written notice as to the respective farmland, or any portion thereof, for which the Landlord desires to terminate this Lease.

b. Upon giving notice of termination to the Tenant, the Landlord agrees to reduce the cash rent of the Lease on the basis of \$369.00 per acre for the succeeding years for those acres for which have been terminated. Landlord also herein agrees to allow the Tenant to harvest any existing crops on said terminated acres prior to taking back possession. In the event no crops have been planted at the time of the notice of termination, the Tenant shall cease from planting crops on said terminated acres and Landlord shall be given back possession of said terminated acres.

c. Subject to the above provisions, should be the Landlord desire to take possession of said terminated acres prior to the Tenant harvesting the existing crops, the Landlord shall pay the Tenant reasonable damages for said crop loss.

DATED: \_\_\_\_\_.

TENANT:

*Brock Miller*

Brock Miller, Tenant

LANDLORDS:

By: John Hawkins, Mayor  
City of Webster City, Landlord  
An Iowa Municipal Corporation

John Harrenstein, City Manager  
City of Webster City  
An Iowa Municipal Corporation

STATE OF IOWA, COUNTY OF HAMILTON

This record was acknowledged before me on \_\_\_\_\_ by John Hawkins,  
Mayor of City of Webster City, Iowa, and by John Harrenstein, City Manager of City of Webster  
City, Iowa.

\_\_\_\_\_  
Signature of Notary Public

STATE OF IOWA, COUNTY OF HAMILTON

This record was acknowledged before me on \_\_\_\_\_, 2025 by Brock Miller.

\_\_\_\_\_  
Signature of Notary Public

## FARM LEASE - CASH OR CROP SHARES

THIS LEASE ("Lease") is made between City of Webster City, Iowa ("Landlord"), whose address for the purpose of this Lease is 400 2nd Street, Webster City, Iowa 50595 and Travis Wearda ("Tenant"), whose address for the purpose of this Lease is 1973 Xavier Avenue, Duncombe, Iowa 50532.

THE PARTIES AGREE AS FOLLOWS:

1. **PREMISES AND TERM.** Landlord leases to Tenant the following real estate situated in HAMILTON County, Iowa (the "Real Estate"):

**5.9 tillable acres:** Part of the SE 1/4 Section 2, Township 88 North, Range 26 West of the 5th P.M., being part of vacated Kurtz Addition to Webster City, Iowa, containing 5.9 acres more or less. (**\$335/per acre**)

**36.06 tillable acres:** Lot 1, Sahai Addition in Webster City, Iowa, containing 36.06 acres more or less. (**\$335/per acre**)

**North 27.54 tillable acres:** A PARCEL OF LAND LOCATED IN LOT 1, SAHAI'S SECOND ADDITION, WEBSTER CITY, HAMILTON COUNTY, IOWA DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF LOT 1, SAHAI ADDITION, WEBSTER CITY, HAMILTON COUNTY, IOWA, ALSO BEING A POINT ON THE WEST LINE OF SAID LOT 1, SAHAI'S SECOND ADDITION; THENCE NORTH 00°07'34" WEST 40.21 FEET ON SAID EAST LINE OF LOT 1, SAHAI ADDITION, ALSO BEING THE WEST LINE OF SAID LOT 1, SAHAI'S SECOND ADDITION TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 00°07'34" WEST 1141.06 FEET ON SAID LINE TO THE NORTHEAST CORNER OF SAID LOT 1, SAHAI ADDITION, ALSO BEING THE NORTHWEST CORNER OF SAID LOT 1, SAHAI'S SECOND ADDITION, FURTHER BEING A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF US HIGHWAY #20; THENCE SOUTH 86°44'42" EAST 718.87 FEET ON THE NORTH LINE OF SAID LOT 1, SAHAI'S SECOND ADDITION, ALSO BEING THE SAID SOUTH RIGHT-OF-WAY LINE OF US HIGHWAY #20; THENCE SOUTH 89°58'03" EAST 227.46 FEET ON SAID LINE; THENCE SOUTH 18°37'20" EAST 1146.50 FEET; THENCE SOUTH 89°24'19" WEST 1313.86 FEET TO THE POINT OF BEGINNING, CONTAINING 28.72 ACRES.

THE WEST LINE OF LOT 1, SAHAI'S SECOND ADDITION WAS ASSUMED TO BEAR NORTH 00°07'34" WEST. (**\$335 per acre/acre**)

**South 25.1 tillable acres:** A PARCEL OF LAND LOCATED IN LOT 1, SAHAI'S SECOND ADDITION, WEBSTER CITY, HAMILTON COUNTY, IOWA DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF LOT 1, SAHAI ADDITION, WEBSTER CITY, HAMILTON COUNTY, IOWA, ALSO BEING A POINT ON THE WEST LINE OF SAID LOT 1, SAHAI'S SECOND ADDITION; THENCE NORTH 00°07'34" WEST 40.21 FEET ON SAID EAST LINE OF LOT 1, SAHAI ADDITION, ALSO BEING THE WEST LINE OF SAID LOT 1, SAHAI'S SECOND ADDITION TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 00°07'34" WEST 1141.06 FEET ON SAID

LINE TO THE NORTHEAST CORNER OF SAID LOT 1, SAHAI ADDITION, ALSO BEING THE NORTHWEST CORNER OF SAID LOT 1, SAHAI'S SECOND ADDITION, FURTHER BEING A POINT ON THE SOUTH RIGHT-OF-WAY LINE OF US HIGHWAY #20; THENCE SOUTH 86°44'42" EAST 718.87 FEET ON THE NORTH LINE OF SAID LOT 1, SAHAI'S SECOND ADDITION, ALSO BEING THE SAID SOUTH RIGHT-OF-WAY LINE OF US HIGHWAY #20; THENCE SOUTH 89°58'03" EAST 227.46 FEET ON SAID LINE; THENCE SOUTH 18°37'20" EAST 1146.50 FEET; THENCE SOUTH 89°24'19" WEST 1313.86 FEET TO THE POINT OF BEGINNING, CONTAINING 28.72 ACRES. (**\$300 per/acre**).

THE WEST LINE OF LOT 1, SAHAI'S SECOND ADDITION WAS ASSUMED TO BEAR NORTH 00°07'34" WEST.

**2.95 tillable acres:** North 100 feet of lot 2, Sahai Addition to Webster City, Iowa. Said tract is located in the NW1/4 of SE1/4, Section 7, Township 88 North, Range 25 West of the 5<sup>th</sup> P.M., per Plate Cabinet Slide B87, Page 1. (**\$300 per/acre**)

and containing 97.55 **tillable acres** per county FSA records, more or less, with possession by Tenant for a term of 3 year(s) to commence on **March 1, 2025**, and end on **February 28, 2028**. The Tenant has had or been offered an opportunity to make an independent investigation as to the acres and boundaries of the premises. In the event that possession cannot be delivered within fifteen (15) days after commencement of this Lease, Tenant may terminate this Lease by giving the Landlord notice in writing.

2. **RENT.** Tenant shall pay to Landlord as rent for the Real Estate (the "Rent"):

a. Total annual cash rent of **\$31,697.50** payable, unless otherwise agreed, as follows: **\$15,848.75 on March 1, 2025** and **\$15,848.75 on December 1, 2025** and the same each year thereafter for the term of this lease.

All Rent is to be paid to Landlord at the address above or at such other place as Landlord may direct in writing. Rent must be in Landlord's possession on or before the due date. Participation of this farm in any offered program by the U.S. Department of Agriculture or any state for crop production control or soil conservation, the observance of the terms and conditions of this program, and the division of farm program payments, requires Landlord's consent. Payments from participation in these programs shall be divided 0% Landlord 100% Tenant. Governmental cost-sharing payments for permanent soil conservation structures shall be divided 0% Landlord 100% Tenant. Crop disaster payments shall be divided 0% Landlord 100% Tenant.

3. **LANDLORD'S LIEN AND SECURITY INTEREST.** As security for all sums due or which will become due from Tenant to Landlord, Tenant hereby grants to Landlord, in addition to any statutory liens, a security interest as provided in the Iowa Uniform Commercial Code and a contractual lien in all crops produced on the premises and the proceeds and products thereof, all contract rights concerning such crops, proceeds and/or products, all proceeds of insurance collected on account of destruction of such crops, all contract rights and U.S. government and/or state agricultural farm program payments in connection with the above described premises whether such contract rights be payable in cash or in kind, including the proceeds from such rights, and any and all other personal property kept or used on the real estate that is not exempt from execution. Tenant shall also sign any additional forms required to validate the security interest in government program payments.



Tenant shall not sell such crops unless Landlord agrees otherwise. Tenant shall notify Landlord of Tenant's intention to sell crop at least three (3) business days prior to sale of the crop (with business days being described as Monday through Friday, except any Iowa or federal holidays). Tenant shall pay the full rent for the crop year in which the crop is produced, whether due or not, at the time of sale pursuant to Landlord's consent to release Landlord's security interests. Upon payment in full Landlord shall release Landlord's lien on the crop produced in that crop year on the premises. The parties agree that by the Landlord releasing the lien as to the crop in one year, the Landlord in no way releases the lien or agrees to release the lien in any prior or subsequent year.

Tenant shall sign and deliver to Landlord a list of potential buyers of the crops upon which Landlord has been granted a security interest in this lease. Unless Landlord otherwise consents, Tenant will not sell these crops to a buyer who is not on the potential list of buyers unless Tenant pays the full rent due for the crop year to the Landlord at or prior to the date of sale. Landlord may give notice to the potential buyers of the existence of this security interest.

Landlord is further granted the power, coupled with an interest, to sign on behalf of Tenant as attorney-in-fact and to file one or more financing statements under the Iowa Uniform Commercial Code naming Tenant as Debtor and Landlord as Secured Party and describing the collateral herein specified. Tenant consents to the financing statement being filed immediately after execution of this Lease.

**4. INPUT COSTS AND EXPENSES.** Tenant shall prepare the Real Estate and plant such crops in a timely fashion as may be directed by Landlord. Tenant shall only be entitled to pasture or till those portions of the Real Estate designated by Landlord. All necessary machinery and equipment, as well as labor, necessary to carry out the terms of this lease shall be furnished by and at the expense of the Tenant. The following materials, in the amounts required by good husbandry, shall be acquired by Tenant and paid for by the parties as follows:

	% Landlord	% Tenant
(1) Commercial Fertilizer	0	100
(2) Lime and Trace Minerals	0	100
(3) Herbicides	0	100
(4) Insecticides	0	100
(5) Seed	0	100
(6) Seed cleaning	0	100
(7) Harvesting and/or Shelling Expense	0	100
(8) Grain Drying Expense	0	100
(9) Grain Storage Expense	0	100
(10) Other	0	100

Tenant agrees to furnish, without cost, all labor, equipment and application for all fertilizer, lime, trace minerals and chemicals.

**5. PROPER HUSBANDRY; HARVESTING OF CROPS; CARE OF SOIL, TREES, SHRUBS AND GRASS.** Tenant shall farm the Real Estate in a manner consistent with good husbandry, seek to obtain the best crop production that the soil and crop season will permit, properly care for all growing crops in a manner consistent with good husbandry, and harvest all crops on a timely basis. In the event Tenant fails to do so, Landlord reserves the right, personally or by designated agents, to enter upon the Real Estate and properly care for and harvest all growing crops, charging the cost of the care and harvest to the Tenant, as part of the

Rent. Tenant shall timely control all weeds, including noxious weeds, weeds in the fence rows, along driveways and around buildings throughout the premises. Tenant shall comply with all terms of the conservation plan and any other required environmental plans for the leased premises. Tenant shall do what is reasonably necessary to control soil erosion including, but not limited to, the maintenance of existing watercourses, waterways, ditches, drainage areas, terraces and tile drains, and abstain from any practice which will cause damage to the Real Estate.

Upon request from the Landlord, Tenant shall by August 15 of each lease year provide to the Landlord a written listing showing all crops planted, including the acres of each crop planted, fertilizers, herbicides and insecticides applied showing the place of application, the name and address of the applicator, the type of application and the quantity of such items applied on the lease premises during such year.

Tenant shall distribute upon the poorest tillable soil on the Real Estate, unless directed otherwise by Landlord, all of the manure and compost from the farming operation suitable to be used. Tenant shall not remove from the Real Estate, nor burn, any straw, stalks, stubble, or similar plant materials, all of which are recognized as the property of Landlord. Tenant may use these materials, however, upon the Real Estate for the farming operations. Tenant shall protect all trees, vines and shrubbery upon the Real Estate from injury by Tenant's cropping operation or livestock.

Tenant shall maintain accurate yield records for the real estate, and upon request, during or after lease term, shall disclose to Landlord, all yield base information required for participation in government program

## 6. ENVIRONMENTAL.

a. Landlord. To the best of Landlord's knowledge to date:

- i) Neither Landlord nor, Landlord's former or present tenants, are subject to any investigation concerning the premises by any governmental authority under any applicable federal, state, or local codes, rules, and regulations pertaining to air and water quality, the handling, transportation, storage, treatment, usage, or disposal of toxic or hazardous substances, air emissions, other environmental matters, and all zoning and other land use matters.
- ii) Any handling, transportation, storage, treatment, or use of toxic or hazardous substances that has occurred on the premises has been in compliance with all applicable federal, state, and local codes, rules, and regulations.
- iii) No leak, spill release, discharge, emission, or disposal of toxic or hazardous substances has occurred on the premises.
- iv) The soil, groundwater, and soil vapor on or under the premises is free of toxic or hazardous substances except for chemicals (including without limitation fertilizer, herbicides, insecticides) applied in conformance with good farming methods, applicable rules and regulations and the label directions of each chemical.

Landlord shall hold Tenant harmless against liability for removing solid waste disposal sites existing at the execution of this Lease, with the exception that Tenant shall be liable for removal of solid waste disposal sites to the extent that the Tenant created or contributed to the solid waste disposal site at any time.

Landlord shall assume liability and shall indemnify and hold Tenant harmless against any liability or expense arising from any condition which existed, whether known or unknown, at the time of execution of the lease which is not a result of actions of the Tenant or which arises after

date of execution but which is not a result of actions of the Tenant.

Landlord shall disclose in writing to Tenant the existence of any known wells, underground storage tanks, hazardous waste sites, and solid waste disposal sites. Disclosure may be provided by a properly completed groundwater hazard statement to be supplemented if changes occur.

b. Tenant. Tenant shall comply with all applicable environmental laws concerning application, storage and handling of chemicals (including, without limitation, herbicides and insecticides) and fertilizers. Tenant shall apply any chemicals used for weed or insect control at levels not to exceed the manufacturer's recommendation for the soil types involved. Farm chemicals may not be stored on the premises for more than one year. Farm chemicals for use on other properties may not be stored on this property. Chemicals stored on the premises shall be stored in clearly marked, tightly closed containers. No chemicals or chemical containers will be disposed of on the premises. Application of chemicals for agricultural purposes per manufacturer's recommendation shall not be construed to constitute disposal.

Tenant shall employ all means appropriate to insure that well or ground water contamination does not occur, and shall be responsible to follow all applicator's licensing requirements. Tenant shall install and maintain safety check valves for injection of any chemicals and/or fertilizers into an irrigation system (injection valve only, not main well check valve). Tenant shall properly post all fields (when posting is required) whenever chemicals are applied by ground or air. Tenant shall haul and spread all manure on appropriate fields at times and in quantities consistent with environmental protection requirements. Tenant shall not dispose of waste oil, tires, batteries, paint, other chemicals or containers anywhere on the premises. Solid waste may not be disposed of on the premises. Dead livestock may not be buried on the premises. If disposal of solid waste or burial of dead animals is permitted as stated in the previous two sentences, the disposal or burial shall be in compliance with all applicable environmental laws. Tenant shall not use waste oil as a means to suppress dust on any roads on or near the premises. No underground storage tanks, except human waste septic systems that meet current codes, rules, and regulations, shall be maintained on the premises.

Tenant shall immediately notify Landlord of any chemical discharge, leak, or spill which occurs on premises. Tenant shall assume liability and shall indemnify and hold Landlord harmless for any claim or violation of standards which results from Tenant's use of the premises. Tenant shall assume defense of all claims, except claims resulting from Landlord's negligence, in which case each party shall be responsible for that party's defense of any claim. After termination, Tenant shall remain liable for violations which occurred during the term of this Lease.

**In the absence of selection of an alternative where choices are provided in this paragraph 8b, the choice of the word "may" shall be presumed unless that presumption is contrary to applicable environmental laws and regulations.**

**7. TERMINATION OF LEASE.** This Lease shall automatically renew upon expiration from year-to-year, upon the same terms and conditions unless either party gives due and timely written notice to the other of an election not to renew this Lease. If renewed, the tenancy shall terminate on March 1 of the year following, provided that the tenancy shall not continue because of an absence of notice in the event there is a default in the performance of this Lease. All notices of termination of this Lease shall be as provided by law.

**8. POSSESSION AND CONDITION AT END OF TERM.** At the termination of this Lease, Tenant will relinquish possession of the Real Estate to the Landlord. If Tenant fails to do so Tenant agrees to pay Landlord \$ 100.00 per day, as liquidated damages until possession is delivered to Landlord. At the time of delivery of the Real Estate to Landlord, Tenant shall assure that the Real Estate is in good order and condition, and substantially the same as it was when received by Tenant at the commencement of this Lease, excusable or insurable loss by fire, unavoidable accidents and ordinary wear, excepted.

**9. LANDLORD'S RIGHT OF ENTRY AND INSPECTION.** In the event notice of termination of this Lease has been properly served, Landlord may enter upon the Real Estate or authorize someone else to enter upon the Real Estate to conduct any normal tillage or fertilizer operation after Tenant has completed the harvesting of crops even if this is prior to the date of termination of the lease. Landlord may enter upon the Real Estate at any reasonable time for the purpose of viewing or seeding or making repairs, or for other reasonable purposes.

**10. VIOLATION OF TERMS OF LEASE.** If Tenant or Landlord violates the terms of this Lease, the other may pursue the legal and equitable remedies to which each is entitled. Tenant's failure to pay any Rent when due shall cause all unpaid Rent to become immediately due and payable, without any notice to or demand upon Tenant.

**11. REPAIRS.** Tenant shall maintain the fences on the leased premises in good and proper repair. Landlord shall furnish necessary materials for repairs that Landlord deems necessary within a reasonable time after being notified of the need for repairs. Tenant shall haul the materials to the repair site without charge to Landlord.

**12. NEW IMPROVEMENTS.** All buildings, fences and improvements of every kind and nature that may be erected or established upon the Real Estate during the term of the Lease by the Tenant shall constitute additional rent and shall inure to the Real Estate, becoming the property of Landlord unless the Landlord has agreed in writing prior to the erection that the Tenant may remove the improvement at the end of the lease.

**13. WELL, WINDMILL, WATER AND SEPTIC SYSTEMS.** Tenant shall maintain all well, windmill, water and septic systems on the Real Estate in good repair at Tenant's expense except damage caused by windstorm or weather. Tenant shall not be responsible for replacement or installation of well, windmill, water and septic systems on the Real Estate, beyond ordinary maintenance expenses. Landlord does not guarantee continuous or adequate supplies of water for the premises.

**14. EXPENSES INCURRED WITHOUT CONSENT OF LANDLORD.** No expense shall be incurred for or on account of the Landlord without first obtaining Landlord's written authorization. Tenant shall take no actions that might cause a mechanic's lien to be imposed upon the Real Estate.

**15. NO AGENCY.** Tenant is not an agent of the Landlord.

**16. TELEVISION AND RADIO.** Tenant may install and remove, without causing material injury to the premises, Tenant's television reception antennas, microwave dishes, and radio reception and transmission antennas.

**17. ACCOUNTING.** The method used for dividing and accounting for the harvested

grain shall be the customary and usual method used in the locale.

**18. ATTORNEY FEES AND COURT COSTS.** If either party files suit to enforce any of the terms of this Lease, the prevailing party shall be entitled to recover court costs and reasonable attorneys' fees.

**19. CHANGE IN LEASE TERMS.** The conduct of either party, by act or omission, shall not be construed as a material alteration of this Lease until such provision is reduced to writing and executed by both parties as addendum to this Lease.

**20. CONSTRUCTION.** Words and phrases herein, including the acknowledgment, are construed as in the singular or plural and as the appropriate gender, according to the context.

**21. NOTICES.** The notices contemplated in this Lease shall be made in writing and shall either be delivered in person, or be mailed in the U.S. mail, certified mail to the recipient's last known mailing address, except for the notice of termination set forth in Section 9, which shall be governed by the Code of Iowa.

**22. ASSIGNMENT.** Tenant shall not assign this Lease or sublet the Real Estate or any portion thereof without prior written authorization of Landlord.

**23. CERTIFICATION.** Tenant certifies that it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and it is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation. Tenant hereby agrees to defend, indemnify and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

**24. ADDITIONAL PROVISIONS.**

a. In the event the Landlord wishes to terminate this Lease for the farmland hereinabove described, or any portion thereof, the Landlord may do so for any reason by giving Tenant a thirty (30) day written notice as to the respective farmland, or any portion thereof, for which the Landlord desires to terminate this Lease.

b. Upon giving notice of termination to the Tenant, the Landlord agrees to reduce the cash rent of the Lease on the basis of \$369.00 per acre for the succeeding years for those acres for which have been terminated. Landlord also herein agrees to allow the Tenant to harvest any existing crops on said terminated acres prior to taking back possession. In the event no crops have been planted at the time of the notice of termination, the Tenant shall cease from planting crops on said terminated acres and Landlord shall be given back possession of said terminated acres.

c. Subject to the above provisions, should be the Landlord desire to take possession of said terminated acres prior to the Tenant harvesting the existing crops, the Landlord shall pay the Tenant reasonable damages for said crop loss.

DATED: \_\_\_\_\_.

TENANT:

LANDLORDS:

\_\_\_\_\_  
Travis Wearda, Tenant

\_\_\_\_\_  
By: John Hawkins, Mayor  
City of Webster City, Landlord  
An Iowa Municipal Corporation

\_\_\_\_\_  
John Harrenstein, City Manager  
City of Webster City  
An Iowa Municipal Corporation

STATE OF IOWA, COUNTY OF HAMILTON

This record was acknowledged before me on \_\_\_\_\_ by John Hawkins,  
Mayor of City of Webster City, Iowa, and by John Harrenstein, City Manager of City of Webster  
City, Iowa.

\_\_\_\_\_  
Signature of Notary Public

STATE OF IOWA, COUNTY OF HAMILTON

This record was acknowledged before me on \_\_\_\_\_, 2025 by Travis Wearda.

\_\_\_\_\_  
Signature of Notary Public

**ANNUAL  
FINANCIAL REPORT  
OF THE  
CITY OF WEBSTER CITY, IOWA  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2024**

**CITY OF WEBSTER CITY, IOWA  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2024  
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\* \* \* \*



City of Webster City  
400 Second Street  
PO Box 217  
Webster City, IA 50595

p: (515) 832-9141  
f: (515) 832-6686  
[webstercity.com](http://webstercity.com)

December 26, 2024

Honorable Mayor  
Members of the City Council  
City of Webster City  
Webster City, Iowa 50595

The Iowa Code requires all cities with a population of over 2,000 to complete an annual financial audit. The audit must determine if a government subdivision's financial statements are presented in all material respects in conformity with generally accepted accounting principles or with another comprehensive basis of accounting. The audit is to include an evaluation of internal control and tests for compliance with laws and regulations regarding the use of funds as authorized by the State of Iowa. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Webster City for the fiscal year ended June 30, 2024.

The report consists of management's representations concerning the finances of the city. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The city's financial statements have been audited by Williams & Company, a licensed certified public accounting firm. The goal of the independent audit is to provide reasonable assurance that the financial statements of the city for the fiscal year ended June 30, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2024 are fairly presented in conformity with the requirements of state statutes. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

### **Profile of Government**

The City of Webster City is a city of the second class and is located in Hamilton County. Nestled in the plains of Iowa and abutting the Boone River of central Iowa, Webster City is approximately 30 miles north of the Ames Metropolitan Statistical Area. Access is provided via U.S. Highway 20 that passes through the community from the east and west, State Highway 17 from the south, and Interstate I-35 located 13 miles to the east of the city. There are 16 truck lines servicing the city as well as the Canadian Northern Railroad and Union Pacific Railroad that provide daily freight rail service to the area. The city is

also serviced by the Webster City Regional Airport which can accommodate planes with a 3,800-foot paved, lighted runway. The city currently occupies a land area of 8.91 miles and boasts a population of 7,811. The City is empowered to levy property taxes on real property within its corporate limits.

The city was originally called Newcastle by settlers in the area. Webster City officially claimed its name through an act of the Iowa State House in 1857 and also became the seat of Hamilton County which was also established in that year. The city operates under the Council-Management form of government. Policy making and legislative authority is vested in a governing council consisting of the Mayor and four Council Members. The Mayor and Council members are responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager. The City Manager responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the government, and for appointing the heads of various departments. The Mayor and Council are elected on a non-partisan basis. Council Members serve four-year staggered terms. The Mayor is selected from among the Council members for a two-year term.

The city provides a full range of services including police and fire protection, construction and maintenance of highways, streets, and other infrastructure, and recreational services, along with water, sewer, recycling, storm water, solid waste, and electric utility services. Webster City features several City parks for recreational activities along with being the location of the annual Hamilton County fair. The community is also home to Kendall Young Library, one of the only privately endowed libraries in the state of Iowa, Fuller Hall Recreational Center, Van Diest Medical Center, municipal swimming pool, and a satellite campus of the Iowa Central Community College.

The annual budget serves as the foundation for the City's financial planning and control. The City Manager presents the proposed budget to the Council for review prior to March 1. The Council holds a public hearing on the proposed budget and adopts a final budget no later than April 30 of each year. The appropriated budget is prepared by fund, function, and department program. Budget to actual comparisons are provided for each individual government fund for which an appropriate annual budget has been adopted.

### **Factors Affecting Financial Condition**

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the City operates.

### **Long Term Financial Planning**

The preparation of the annual budget includes Five Year operating forecasts, Five-year Capital Improvement Plan, and yearly equipment replacement schedule as well as long-term projects of debt service requirements.

### **New and Major Developments**

Construction of Reisner Substation

Opening of the new cookie factory

Commercial Building addition at 825 Beach Street valued at \$200,000

Commercial Addition at Custom Meats 1611 2<sup>nd</sup> St valued at \$200,000

Commercial Addition at 1941/1951 James Street valued at \$100,000

New Kwik Trip station valued at 2.5 million dollars

New splash pad

Four new residential dwellings (913, 917, 1001 and 1005 Lewis Dr) valued at \$1,056,770

### **2023/2024 Five-Year Capital Improvement Plan Projects**

- New Reisner Substation completed in coordination with Cornbelt Cooperative - \$7,000,000
- Continued undergrounding of utility lines in Northeast section of community - \$2,800,000
- Reconstruction of 69 kV line - \$1,600,000
- Upgraded equipment at Water Plant - \$5,000,000
- Completed Fair Meadow I reconstruction - \$2,100,000
- Undergoing installation of AMI water and electric meters - \$3,900,000
- 2023/2024 Sanitary Sewer Rehabilitation project - \$610,000
- City Hall HVAC replacement - \$645,000
- Installation of Splash Pad - \$453,000
- Wastewater Treatment Plant Assessment & Design - \$500,000
- 2023/24 HMA street improvements - \$1,200,000

### **Five-year Capital Improvement Projects**

- Possible Secondary Clarifier or conversion to RO process at water plant - \$6,200,000
- New Wastewater Treatment Plant - \$29,000,000
- Continued upgrades to Electric System
- Fair Meadow II Street reconstruction - \$2,500,000
- Wall Street extension - \$1,200,000 million
- Road Rehabilitation White Fox - \$1,600,000
- Road Rehabilitation Bank Street
- Replacement of Fire Engine - \$1,000,000

### **Relevant Financial Policies**

The Mayor and City Council members continue to evaluate the level of reserves of the City with their desire to minimize property tax increases while still maintaining service levels and infrastructure renewal and replacement. The City has established financial policies for use as a guideline during the budget process. The City employs a conservative approach in making ongoing revenue assumptions by utilizing growth patterns and knowledge of planned growth in the tax base.

Respectfully submitted,



John Harrenstein  
City Manager



Doreen Wolfgram  
Finance Director



## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor, Members of City Council  
City of Webster City  
Webster City, Iowa

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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 Webster City, Iowa as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Webster City, Iowa's basic financial statements as listed in the table of contents.

In our opinion, 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 Webster City as of June 30, 2024, 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.

#### ***Emphasis of Matter – Change in Reporting Entity***

As described in Note 21 to the financial statements, the City has made changes to the reporting of the General Fund, the Capital Project Funds, and the Tax Increment Financing (TIF) Funds. Our opinion is not modified with respect to that matter.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Webster City, Iowa and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Webster City, Iowa's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City of Webster City, Iowa's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Webster City, Iowa's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, the Schedule of the City's Proportionate Share of the Net Pension Liability (Asset), the Schedule of City Contributions and the Schedule of Changes in the city's Total OPEB Liability, Related Ratios, and Notes on pages 7 through 13 and 68 through 78 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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.

### **Supplementary 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 and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for the purpose 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. The 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. In our opinion, the combining and individual nonmajor funds financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introduction letter but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2024 on our consideration of the City of Webster City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Webster City's internal controls over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Webster City's internal control over financial reporting and compliance.

  
Certified Public Accountants

Le Mars, Iowa  
December 26, 2024

**CITY OF WEBSTER CITY**  
Management Discussion and Analysis  
For the year ending June 30, 2024

As management of the City of Webster City, we offer readers of the City of Webster City's financial statements this narrative overview and analysis of the financial activities of the City of Webster City for the fiscal year ending June 30, 2024. This section should be read in conjunction with the financial statements and the accompanying notes that follow. It should also be noted that the information contained here will provide information on both the governmental operations and the business-type activities of the City.

**Financial Highlights**

- The City had \$9,960,487 in construction in progress on various projects.
- The City completed two large capital projects including the 2021 2<sup>nd</sup> Street Project and the Lincoln Drive Project
- The city issued two bonds for utility plant improvements including a \$5,135,000 water revenue bond and a \$8,410,000 electric revenue bond.

**Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Webster City's basic financial statements. The City of Webster City'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 required supplementary information and 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 Webster City's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the City of Webster City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between reported as net position. Over time, increases or decreases in net position may serve as useful indicators of whether the financial position of the City of Webster City is improving or deteriorating.

The statement of activities presents information showing 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 the 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 the 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 Webster City 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 Webster City include public safety, public works, health and social services, culture and recreation, community and economic development and general government. The business-



type activities of the City of Webster City include the operation of electric, water, and sewer utilities.

The government-wide financial statements include not only the City of Webster City itself (known as the primary government), but also a legally separate airport authority for which the City of Webster City is financially accountable and a trust known as the Fred Fuller Trust that was created for the sole benefit of the City. Financial information for these component units are reported separately from the financial information presented for the primary government itself. The Electric, Water, and Sewer utilities function as departments of the City of Webster City, and therefore have been included as an integral part of the primary government.

### **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 Webster City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds for the City of Webster City 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 the 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 financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for the 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 Webster City maintains numerous 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 and capital projects fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Webster City adopts an annual combined budget for all of its funds except private purpose trust funds and internal service funds. A budgetary comparison schedule has been provided to demonstrate compliance with this budget.

*Proprietary Funds:* The City of Webster City maintains different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Webster City uses enterprise funds to account for its Electric, Water, and Sewer utilities. Internal service funds are an accounting

device used to accumulate and allocate costs internally among the City of Webster City's various functions. The City of Webster City uses an internal service fund to account for self-insured dental/vision insurance. The internal service fund will be found in the governmental activities.

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 electric, water and sewer utilities, all of which are considered major funds of the City of Webster City. Conversely, the internal service fund is combined into a single, aggregated presentation in the proprietary fund financial statements.

*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 Webster City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

*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.

### **Government-wide Financial Analysis**

The largest portion of the City of Webster City's net position (70%) reflects its investment in capital assets (e.g. Land, Construction in progress, Land improvements, Structures and Improvements, Machinery and equipment, and Infrastructure) less any related debt used to acquire those assets that is still outstanding. The City of Webster City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Webster City's investments 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.

	City of Webster City's Net Position					
	Governmental Activities		Business Type Activities		Total	
	6/30/2024	6/30/2023	6/30/2024	6/30/2023	6/30/2024	6/30/2023
Current and Other Assets	\$ 19,567,233	\$ 19,253,421	\$ 37,340,673	\$ 23,250,203	\$ 56,907,906	\$ 42,503,624
Non-current assets	72,478	124,319	5,521,676	5,754,344	5,594,154	5,878,663
Capital assets, net of depreciation	50,031,174	46,502,709	39,922,739	36,678,172	89,953,913	83,180,881
Total assets	69,670,885	65,880,449	82,785,088	65,682,719	152,455,973	131,563,168
Deferred Outflows of Resources	1,019,017	752,458	1,330,903	1,193,058	2,349,920	1,945,516
Current and other liabilities	1,605,419	2,586,211	3,099,887	1,756,557	4,705,306	4,342,768
Non-current liabilities	15,567,470	16,300,088	32,370,840	18,552,091	47,938,310	34,852,179
Total liabilities	17,172,889	18,886,299	35,470,727	20,308,648	52,643,616	39,194,947
Deferred Inflows of Resources	5,442,387	5,506,997	116,658	270,701	5,559,045	5,777,698
Net Position:						
Net Investment in Capital Assets	37,269,128	32,856,701	30,542,323	27,264,305	67,811,451	60,121,006
Restricted	5,271,317	9,354,003	3,001,692	343,908	8,273,009	9,697,911
Unrestricted	5,534,181	28,907	14,984,591	18,688,215	20,518,772	18,717,122
Total Net Position	\$ 48,074,626	\$ 42,239,611	\$ 48,528,606	\$ 46,296,428	\$ 96,603,232	\$ 88,536,039

An additional portion of the City of Webster City's net position (8.6%) represents resources that are subject to external restrictions on how they may be used. The remaining balances of unrestricted net position (\$20,518,772) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Webster City is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its separate business-type activities.

	City of Webster City's Changes in Net Position					
	Governmental Activities		Business Type Activities		Total	
	6/30/2024	6/30/2023	6/30/2024	6/30/2023	6/30/2024	6/30/2023
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,783,584	\$ 916,130	\$ 17,808,946	\$ 16,892,091	\$ 20,592,530	\$ 17,808,221
Operating Grants & Contributions	1,220,591	1,134,164	-	30,237	1,220,591	1,164,401
Capital Grants & Contributions	1,440,195	335,625	-	-	1,440,195	335,625
General Revenues:						
Property Taxes	5,409,633	4,802,576	-	-	5,409,633	4,802,576
Other Taxes	1,115,821	1,264,744	-	-	1,115,821	1,264,744
Other	1,201,663	999,106	3,883,594	2,905,939	5,085,257	3,905,045
Total Revenues	<u>13,171,487</u>	<u>9,452,345</u>	<u>21,692,540</u>	<u>19,828,267</u>	<u>34,864,027</u>	<u>29,280,612</u>
Expenses:						
Public Safety	3,475,552	2,784,545	-	-	3,475,552	2,784,545
Public Works	3,017,571	2,327,017	-	-	3,017,571	2,327,017
Health & Social Services	27,385	13,899	-	-	27,385	13,899
Culture & Recreation	1,289,016	1,582,442	-	-	1,289,016	1,582,442
Community & Economic Development	871,509	620,709	-	-	871,509	620,709
General Government	198,909	228,211	-	-	198,909	228,211
Interest & Fiscal Charges	329,849	249,715	-	-	329,849	249,715
Water Utility	-	-	2,985,497	2,569,103	2,985,497	2,569,103
Sewer Utility	-	-	1,608,418	1,795,812	1,608,418	1,795,812
Electric Utility	-	-	12,993,128	11,948,498	12,993,128	11,948,498
Total Expenses	<u>9,209,791</u>	<u>7,806,538</u>	<u>17,587,043</u>	<u>16,313,413</u>	<u>26,796,834</u>	<u>24,119,951</u>
Increase (Decrease) in Position Before Transfers	3,961,696	1,645,807	4,105,497	3,514,854	8,067,193	5,160,661
Transfers	1,873,319	808,501	(1,873,319)	(808,501)	-	-
Increase (Decrease) in Net Position	<u>5,835,015</u>	<u>2,454,308</u>	<u>2,232,178</u>	<u>2,706,353</u>	<u>8,067,193</u>	<u>5,160,661</u>
Net Position - Beginning	42,239,611	39,785,303	46,296,428	43,590,075	88,536,039	83,375,378
Ending Net Position	<u>\$48,074,626</u>	<u>\$42,239,611</u>	<u>\$48,528,606</u>	<u>\$46,296,428</u>	<u>\$96,603,232</u>	<u>\$88,536,039</u>

*Statement of Activities.* The government's net position increased by \$8,067,193 during the fiscal year. Net position in the governmental activities increased by \$5,835,015. Net position in the business type activities increased by \$2,232,178.

**Governmental Activities.** Governmental activities increased the City of Webster City's net position by \$5,835,015. The increase was caused by an increase of charges for services of \$1,867,454, capital grants & contributions of \$1,104,570, and property taxes of \$607,057.

The main sources of revenue for the governmental activities are from property taxes, charges for services, and grants and contributions. The City of Webster City received \$5,409,633 in property tax revenue, \$1,115,821 in other taxes, \$1,220,591 in operating grants and contributions, and \$1,440,195 in capital grants and contributions.

**Business-type Activities.** The net position of the business-type activities of the City of Webster City increased by \$2,232,178.

The goal of the City of Webster City is to have the revenues exceed the expenses in the Business-type activities. This goal was obtained for water and sewer for the year ending June 30, 2024 before other financing sources.

The electric utility is the main function of the City of Webster City Business-type Activities making up 68% of the total charges for services. Since most sewer utility usage is based on a per unit water usage, with the exception of industrial sewer, the revenues for these two functions should remain close. Rates are monitored in each of these utilities on an on-going basis to maintain their financial stability.

### **Financial Analysis of the Government's Funds**

As noted earlier, the City of Webster City uses fund accounting to demonstrate compliance with finance-related legal requirements.

*Governmental Funds.* The focus of the City of Webster City'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 Webster City's financing requirements. In particular, unreserved fund balances 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 Webster City's governmental funds reported combined ending fund balances of \$12,172,763; with the prior year being \$10,999,940, the increase for this year was \$1,172,823. Ending fund balance is classified as \$588,922 is non-spendable, \$4,674,932 is restricted, \$3,104,914 is committed, and \$3,803,995 is unassigned.

Revenues from the City's governmental funds totaled \$12,971,713 with taxes accounting for \$5,434,083 of that amount. Intergovernmental activities, including local option sales tax and road use tax, represented another \$3,738,748 of the total governmental revenues.

Total expenditures for the governmental funds were \$13,558,110. The eight main activities that make up these expenditures are public works for \$2,316,700, public safety for \$4,581,834, debt service for \$1,569,676, health and social services for \$27,629, culture and recreation for \$1,628,419, community and economic development for \$733,449, general government for \$594,468, and capital projects for \$2,105,935.

The general fund is the chief operating fund of the City of Webster City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,803,995. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance to the total fund expenditures. Unassigned fund balance represents 57% of the total general fund expenditures.

The fund balance of the City of Webster City's general fund decreased by \$874,530 during the current fiscal year, due primarily to an increase in public safety expenditures of \$1,567,205.

The Capital Projects fund balance decreased \$342,464 due to capital project expenditures of \$2,105,935. The ending balance is shown as unrestricted for \$1,632,988.

*Proprietary Funds.* The City of Webster City'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 electric utility totaled \$22,955,933, the water utility totaled \$11,889,291, and the sewer utility totaled \$13,683,382. The total change in net position for these three funds was (\$145,554), \$766,666, and \$1,611,066, respectively. Other factors concerning the finances of these three funds have already been addressed in the discussion of the City of Webster City's business-type activities.

### **Governmental and Proprietary Funds Budgetary Highlights**

The City amended their budget two times during fiscal year 2024. Disbursements exceeded budgeted amounts in the public safety, health and social services, and debt service functions.

### **Capital Asset and Debt Administration**

**Capital Assets.** The City of Webster City's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$89,953,913 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings, machinery and equipment, infrastructure, and IT subscriptions. See Note 7 for additional information.

Major capital assets events during the current fiscal year included the following:

- The completion of the 2021 2<sup>nd</sup> Street Project
- The completion of the Lincoln Drive Project
- The construction of utility plant improvements

#### City of Webster City's Capital Assets (Net of Depreciation/Amortization)

	Governmental Activities		Business Type Activities		Total	
	6/30/2024	6/30/2023	6/30/2024	6/30/2023	6/30/2024	6/30/2023
Land	\$ 5,670,801	\$ 5,647,124	\$ 1,201,448	\$ 1,201,448	\$ 6,872,249	\$ 6,848,572
Structures & Equipment	41,018,229	36,483,055	32,102,948	30,881,081	73,121,177	67,364,136
Construction in Progress	3,342,144	4,372,530	6,618,343	4,595,643	9,960,487	8,968,173
<b>Total</b>	<b>\$ 50,031,174</b>	<b>\$ 46,502,709</b>	<b>\$ 39,922,739</b>	<b>\$ 36,678,172</b>	<b>\$ 89,953,913</b>	<b>\$ 83,180,881</b>

**Long-term debt.** At the end of the current fiscal year, the City of Webster City had total bonded debt outstanding of \$42,026,293. Of this amount, \$10,858,600 comprises debt backed by the full faith and credit of the government. The remainder of the City of Webster City's debt represents bonds secured solely by specified revenue source (i.e. revenue bonds).

Total outstanding liabilities includes an estimated liability for compensated absences, other post-employment benefits and net pension liability. The total estimate for compensated absences is \$681,793 with \$361,012 being for governmental activities and \$320,781 being for business-type activities.

General Obligation and Revenue Bonds

	Governmental Activities		Business Type Activities		Total	
	6/30/2024	6/30/2023	6/30/2024	6/30/2023	6/30/2024	6/30/2023
General Obligation Bonds	\$ 10,565,000	\$ 11,445,000	\$ -	\$ -	\$ 10,565,000	\$ 11,445,000
Revenue Bonds	1,455,184	1,509,894	28,810,000	16,135,000	30,265,184	17,644,894
Notes Payable	63,571	125,068	949,121	836,474	1,012,692	961,542
Lease Agreements	148,846	-	-	-	148,846	-
IT Subscriptions	69,667	76,192	12,157	18,761	81,824	94,953
<b>Total</b>	<b>\$ 12,302,268</b>	<b>\$ 13,156,154</b>	<b>\$ 29,771,278</b>	<b>\$ 16,990,235</b>	<b>\$ 42,073,546</b>	<b>\$ 30,146,389</b>

The City of Webster City’s total long-term liabilities increased by \$11,927,157 during the fiscal year.

State statutes limit the amount of general obligation debt, including tax increment financing. A government entity may issue to 5% of its total assessed valuation. The current debt limit for the City of Webster City is approximately \$22,433,605. With the General Obligation Debt being \$10,565,000 the City of Webster City is at 47% of the debt limit.

**Economic Factors**

The City currently faces pressure on maintaining population based on the age of its residents, but several economic and housing efforts are underway to ensure population stabilization and growth. The unemployment rate 3.1% which is the same as the state of Iowa’s. Webster City is advantageously located from the west by Fort Dodge and to the south by Ames in a region well supplied by retail opportunities, agriculture, medical care, manufacturing, and education. The region is home to Iowa Central Community College, Ellsworth Community College, and Iowa State University. Webster City’s population is expected to maintain or slightly decrease its current level of 7,800 residents.

The city continues to experience interest in residential growth through housing development. The existing Brewer Creek subdivision boasted 4 news home builds this year and a new subdivision is planned in the western portion of the community that will provide an additional 212 workforce housing units anticipated to be built out from 2025-2028. The market value of all new and remodeled residential, commercial, and industrial permits between July of 2023 and June of 2024 was \$5,897,486. Continued interest in industrial and commercial development comes from firms looking to locate to one of two industrial parks in the city actively marketed by the recently created Hamilton County Growth Partnership, an economic development agency of the City and County.

**Request for Information**

This financial report is designed to provide a general overview of the City of Webster City’s finances for all those with an interest in the government’s finances. For questions concerning any of the information provided in this report or requests for additional financial information, please feel free to contact the City of Webster City, Finance Director, 400 Second Street, PO Box 217, Webster City, IA 50595.

**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF NET POSITION**  
**June 30, 2024**

	Primary Government		Total	Component Units	
	Governmental Activities	Business-Type Activities		Webster City Airport Commission	Fuller Trust
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 4,371,419	\$ 22,691,439	\$ 27,062,858	\$ 333,554	\$ 26,605
Investments	10,657,769	2,970,346	13,628,115	352,882	2,477,534
Receivables (Net, where applicable, of allowance for uncollectibles)					
Accounts	243,092	2,160,800	2,403,892	4,752	200
Taxes	44,484	-	44,484	610	-
Subsequent Year Taxes	5,247,967	-	5,247,967	70,690	-
Accrued Interest	203,468	173,738	377,206	10,489	-
Lease Receivable	7,437	17,516	24,953	14,166	-
Notes Receivable	136,000	210,474	346,474	-	-
Internal Balances	(1,944,709)	1,944,709	-	-	-
Due from Other Governmental Agencies	262,015	3,077	265,092	26,961	-
Inventories	114,881	1,075,797	1,190,678	-	-
Prepaid Assets	223,410	208,827	432,237	-	-
Land Held for Resale	-	2,311,479	2,311,479	-	-
Restricted Assets:					
Cash and Cash Equivalents	-	3,127,339	3,127,339	-	-
Cash Restricted for Customer Deposits	-	445,132	445,132	-	-
Noncurrent Assets:					
Lease Receivable	-	32,814	32,814	-	-
Notes Receivable	72,478	5,488,862	5,561,340	-	-
Land	5,670,801	1,201,448	6,872,249	-	-
Construction in Progress	3,342,144	6,618,343	9,960,487	-	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation/Amortization	41,018,229	32,102,948	73,121,177	-	-
<b>Total Assets</b>	<b>69,670,885</b>	<b>82,785,088</b>	<b>152,455,973</b>	<b>814,105</b>	<b>2,504,339</b>
<b>Deferred Outflows of Resources</b>					
Unamortized bond refunding related deferred outflows	-	803,969	803,969	-	-
Pension related deferred outflows	978,697	490,134	1,468,831	-	-
OPEB related deferred outflows	40,320	36,800	77,120	-	-
<b>Total Deferred Outflows of Resources</b>	<b>1,019,017</b>	<b>1,330,903</b>	<b>2,349,920</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>					
Accounts Payable	1,369,396	2,452,042	3,821,438	37,482	-
Accrued Wages	106,634	64,622	171,256	-	-
Other Accrued Expenses	73,319	8,766	82,085	-	-
Customer Deposits	-	445,132	445,132	-	-
Claims Incurred But Not Reported	29,000	-	29,000	-	-
Unearned Revenue	-	3,678	3,678	-	-
Accrued Interest Payable	27,070	-	27,070	-	-
Payables from Restricted Assets:					
Accrued Revenue Bond Interest	-	125,647	125,647	-	-
Noncurrent Liabilities:					
Due within one year:					
Revenue Bonds Payable	52,985	1,160,000	1,212,985	-	-
General Obligation Bonds	895,000	-	895,000	-	-
Notes Payable	63,571	201,681	265,252	-	-
IT Subscriptions	12,717	10,669	23,386	-	-
Lease Agreements	14,349	-	14,349	-	-
Compensated Absences and Benefits	198,096	177,470	375,566	-	-
Due in more than one year:					
Revenue Bonds Payable	1,402,199	28,552,509	29,954,708	-	-
General Obligation Bonds	9,963,600	-	9,963,600	-	-
Notes Payable	-	747,440	747,440	-	-
Other Post Employment Benefits	129,837	118,500	248,337	-	-
IT Subscriptions	56,950	1,488	58,438	-	-
Lease Agreements	134,497	-	134,497	-	-
Compensated Absences and Benefits	162,916	143,311	306,227	-	-
Net pension liability	2,480,753	1,257,772	3,738,525	-	-
<b>Total Liabilities</b>	<b>17,172,889</b>	<b>35,470,725</b>	<b>52,643,614</b>	<b>37,482</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>					
Lease Related Deferred Inflows	9,871	51,412	61,283	18,809	-
Unavailable Revenue - Subsequent Year Property Taxes	5,247,967	-	5,247,967	70,690	-
Pension related deferred inflows	143,188	27,497	170,685	-	-
OPEB related deferred inflows	41,361	37,749	79,110	-	-
<b>Total Deferred Inflows of Resources</b>	<b>5,442,387</b>	<b>116,658</b>	<b>5,559,045</b>	<b>89,499</b>	<b>-</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	37,269,128	30,542,323	67,811,451	-	-
Restricted for:					
Debt Service	88,381	3,001,692	3,090,073	-	-
Specific Tax Levies	1,041,550	-	1,041,550	-	-
Streets	1,684,627	-	1,684,627	-	-
Economic Development Activities	401,110	-	401,110	-	-
Capital Projects	1,587,740	-	1,587,740	-	-
Permanent Funds- nonexpendable	467,909	-	467,909	-	-
Unrestricted	5,534,181	14,984,591	20,518,772	687,124	2,504,339
<b>Total Net Position</b>	<b>\$ 48,074,626</b>	<b>\$ 48,528,606</b>	<b>\$ 96,603,232</b>	<b>\$ 687,124</b>	<b>\$ 2,504,339</b>

See Accompanying Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental Activities:				
Public Safety	\$ 3,475,552	\$ 1,875,550	\$ 16,845	\$ -
Public Works	3,017,571	266,213	1,106,397	1,212,098
Health and Social Services	27,385	-	-	-
Culture and Recreation	1,289,016	371,680	57,349	71,532
Community and Economic Development	871,509	217,231	40,000	-
General Government	198,909	52,910	-	156,565
Debt Service	329,849	-	-	-
Total governmental activities	<u>9,209,791</u>	<u>2,783,584</u>	<u>1,220,591</u>	<u>1,440,195</u>
<b>Business-Type Activities:</b>				
Water System	2,985,497	3,045,848	-	-
Sewer System	1,608,418	2,662,478	-	-
Electric System	12,993,128	12,100,620	-	-
Total Business-Type Activities:	<u>17,587,043</u>	<u>17,808,946</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 26,796,834</u>	<u>\$ 20,592,530</u>	<u>\$ 1,220,591</u>	<u>\$ 1,440,195</u>
Component Unit:				
Webster City Airport Commission	\$ 260,740	\$ 51,828	\$ -	\$ 88,951
Fuller Trust	<u>\$ 285,145</u>	<u>\$ 7,520</u>	<u>\$ -</u>	<u>\$ -</u>
General Revenues:				
Property Taxes				
Local Option Sales Tax				
Hotel/Motel Taxes				
Commerical/Industrial Tax Replacement				
Interest and Investment Gains and Losses				
Gain on Disposition of Assets				
Miscellaneous				
Interfund Transfers				
Total general revenues and transfers				
Change in net position				
Net Position - beginning				
Net Position - ending				

See Accompanying Notes to Financial Statements



<b>Net (Expense) Revenue and Changes in Net Position</b>				
<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Component Unit</b>	
			<b>Webster City Airport Commission</b>	<b>Fuller Trust</b>
\$ (1,583,157)		\$ (1,583,157)		
(432,863)		(432,863)		
(27,385)		(27,385)		
(788,455)		(788,455)		
(614,278)		(614,278)		
10,566		10,566		
(329,849)		(329,849)		
<u>(3,765,421)</u>		<u>(3,765,421)</u>		
-	\$ 60,351	60,351		
-	1,054,060	1,054,060		
-	<u>(892,508)</u>	<u>(892,508)</u>		
-	<u>221,903</u>	<u>221,903</u>		
<u>(3,765,421)</u>	<u>221,903</u>	<u>(3,543,518)</u>		
			<u>\$ (119,961)</u>	<u>\$ (277,625)</u>
5,409,633	-	5,409,633	68,057	-
1,115,821	-	1,115,821	-	-
121,049	-	121,049	-	-
186,202	-	186,202	-	-
675,441	799,695	1,475,136	41,277	258,752
2,000	-	2,000	-	-
216,971	3,083,899	3,300,870	9,694	-
1,873,319	<u>(1,873,319)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>9,600,436</u>	<u>2,010,275</u>	<u>11,610,711</u>	<u>119,028</u>	<u>258,752</u>
5,835,015	2,232,178	8,067,193	(933)	(18,873)
<u>42,239,611</u>	<u>46,296,428</u>	<u>88,536,039</u>	<u>688,057</u>	<u>2,523,212</u>
<u>\$ 48,074,626</u>	<u>\$ 48,528,606</u>	<u>\$ 96,603,232</u>	<u>\$ 687,124</u>	<u>\$ 2,504,339</u>

See Accompanying Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**BALANCE SHEET**  
**Governmental Funds**  
**June 30, 2024**

	General	Formerly Major Fund Debt Service	Capital Project Funds	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ 1,135,819	\$ -	\$ 1,204,309	\$ 2,031,291	\$ 4,371,419
Investments	2,011,700	-	3,300,118	5,211,000	10,522,818
Receivables (Net, where applicable, of allowance for uncollectibles)					
Accounts	131,582	-	108,129	3,381	243,092
Taxes	19,382	-	-	25,102	44,484
Subsequent Year Taxes	2,204,705	-	-	3,043,262	5,247,967
Accrued Interest	56,750	-	59,682	86,110	202,542
Lease Receivable	7,437	-	-	-	7,437
Notes Receivable	100,000	-	-	108,478	208,478
Due from Other Funds	1,085,219	-	-	-	1,085,219
Due from Other Governmental Agencies	29,434	-	103,509	129,072	262,015
Inventories	68,730	-	-	46,151	114,881
Prepaid Assets	6,132	-	-	-	6,132
<b>Total Assets</b>	<b>6,856,890</b>	<b>-</b>	<b>4,775,747</b>	<b>10,683,847</b>	<b>22,316,484</b>
<b>Liabilities</b>					
Accounts Payable	439,800	-	573,585	356,011	1,369,396
Accrued Wages	92,661	-	-	13,973	106,634
Other Accrued Expenses	72,693	-	-	626	73,319
Due to Other Funds	-	-	2,532,081	485,345	3,017,426
<b>Total Liabilities</b>	<b>605,154</b>	<b>-</b>	<b>3,105,666</b>	<b>855,955</b>	<b>4,566,775</b>
<b>Deferred Inflows of Resources</b>					
Lease Related Deferred Inflows	9,871	-	-	-	9,871
Unavailable Revenue - Subsequent Year Property Taxes	2,204,705	-	-	3,043,262	5,247,967
Unavailable Revenue - Other	158,303	-	37,093	123,712	319,108
<b>Total Deferred Inflows of Resources</b>	<b>2,372,879</b>	<b>-</b>	<b>37,093</b>	<b>3,166,974</b>	<b>5,576,946</b>
<b>Fund Balances</b>					
Non-Spendable:					
Inventories	68,730	-	-	46,151	114,881
Prepaid Expenses	6,132	-	-	-	6,132
Permanent Fund	-	-	-	467,909	467,909
Restricted:					
Specific Tax Levy	-	-	-	1,157,001	1,157,001
Streets	-	-	-	1,569,746	1,569,746
Capital Projects	-	-	1,632,988	15,396	1,648,384
Economic Development Activities	-	-	-	299,801	299,801
Committed:					
Economic Development Activities	-	-	-	3,098,618	3,098,618
Community Development Activities	-	-	-	6,296	6,296
Unassigned	3,803,995	-	-	-	3,803,995
<b>Total Fund Balances</b>	<b>3,878,857</b>	<b>-</b>	<b>1,632,988</b>	<b>6,660,918</b>	<b>12,172,763</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 6,856,890</b>	<b>\$ -</b>	<b>\$ 4,775,747</b>	<b>\$ 10,683,847</b>	<b>\$ 22,316,484</b>

See Accompanying Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**June 30, 2024**

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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Total Fund Balance - Governmental Funds (page 17)		\$ 12,172,763
Infrastructure, property, equipment and land held for resale used in governmental activities are not financial resources and, therefore, are not reported in the funds.		50,031,174
Internal service funds are used by management to fund and maintain the City's medical/flex costs provided to user departments and are included in the statement of net position.		(36,503)
Assets such as notes receivables and property taxes are not available to pay for current period expenditures and therefore are deferred in the funds.		319,108
Prepaid expenses are reported in the governmental activities but are not reported in the funds as they do not provide current economic resources.		217,278
Accrued interest expense from the balance sheet that require current financial resources from governmental activities.		(27,070)
Pension related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources	\$ 978,697	
Deferred inflows of resources	<u>(143,188)</u>	835,509
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	\$ (10,858,600)	
Revenue Bonds	(1,455,184)	
Notes Payable	(63,571)	
IT Subscriptions	(69,667)	
Lease Agreements	(148,846)	
Compensated Absences	(361,012)	
Net Pension Liabilities	<u>(2,480,753)</u>	(15,437,633)
 Total Net Position - Governmental Activities (page 14)		 <u><u>\$ 48,074,626</u></u>

**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Governmental Funds**  
**For the Year Ended June 30, 2024**

	General	Formerly Major Fund Debt Service Fund	Capital Project Funds	Other Governmental Funds	Total Governmental Funds
<b>Revenue:</b>					
Taxes	\$ 2,290,556	\$ -	\$ -	\$ 3,143,527	\$ 5,434,083
Licenses and Permits	141,131	-	-	-	141,131
Intergovernmental Revenue	167,530	-	1,115,821	2,455,397	3,738,748
Charges for Services	475,271	-	-	3,310	478,581
Fines and Forfeits	1,821,636	-	-	-	1,821,636
Contributions	70,739	-	65,107	-	135,846
Refunds/Reimbursements	4,220	-	-	155,006	159,226
Revenue from Use of Property	172,416	-	-	-	172,416
Interest on Investments	340,295	-	242,560	212,327	795,182
Miscellaneous	72,705	-	-	22,159	94,864
Total Revenue	5,556,499	-	1,423,488	5,991,726	12,971,713
<b>Expenditures:</b>					
Public Safety	3,653,763	-	-	928,071	4,581,834
Public Works	630,240	-	-	1,686,460	2,316,700
Health and Social Services	27,629	-	-	-	27,629
Culture and Recreation	1,410,570	-	-	217,849	1,628,419
Community and Economic Development	355,127	-	-	378,322	733,449
General Government	482,266	-	-	112,202	594,468
Capital Projects	-	-	2,105,935	-	2,105,935
Debt Service	111,232	-	-	1,458,444	1,569,676
Total Expenditures	6,670,827	-	2,105,935	4,781,349	13,558,110
Excess (deficiency) of revenues over expenditures	(1,114,328)	-	(682,447)	1,210,378	(586,397)
<b>Other financing sources (uses):</b>					
Issuance of Debt	422,242	-	-	-	422,242
Proceeds from Sale of Capital Equipment	-	-	2,000	-	2,000
Transfers In	966,297	-	337,983	2,481,517	3,785,797
Transfers Out	(1,148,741)	-	-	(1,302,078)	(2,450,819)
Total other financing sources (uses)	239,798	-	339,983	1,179,439	1,759,220
Net Change in Fund Balance	(874,530)	-	(342,464)	2,389,817	1,172,823
Fund balances - beginning of year	4,749,776	190,066	(1,786,350)	7,846,448	10,999,940
Change within financial reporting entity - Major to Nonmajor	-	(190,066)	-	190,066	-
Change within financial reporting entity - Nonmajor to Major	-	-	3,761,802	(3,761,802)	-
Other change within financial reporting entity	3,611	-	-	(3,611)	-
Fund balances - beginning of year, as restated	4,753,387	-	1,975,452	4,271,101	10,999,940
Fund balances - end of year	\$ 3,878,857	\$ -	\$ 1,632,988	\$ 6,660,918	\$ 12,172,763

See Accompany Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2024**

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Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds (page 19)		\$ 1,172,823
Governmental funds report capital outlays, including infrastructure, as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. Capital outlays exceeded depreciation/amortization expense in the current year as follows:		
Expenditures for capital assets	\$ 3,825,217	
Depreciation/Amortization expense	<u>(1,498,165)</u>	2,327,052
Governmental funds report the proceeds from the sale of capital assets as revenue whereas the statement of activities reports the gain or loss on the disposal of capital assets. This is the effect on the change in net position on the statement of activities.		
		(164,081)
Capital Contributions reported in the Statement of Activities that do not provide current financial resources and are not reported as revenues in the funds.		
		1,419,180
The effect of the change in prepaid insurance which is not reported in the governmental funds as it is not available to provide current financial resources.		
		31,717
Governmental funds report economic development notes receivable and property taxes as revenue when it becomes available, but the statement of activities includes these assets as revenue when originally issued.		
		(30,321)
Accrued interest expense reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.		
		2,067
The effect of bond premiums and discounts are shown in the governmental funds when new debt is issued, whereas, these amounts are deferred and amortized in the Statement of Activities.		
		24,067
Governmental funds do not reflect the change in accrued compensated absences as it does not consume current financial resources. The Statement of Activities reflects the change in accrued compensated absences through expenditures.		
		(15,567)
Internal service funds are used by management to fund and maintain the City's insurance policies provided to user departments and are included in the statement of net position. The net revenue of the internal service funds is reported with governmental activities.		
		111,569
Pension expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds		
		160,684
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. The transaction, however, has no effect on net position. The amount of payments in the current year are as follows:		
Proceeds from debt issuance	(422,242)	
Repayments of long-term debt	<u>1,218,067</u>	
		<u>795,825</u>
Change in net position of governmental activities (page 16)		<u>\$ 5,835,015</u>

**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF NET POSITION**  
**Proprietary Funds**  
**June 30, 2024**

	<b>Business Type Activities</b>				<b>Governmental</b>
	<b>Water System</b>	<b>Sewer System</b>	<b>Electric System</b>	<b>Total</b>	<b>Activities Internal Service</b>
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	\$ 5,062,287	\$ 5,000,996	\$ 12,628,156	\$ 22,691,439	\$ -
Investments	-	1,010,000	1,960,346	2,970,346	134,951
Receivables (Net, where applicable, of allowance for uncollectibles)					
Accounts	285,024	307,428	1,568,348	2,160,800	-
Accrued Interest	354	96,034	77,350	173,738	926
Lease Receivable	1,646	-	15,870	17,516	-
Notes Receivable	-	-	210,474	210,474	-
Due from Other Funds	-	8,067	3,048,043	3,056,110	-
Due from Other Governmental Agencies	190	2,022	865	3,077	-
Inventories	215,009	106,611	754,177	1,075,797	-
Prepaid Assets	59,321	32,260	117,246	208,827	-
Land Held for Resale	-	-	2,311,479	2,311,479	-
Restricted Assets:					
Cash and Cash Equivalents	784,309	-	2,343,030	3,127,339	-
Cash Restricted for Customer Deposits	-	-	445,132	445,132	-
<b>Total Current Assets</b>	<b>6,408,140</b>	<b>6,563,418</b>	<b>25,480,516</b>	<b>38,452,074</b>	<b>135,877</b>
<b>Noncurrent Assets</b>					
Lease Receivable	21,799	-	11,015	32,814	-
Notes Receivable	-	-	5,488,862	5,488,862	-
Land	237,885	741,628	221,935	1,201,448	-
Construction in Progress	2,169,669	1,779,861	2,668,813	6,618,343	-
Infrastructure, Property and Equipment, Net of Accumulated Depreciation/Amortization	13,649,640	6,689,248	11,764,060	32,102,948	-
<b>Total Noncurrent Assets</b>	<b>16,078,993</b>	<b>9,210,737</b>	<b>20,154,685</b>	<b>45,444,415</b>	<b>-</b>
<b>Total Assets</b>	<b>22,487,133</b>	<b>15,774,155</b>	<b>45,635,201</b>	<b>83,896,489</b>	<b>135,877</b>
<b>Deferred Outflows of Resources</b>					
Unamortized bond refunding related deferred outflows	-	-	803,969	803,969	-
Pension related deferred outflows	123,838	85,979	280,317	490,134	-
OPEB related deferred outflows	9,507	6,399	20,894	36,800	40,320
<b>Total Deferred Outflows of Resources</b>	<b>133,345</b>	<b>92,378</b>	<b>1,105,180</b>	<b>1,330,903</b>	<b>40,320</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts Payable	172,473	345,917	1,933,652	2,452,042	-
Accrued Wages	19,329	10,520	34,773	64,622	-
Other Accrued Expenses	-	1,419	7,347	8,766	-
Customer Deposits	-	-	445,132	445,132	-
Due to Other Funds	-	1,111,401	-	1,111,401	12,502
Unearned Revenue	-	-	3,678	3,678	-
Claims Incurred But Not Reported	-	-	-	-	29,000
Payables from Restricted Assets:					
Accrued Revenue Bond Interest	28,275	-	97,372	125,647	-
<b>Total Current Liabilities</b>	<b>220,077</b>	<b>1,469,257</b>	<b>2,521,954</b>	<b>4,211,288</b>	<b>41,502</b>
<b>Noncurrent Liabilities:</b>					
Due within one year:					
Revenue Bonds Payable	385,000	-	775,000	1,160,000	-
IT Subscriptions	4,584	514	5,571	10,669	-
Compensated Absences and Benefits	48,459	26,571	102,440	177,470	-
Notes Payable	-	-	201,681	201,681	-
Due in more than one year:					
Revenue Bonds Payable	9,661,570	-	18,890,939	28,552,509	-
Notes Payable	-	402,902	344,538	747,440	-
Other Post Employment Benefits	30,613	20,606	67,281	118,500	129,837
IT Subscriptions	1,488	-	-	1,488	-
Compensated Absences and Benefits	28,130	25,900	89,281	143,311	-
Net pension liability	313,306	225,898	718,568	1,257,772	-
<b>Total Noncurrent Liabilities</b>	<b>10,473,150</b>	<b>702,391</b>	<b>21,195,299</b>	<b>32,370,840</b>	<b>129,837</b>
<b>Total Liabilities</b>	<b>10,693,227</b>	<b>2,171,648</b>	<b>23,717,253</b>	<b>36,582,128</b>	<b>171,339</b>
<b>Deferred Inflows of Resources</b>					
Lease related deferred inflows	21,359	-	30,053	51,412	-
Pension related deferred inflows	6,849	4,939	15,709	27,497	-
OPEB related deferred inflows	9,752	6,564	21,433	37,749	41,361
<b>Total Deferred Inflows of Resources</b>	<b>37,960</b>	<b>11,503</b>	<b>67,195</b>	<b>116,658</b>	<b>41,361</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	11,379,459	8,870,861	10,292,003	30,542,323	-
Restricted for:					
Debt Service	756,034	-	2,245,658	3,001,692	-
Unrestricted	(246,202)	4,812,521	10,418,272	14,984,591	(36,503)
<b>Total Net Position</b>	<b>\$ 11,889,291</b>	<b>\$ 13,683,382</b>	<b>\$ 22,955,933</b>	<b>\$ 48,528,606</b>	<b>\$ (36,503)</b>

See Accompany Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<b>Business Type Activities</b>	
	<b>Water System</b>	<b>Sewer System</b>
<b>Operating Revenues:</b>		
Charges for Services	\$ 3,045,848	2,662,478
Miscellaneous	29,552	765,777
<b>Total Operating Revenue</b>	<u>3,075,400</u>	<u>3,428,255</u>
<b>Operating Expenses:</b>		
Operating and Maintenance	2,179,461	1,291,685
Depreciation / Amortization	567,277	316,733
<b>Total Operating Expenses</b>	<u>2,746,738</u>	<u>1,608,418</u>
<b>Operating Income</b>	328,662	1,819,837
<b>Non-Operating Income (Expense):</b>		
Interest Income	86,613	252,137
Interest Expense	(231,993)	-
Bad Debt Expense	(6,766)	-
Transfer of Assets	(567,912)	(614,422)
Corn Belt Reimbursements	-	-
<b>Total Non-Operating Income (Expenses)</b>	<u>(720,058)</u>	<u>(362,285)</u>
<b>Income (Loss) before Contributions and Transfers</b>	(391,396)	1,457,552
<b>Contributions and Transfers</b>		
Contributed Capital Revenue	286,917	365,786
Transfers In	1,220,375	-
Transfers (Out)	(349,230)	(212,272)
<b>Total Contributions and Transfers</b>	<u>1,158,062</u>	<u>153,514</u>
<b>Change in Net Position</b>	766,666	1,611,066
Net Position- Beginning	<u>11,122,625</u>	<u>12,072,316</u>
<b>Net Position - Ending</b>	<u><u>11,889,291</u></u>	<u><u>13,683,382</u></u>

<b>Business Type Activities</b>		<b>Governmental Activities</b>
<b>Electric System</b>	<b>Total</b>	<b>Internal Service</b>
12,100,620	17,808,946	1,526,977
585,743	1,381,072	145
12,686,363	19,190,018	1,527,122
11,557,114	15,028,260	1,416,479
682,588	1,566,598	-
12,239,702	16,594,858	1,416,479
446,661	2,595,160	110,643
460,945	799,695	926
(733,009)	(965,002)	-
(20,417)	(27,183)	-
(8,751)	(1,191,085)	-
1,702,827	1,702,827	-
1,401,595	319,252	926
1,848,256	2,914,412	111,569
41	652,744	-
28,850	1,249,225	-
(2,022,701)	(2,584,203)	-
(1,993,810)	(682,234)	-
(145,554)	2,232,178	111,569
23,101,487	46,296,428	(148,072)
22,955,933	48,528,606	(36,503)

See Accompany Notes to Financial Statements



**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF CASH FLOWS**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<u>Business Type Activities</u>	
	<u>Water System</u>	<u>Sewer System</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Customers	\$ 3,043,706	\$ 3,369,892
Cash Paid to Suppliers for Goods and Services	(1,433,772)	(851,832)
Cash Paid to Employees for Services	(633,469)	(459,386)
Other Non-Operating Income	-	-
Net Cash Provided by Operating Activities	<u>976,465</u>	<u>2,058,674</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and Construction of Capital Assets	(2,114,792)	(994,851)
Proceeds from Notes	5,409,454	314,331
Bond Issue Costs	(77,525)	-
Principal Paid on Notes, Bonds, and Other Liabilities	(215,000)	-
Interest Paid on Notes, Bonds, and Other Liabilities	(147,866)	-
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>2,854,271</u>	<u>(680,520)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>		
Transfers From (To) Other Funds	871,144	(183,422)
Due From (To) Other Funds	(417,291)	8,436
Net Cash Provided (Used) for Non-Capital Financing Activities	<u>453,853</u>	<u>(174,986)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Decrease in Notes Receivable	-	-
Proceeds of Redeemed CDs	1,010,000	2,042,835
Purchase of Investments	-	(1,010,000)
Interest and Dividends on Investments	93,851	171,751
Net Cash Provided (Used) for Investing Activities	<u>1,103,851</u>	<u>1,204,586</u>
Net Increase (Decrease) in Cash and Cash Equivalents	5,388,440	2,407,754
Cash and Cash Equivalents at Beginning of Year	<u>458,156</u>	<u>2,593,242</u>
Cash and Cash Equivalents at End of Year	<u>\$ 5,846,596</u>	<u>\$ 5,000,996</u>
Cash and Cash Equivalents:		
Unrestricted	\$ 5,062,287	\$ 5,000,996
Restricted	784,309	-
	<u>\$ 5,846,596</u>	<u>\$ 5,000,996</u>

See Accompany Notes to Financial Statements

<u>Business Type Activities</u>		<u>Governmental</u>
<u>Electric</u>		<u>Activities</u>
<u>System</u>	<u>Total</u>	<u>Internal</u>
		<u>Service</u>
\$ 12,028,683	\$ 18,442,281	\$ 1,527,122
(9,678,396)	(11,964,000)	(1,418,054)
(1,375,255)	(2,468,110)	10,338
1,702,827	1,702,827	-
<u>2,677,859</u>	<u>5,712,998</u>	<u>119,406</u>
(1,671,537)	(4,781,180)	-
8,842,743	14,566,528	-
(81,700)	(159,225)	-
(849,430)	(1,064,430)	-
<u>(554,939)</u>	<u>(702,805)</u>	<u>-</u>
<u>5,685,137</u>	<u>7,858,888</u>	<u>-</u>
(2,022,702)	(1,334,980)	-
907,583	498,728	12,502
<u>(1,115,119)</u>	<u>(836,252)</u>	<u>12,502</u>
214,979	214,979	-
5,627,611	8,680,446	-
(1,960,346)	(2,970,346)	(134,951)
<u>488,399</u>	<u>754,001</u>	<u>-</u>
<u>4,370,643</u>	<u>6,679,080</u>	<u>(134,951)</u>
11,618,520	19,414,714	(3,043)
<u>3,797,798</u>	<u>6,849,196</u>	<u>3,043</u>
<u>\$ 15,416,318</u>	<u>\$ 26,263,910</u>	<u>\$ -</u>
\$ 12,628,156	\$ 22,691,439	\$ -
2,788,162	3,572,471	-
<u>\$ 15,416,318</u>	<u>\$ 26,263,910</u>	<u>\$ -</u>

(Continued)

See Accompany Notes to Financial Statements

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**CITY OF WEBSTER CITY, IOWA**  
**COMBINING STATEMENT OF CASH FLOWS (Continued)**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<b>Business Type Activities</b>	
	<b>Water System</b>	<b>Sewer System</b>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities		
Operating Income (Loss)	\$ 328,662	\$ 1,819,837
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation/Amortization	567,277	316,733
Other Non-Operating Income	-	-
Bad Debt Expense	(6,766)	-
(Increase) Decrease in Assets and Deferred Outflows:		
Accounts Receivable	(24,770)	(58,363)
Lease Receivable	1,620	-
Prepaid Expenses	(6,715)	(553)
Inventories	9,100	(17,315)
Deferred outflows of resources	(52,770)	(32,182)
Increase (Decrease) in Liabilities and Deferred Inflows:		
Accounts Payable	113,881	27,148
Accrued Wages	5,021	(5,576)
Other Accruals	(11,694)	(974)
Net pension liability	74,273	29,273
Deferred inflows of resources	(32,202)	(26,113)
Customer Deposits	-	-
Other Post Employment Benefits	11,548	6,759
Total Adjustments	<u>647,803</u>	<u>238,837</u>
Net Cash Provided by Operating Activities	<u>\$ 976,465</u>	<u>\$ 2,058,674</u>
Supplemental Schedule of Noncash Capital and Related Financing Activities:		
Transfer of Assets	(567,912)	(614,422)
Contributed Capital	286,917	365,786
	<u>\$ (280,995)</u>	<u>\$ (248,636)</u>

See Accompany Notes to Financial Statements

<u>Business Type Activities</u>		<u>Governmental</u>
<u>Electric</u>		<u>Activities</u>
<u>Utility</u>	<u>Total</u>	<u>Internal</u>
		<u>Service</u>
<u>\$ 446,661</u>	<u>\$ 2,595,160</u>	<u>\$ 110,643</u>
682,588	1,566,598	-
1,702,827	1,702,827	-
(20,417)	(27,183)	-
(653,046)	(736,179)	-
27,456	29,076	-
(22,620)	(29,888)	-
(75,995)	(84,210)	-
(118,080)	(203,032)	(29,505)
591,979	733,008	(1,575)
6,253	5,698	-
(23,708)	(36,376)	-
190,839	294,385	-
(95,728)	(154,043)	(6,900)
16,011	16,011	-
22,839	41,146	46,743
<u>2,231,198</u>	<u>3,117,838</u>	<u>8,763</u>
<u>\$ 2,677,859</u>	<u>\$ 5,712,998</u>	<u>\$ 119,406</u>
(8,751)	(1,191,085)	-
41	652,744	-
<u>\$ (8,710)</u>	<u>\$ (538,341)</u>	<u>\$ -</u>

See Accompany Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2024**

	<b>Private Purpose Trust Fund</b>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 17,185
Investments	10,000
Receivables:	
Accounts Receivable	50
Accrued Interest	70
<b>Total Assets</b>	<u>27,305</u>
<b>LIABILITIES</b>	
Accounts Payable	<u>100</u>
<b>Total Liabilities</b>	<u>100</u>
<b>NET POSITION</b>	
Restricted for individuals, organizations, and other governments	<u>27,205</u>
<b>Total Net Position</b>	<u><u>\$ 27,205</u></u>

See Accompanying Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**For the Year Ended June 30, 2024**

	<b>Private Purpose Trust Fund</b>
<b>Additions</b>	
Interest Income	\$ 226
Miscellaneous	6,011
<b>Total Additions</b>	<u>6,237</u>
<b>Deductions</b>	
Culture and Recreation	<u>1,832</u>
<b>Total Deductions</b>	<u>1,832</u>
Changes in Net Position	4,405
Net Position Beginning of Year	<u>22,800</u>
Net Position End of Year	<u><u>\$ 27,205</u></u>

See Accompanying Notes to Financial Statements

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Webster City, Iowa is a political subdivision of the State of Iowa located in Hamilton County, and was incorporated in 1874, under the laws of the State of Iowa, later amended in 1974 under the Home Rule City Act. The City operates under a Council-Manager form of government with the council members elected on a non-partisan basis and administers the following functions as authorized by its charter: public safety, public works, health and social services, culture and recreation, community and economic development and general government services. The City also has municipal water, sewer, and electric utility systems, which are governed by the City Council.

The City's financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board.

**A. Reporting Entity**

For financial reporting purposes, the City of Webster City, Iowa, has included all funds, organizations, agencies, boards, commissions and authorities. The City has also 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 Governmental Accounting Standards Board 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 Webster City, Iowa (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

Discretely Presented Component Units

*Webster City Airport Commission*

The government-wide financial statements include the Webster City Airport Commission ("airport commission") as a component unit. The airport commission is a legally separate organization. The board of the airport commission is appointed by the Webster City City Council. Iowa Statutes provide for circumstances whereby the City can impose their will on the airport commission. The airport commission can create a potential financial benefit to or burden on the City. As a component unit, the airport commission's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended June 30, 2024. Separate financial statements are not issued for the Webster City Airport Commission.

*Fuller Trust*

The government-wide financial statements include the Fuller Trust as a component unit.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Fuller Trust is a legally separate organization. The board of Fuller Trust is elected by the general public and can provide a financial benefit or burden to the City. As a component unit, the Fuller Trust's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended June 30, 2024. Separate financial statements are not issued for the Fuller Trust.

Jointly Governed Organizations - The City also participates in several jointly governed organizations for which the City is not financially accountable or that the nature and significance of the relationship with the City are such that exclusion does not cause the City's financial statements to be misleading or incomplete. City officials are members of the following Boards and Commissions: Hamilton County Assessors' Conference Board, Hamilton County Emergency Management Commission, and Hamilton County Joint E911 Service Board.

**B. 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 primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are supported by property tax, intergovernmental revenues, and other nonexchange revenues are reported separately from business type activities, which rely to a significant extent on fees and charges for services. The City's general, special revenue, debt service, capital projects and permanent funds are classified as governmental activities. The City's Medical/Flex internal service fund is also classified as a governmental-type activity.

The Statement of Net Position presents the City's nonfiduciary assets and liabilities, with the difference reported as net position. Net position is reported in three categories.

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes and other debt attributable to the acquisition, construction or improvement of those assets.

*Restricted net position* results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation. The City first uses restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

*Unrestricted net position* consists of net position not meeting the definition of the two preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given



**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

function and 2) grants, contributions and interest restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

The City does not allocate indirect costs. Certain expenses of the City are accounted for through the internal service fund on a cost-reimbursement basis.

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year activities.

Fund Financial Statements – Separate financial statements are provided for governmental and proprietary funds. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor governmental funds.

The City reports the following major governmental funds:

- 1) General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The sources of revenue include property taxes, charges for services, fines and fees, licenses and permits, as well as state and federal grants. The expenditures of the General Fund relate to general administration, police and fire protection, maintenance of public streets, economic development, and culture and recreation.
- 2) Capital Project – The Capital Project Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets with the exception of those financed through Enterprise Funds.

The City reports the following major proprietary (enterprise) funds:

The Water Utility is used to account for the operation and maintenance of the City's water system.

The Sewer Utility is used to account for the operation and maintenance of the City's sewer system.

The Electric Utility is used to account for the operation and maintenance of the City owned electric system.

In addition, the City reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the city, or to other governmental units, on a cost-reimbursement basis.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The City reports the following fiduciary fund type:

Private-purpose trust funds are used to report any trust arrangement not properly reported in a pension trust fund under which principal and income benefit individuals, private organizations, or other governments.

Joe E. Barr Trust  
Edgar Foster Trust  
Calvary Cemetery Trust

Zella Silvers Trust  
Mulberry Church Trust

**C. Measurement Focus and Basis of Accounting**

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year end.

Property tax, local option sales tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the City.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt are reported as other financing sources.

Under terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

principal operating revenues of enterprise funds are charges to customers for sales and services. Operating expenses consist of cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Assets, Liabilities and Fund Equity**

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most City funds, including the airport discretely presented component unit, are pooled and invested. Interest earned on investments is recorded in the General Fund unless otherwise provided by law.

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.

Investments consist of the following:

<u>Type</u>	<u>Method</u>
Nonnegotiable Certificates of Deposit	Amortized Cost
Iowa Public Agency Investment Trust	Amortized Cost
Government Obligations	Fair Value
Commercial Paper	Fair Value
Mutual Funds – Fuller Trust	Fair Value

Custodial Credit Risk – the City has no policy in place regarding custodial credit risk and deposits with financial institutions, however, deposits are insured by the state sinking fund, which provides for additional assessments against depositories to avoid loss of public funds.

Property Tax Receivable, Including Tax Increment Financing - Property tax, including tax increment financing, in governmental funds is accounted for using the modified accrual basis of accounting. Property tax receivable is recognized in these funds on the levy or lien date, which is the date the tax asking is certified by the City Council to the County Board of Supervisors. Current year delinquent property taxes receivable represents unpaid taxes from the current year. The succeeding year property tax receivable represents taxes certified by the City Council 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 Council is required to certify its budget to the County Auditor by April 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 tax receivable has been recorded, the related revenue is deferred and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the current fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2022 assessed property valuations; is for the tax accrual period July 1, 2023 through June 30, 2024 and reflects the tax asking contained in the budget certified to the

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

County Board of Supervisors in March 2023. Any county collections on the 2023-2024 tax levy remitted to the City within 60 days subsequent to June 30, 2024, are recorded as property tax revenue.

Customer Accounts and Unbilled Usage – Accounts receivable in the Enterprise Funds includes services billed prior to June 30, 2024 and an estimate of services provided through June 30, 2024 but not billed.

Short-Term Interfund Receivables/Payables - During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent certain transactions between funds have not been paid or received as of June 30, 2024, balances of interfund amounts payable or receivable have been recorded as “due to other funds” and “due from other funds”, respectively in the fund financial statements. Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as interfund balances.

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories - Inventories of the proprietary fund types are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed.

Restricted Assets – Funds set aside for payment of Enterprise Fund revenue notes and customer deposits are classified as restricted assets since their use is restricted by applicable note indentures and customer deposit reimbursements.

Prepaid Items - Payments made to vendors for services that will benefit periods beyond June 30, 2024 are recorded as prepaid items.

Capital Assets - Capital assets, which include property, equipment and vehicles and infrastructure assets (e.g. roads, bridges, curbs, gutters, sidewalks and similar items which are immovable and of value only to the government) are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Position and in the Proprietary Funds Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair not adding to the value of the asset or materially extend asset lives are not capitalized. Reportable capital assets are defined by the City as assets with initial, individual costs in excess of \$5,000 for general capital assets and \$50,000 for infrastructure assets and estimated useful lives in excess of one year. Bulk purchases of equipment could also be capitalized. The capitalization threshold for bulk purchases is \$50,000 or more.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Depreciation expense is calculated using the straight-line method over the following useful lives:

Buildings	39 – 150 Years
Utility Plant	25 – 90 Years
Machinery & Equipment	3 – 30 Years
Infrastructure	20 – 100 Years
Land Improvements	50 – 100 Years

Leases – City of Webster City is a lessor for multiple different types of leases, including land and telephone pole space. The City recognizes lease receivables and deferred inflows of resources in the government-wide, governmental fund, and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City of Webster City determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

City of Webster City uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITAs) - The City uses information technology (IT) software and has a contract that meets the definition of a subscription-based information technology arrangement (SBITA) for this software. A SBITA is a contract that conveys control to the right to use another party's IT software alone, or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

At the commencement of a SBITA, The City initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the useful life of IT asset or the term of the SBITA.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Key estimates and judgments related to SBITAs include how the City determines the discount rate it uses to discount the expected subscription payments to present value, subscription term and subscription payments.

The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the vendor is not provided, The City generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.

The subscription term includes the noncancellable period of the subscription and optional renewal periods if the City is reasonably certain to exercise those options. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and certain variable payments. Variable payments based on future performance of the government, usage of the underlying IT assets, or number of users seats are expensed as incurred, and not included in the measurement of the subscription liability.

The City monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

On the statement of net position, subscription assets and are reported with other capital assets and subscription liabilities are reported as separate line items for the current and long-term portion of the subscription contracts.

Deferred Outflows of Resources –Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense, unamortized portion of the net difference between projected and actual earnings on pension plan assets, and contributions from the employer after the measurement date but before the end of the employer’s reporting period.

Compensated Absences - City employees accumulate a limited amount of earned but unused vacation and sick-leave hours for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide and proprietary fund financial statement. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2024. The compensated absences liability attributable to the governmental activities will be paid by the General Fund.

Long-term Liabilities – In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business type activities column in the Statement of Net Position and the proprietary fund Statement of Net Position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Iowa Public Employees’ Retirement System and the Municipal Fire and Police Retirement System (Systems’) and additions to deductions from the Systems’ fiduciary net position have been determined on the same basis as they are reported by Systems’. 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. The net pension liability attributable to the governmental activities will be paid primarily by the General Fund.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows and inflows of resources related to OPEB and OPEB expense, information has been determined based on the City’s actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The total OPEB liability attributable to the governmental activities will be paid primarily by the General Fund.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred inflows of resources consist of property tax receivable and other receivables not collected within sixty days after year end. Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax and tax increment financing receivable that will not be recognized as revenue until the year for which they are levied, the unamortized portion of the net difference between projected and actual earnings on pension plan investments and OPEB, and the deferred amounts related to leases.

Fund balances - In each of the City’s governmental funds (general fund, special revenue funds, capital projects funds, and debt service funds) are displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- *Nonspendable fund balance* – amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can be spent only for specific purposes determined by a formal action of the government’s highest level of decision-making authority.
- *Assigned fund balance* – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

- *Unassigned fund balance* – amounts that are available for any purpose; these amounts can be reported only in the City’s General Fund.

Fund balance amounts represent the nature of the net resources that are reported in a governmental fund. The City fund balance classifications include non-spendable resources, restricted, and non-restricted (committed, assigned and unassigned) amounts. When the City incurs an expenditure and both restricted and unrestricted amounts are available, the City considers restricted amounts to have been spent. When the City incurs an expenditure for an unrestricted amount, committed amounts are reduced first, followed by assigned amounts and then unassigned amounts for purposes in which any of those unrestricted fund balance classifications could be used.

Interfund Transactions - Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services provided and used transactions and reimbursements, are reported as transfers.

**E. Budgets and Budgetary Accounting**

The budgetary comparison and related disclosures are reported as Required Supplementary Information. During the year ended June 30, 2024, disbursements exceeded budgeted expenditures in the public safety, health and social services, and debt service activities.

**Note 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The City's deposits at June 30, 2024, were entirely covered by Federal Depository Insurance collateralized with securities or letters of credit held by the City or by a multiple financial institution collateral pool in accordance with Chapter 12C of the Code of Iowa. Chapter 12C provides for additional assessments against the depositories to insure there will be no loss of public funds. The City is authorized by statute to invest public funds in obligation of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the City Council; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2024 the City had the following investments meeting the disclosure requirements of Governmental Accounting Standards Board Statement No. 72.

<b>City Investments</b>	<b>Credit Risk</b>	<b>Fair Value</b>	<b>Maturity</b>	<b>Fair Value Hierarchy</b>
IPAIT Investments	Not Rated	\$ 13,262,423	1 year	N/A

The City had investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$13,262,423, of which \$7,272,926 is in cash and cash equivalents and \$5,989,497 is in investments. There were no limitations or restrictions on withdrawals for the IPAIT



**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

investments. The City's investment in IPAIT is unrated. Investment policies are followed to maintain a constant net position value of \$1.00 per unit for the portfolio. The City held \$14,339,999 in nonnegotiable certificates of deposit at various banks at year end of which \$6,701,381 is in cash and cash equivalents and \$7,638,618 is in investments.

**Interest Rate Risk** – This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does have a formal investment policy that limits investment maturities (no more than 397 days) as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Fuller Trust – Discretely Presented Component Unit:**

**Custodial Credit Risk:** This is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Fuller Trust funds do not have custodial credit risk policies for investments.

**Interest Rate Risk:** This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Fuller Trust does not have a formal investment policy that limits investment maturities (no more than 397 days) as a means of managing its exposure to fair value losses arising from increasing interest rates. Information about the exposure of the Fuller Trust's investments to this risk is as follows:

Type of Investment	Credit Risk	Fair Value	Less Than 1 Year
Fixed Income	Not Rated	\$ 486,717	\$ 486,717
Fixed Income Bonds	AAA	38,319	38,319
Fixed Income Bonds	AA	105,508	105,508
Fixed Income Bonds	A	53,223	53,223
Fixed Income Bonds	BBB	38,580	38,580
Mutual Funds	-	1,755,187	1,755,187
		<u>\$ 2,477,534</u>	<u>\$ 2,477,534</u>

The Fuller Trust uses the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

The recurring fair value measurement for the Fixed Income Bonds of \$722,347 and the Mutual Funds of \$1,755,188 were all determined using the last reported sales price at current exchange rates (Level 1 inputs).

The Fuller Trust had no other investments meeting the disclosure requirements of Governmental Accounting Standards Boards Statement No. 72.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 2 - CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Airport Commission – Discretely Presented Component Unit**

The Airport Commission held nonnegotiable certificate of deposits in the amount of \$650,000 as of June 30, 2024, of which \$297,118 is in cash and cash equivalents and \$352,882 is in investments. The Airport Commission had no other investments meeting the disclosure requirements of Governmental Accounting Standards Boards Statement No. 72.

**Note 3 - RECEIVABLES**

Receivables at June 30, 2024 are net of allowance for uncollectibles. The allowance for uncollectibles of the enterprise funds of the primary government was \$6,790 at June 30, 2024.

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed.

It is the City's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as committed fund balance in the fund financial statements.

**Note 4 - DUE FROM OTHER GOVERNMENTS**

At June 30, 2024, amounts due from other governments were as follows:

Due from the Iowa Department of Revenue for Road Use Tax allocation	\$ 89,037	
Due from the Federal Emergency Management Agency for COVID Relief Funds	1,334	
Due from the Iowa Department of Revenue for Local Option Sales taxes	103,508	
Due from the Iowa Department of Revenue for Local Transient Guest taxes	26,124	
Due from the Iowa Department of Revenue for Catalyst Building Remediation	40,000	
Due from the Federal Department of Homeland Security for Highway Safety	2,012	
Total Governmental Funds	\$ 262,015	
Due from Federal Emergency Management Agency for COVID Relief Funds	3,077	
Total Proprietary Funds	\$ 3,077	
Due from the Federal Aviation Administration for Airport Grant funding	26,961	
Total Component Unit – Airport Commission	\$ 26,961	

**Note 5 - LEASE RECEIVABLES**

The City has entered into lease agreements as the Lessor for multiple types of leases. Balances as of June 30, 2024 for the lease receivables are as follows:

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 5 - LEASE RECEIVABLES (Continued)**

	Governmental Activities	Business-Type Activities	Component Units	Total
Collins Street Land Lease	\$ -	\$ 23,444	\$ -	\$ 23,444
WCCS Dark Fibers Lease	-	3,300	-	3,300
Airport Farm Lease	-	-	14,166	14,166
ICN Pole Lease	-	1,284	-	1,284
Township 88 Land Lease	7,437	11,707	-	19,144
2019 Woolstock Mutual Pole Lease	-	4,842	-	4,842
2020 Woolstock Mutual Pole Lease	-	5,753	-	5,753
<b>Total</b>	<b>\$ 7,437</b>	<b>\$ 50,330</b>	<b>\$ 14,166</b>	<b>\$ 71,933</b>

On July 6, 2021, the City of Webster City entered into a 180 month lease as Lessor for the use of 1317 Collins Street. The lease receivable is recorded in the amount of \$23,444 as of June 30, 2024. The lessee is required to make annual fixed payments of \$2,000. The lease has an interest rate of 1.51%. The value of the deferred inflow of resources as of June 30, 2024 was \$21,359, and the City of Webster City recognized lease revenue of \$1,621 and lease interest of \$379 during the fiscal year. The lessee has 2 extension options, each for 180 month. A summary of the remaining lease receivable principal and interest to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 1,646	\$ 354	\$ 2,000
2026	1,670	330	2,000
2027	1,696	304	2,000
2028	1,721	279	2,000
2029	1,747	253	2,000
2030-2034	9,141	859	10,000
2035-2037	5,823	177	6,000
<b>Total</b>	<b>\$ 23,444</b>	<b>\$ 2,556</b>	<b>\$ 26,000</b>

On October 1, 2015, the City of Webster City entered into a 51 month lease as Lessor for the use of dark fibers. As of June 30, 2024, the value of the lease receivable recorded is \$3,300. The lessee is required to make annual fixed payments of \$1,664. The lease has an interest rate of 0.56%. The value of the deferred inflow of resources as of June 30, 2024 was \$2,420, and the City of Webster City recognized lease revenue of \$1,637 and lease interest of \$27 during the fiscal year. The lessee has 1 extension option for 12 months. A summary of the remaining lease receivable principal and interest to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 1,646	\$ 18	\$ 1,664
2026	1,654	10	1,664
<b>Total</b>	<b>\$ 3,300</b>	<b>\$ 28</b>	<b>\$ 3,328</b>

On March 1, 2022, the City of Webster City entered into a 36 month lease as Lessor for the use of Hamilton County 1 farmland. As of June 30, 2024, the value of the lease receivable is \$14,166. The lessee is required to make semi-annual fixed payments of \$14,200. The lease has an interest rate

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 5 - LEASE RECEIVABLES (Continued)**

of 0.48%. The value of the deferred inflow of resources as of June 30, 2024 was \$18,809, and the City of Webster City recognized lease revenue of \$28,232 and interest of \$168 during the fiscal year. A summary of the remaining lease receivable principal and interest to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 14,166	\$ 34	\$ 14,200
Total	\$ 14,166	\$ 34	\$ 14,200

On March 20, 2017, the City of Webster City entered into a 66 month lease as Lessor for the use of ICN-Pole Attachment. As of June 30, 2024, the value of the lease receivable is \$1,284. The lessee is required to make annual fixed payments of \$650. The lease has an interest rate of 0.82%. The value of the deferred inflow of resources as of June 30, 2024 was \$1,454, and the City of Webster City recognized lease revenue of \$634 and lease interest of \$16 during the fiscal year. A summary of the remaining lease receivable principal and interest to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 640	\$ 10	\$ 650
2026	644	6	650
Total	\$ 1,284	\$ 16	\$ 1,300

On October 1, 2019, the City of Webster City entered into a 98 month lease as Lessor for the use of WCMU's Poles 1. As of June 30, 2024, the value of the lease receivable recorded in the Electric fund is \$4,842. The lessee is required to make annual fixed payments of \$1,000. The lease has an interest rate of 1.08%. The value of the deferred inflow of resources as of June 30, 2024 was \$4,862, and the City of Webster City recognized lease revenue of \$937 and lease interest of \$63 during the fiscal year. A summary of the remaining lease receivable principal and interest to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 948	\$ 52	\$ 1,000
2026	958	42	1,000
2027	968	32	1,000
2028	979	21	1,000
2029	989	11	1,000
Total	\$ 4,842	\$ 158	\$ 5,000

On September 8, 2020, The City of Webster City entered into a 111 month lease as Lessor for the use of WCMU's Poles 2. As of June 30, 2024, the value of the lease receivable recorded in the Electric fund is \$5,753. The lessee is required to make annual fixed payments of \$1,000. The lease has an interest rate of 1.21%. The value of the deferred inflow of resources as of June 30, 2024 was \$5,780, and the City of Webster City recognized lease revenue of \$919 and lease interest of \$81 during the fiscal year. A summary of the remaining lease receivable principal and interest to maturity is as follows:

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 5 - LEASE RECEIVABLES (Continued)**

Year Ending June 30,	Principal	Interest	Total
2025	\$ 930	\$ 70	\$ 1,000
2026	942	58	1,000
2027	953	47	1,000
2028	964	36	1,000
2029	976	24	1,000
2030	988	12	1,000
Total	<u>\$ 5,753</u>	<u>\$ 247</u>	<u>\$ 6,000</u>

On March 14, 2022, The City of Webster City entered into a 36 month lease as Lessor for the use of Township 88 North, Range 26. On April 30, 2024, there was a partial termination and amendment to the original lease which allowed the original land to be paid by two lessees rather than one. There was no change in the original lease asset value and the change in semi-annual payments are immaterial to the financial statements. As of June 30, 2024, the value of the lease receivable recorded 61.15% in the Electric fund and 38.85% in the General fund is \$19,144. The lessee is required to make semi-annual fixed payments of \$19,188. The lease has an interest rate of 0.48%. The value of the deferred inflow of resources as of June 30, 2024 was \$25,408, and The City of Webster City recognized lease revenue of \$38,149 and lease interest of \$227 during the fiscal year. A summary of the remaining lease receivable principal and interest to maturity is as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 19,144	\$ 44	\$ 19,188
Total	<u>\$ 19,144</u>	<u>\$ 44</u>	<u>\$ 19,188</u>

**Note 6 - INTERFUND RECEIVABLES AND PAYABLES**

As of June 30, 2024, short-term interfund borrowings were as follows:

<u>Fund Due To</u>	<u>Fund Due From</u>	<u>Amount</u>
General	Sewer	\$ 600,000
General	Non-Major Governmental	472,717
General	Internal Service	12,502
Electric	Sewer	511,401
Electric	Capital Projects	2,532,081
Electric	Non-Major Governmental	4,561
Sewer	Non-Major Governmental	8,067
		<u>\$ 4,141,329</u>

The purpose of the interfund balances is to help finance short-term cash flow shortages of various funds and interfund borrowing.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 7 - CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2024 was as follows:

<b>Governmental Activities</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Capital assets not being depreciated/amortized:				
Land	\$ 4,860,325	\$ 173,895	\$ 150,218	\$ 4,884,002
Right of way	786,799	-	-	786,799
Construction in progress	4,372,530	4,062,241	5,092,627	3,342,144
Total capital assets not being depreciated/amortized	10,019,654	4,236,136	5,242,845	9,012,945
Capital assets being depreciated/amortized:				
Land improvements	2,503,172	-	-	2,503,172
Structures and improvements	11,161,879	51,954	52,633	11,161,200
Machinery and equipment	6,514,027	1,013,350	198,959	7,328,418
Streets	33,874,293	3,011,222	-	36,885,515
Trails and paths	2,070,885	-	-	2,070,885
Sidewalks	1,988,915	571,915	-	2,560,830
Storm sewers	3,352,653	1,198,379	-	4,551,032
Bridges	3,324,561	-	-	3,324,561
Dam	200,000	-	-	200,000
Traffic signals	183,657	-	-	183,657
IT Subscriptions	124,209	-	-	124,209
Intangible Right to Use Lease - Machinery/Equipment	-	200,382	-	200,382
Total capital assets being depreciated/amortized	65,298,251	6,047,202	251,592	71,093,861
Less: Accumulated depreciation/Amortization for				
Land improvements	836,571	51,820	-	888,391
Structures and improvements	5,240,612	276,192	45,912	5,470,892
Machinery and equipment	3,320,131	306,434	191,817	3,434,748
Streets	15,832,065	652,622	-	16,484,687
Trails and paths	607,950	41,418	-	649,368
Sidewalks	379,764	33,508	-	413,272
Storm sewers	744,404	42,009	-	786,413
Bridges	1,488,752	52,415	-	1,541,167
Dam	160,002	6,667	-	166,669
Traffic signals	183,655	-	-	183,655
IT Subscriptions	21,290	25,117	-	46,407
Intangible Right to Use Lease - Machinery/Equipment	-	9,963	-	9,963
Total Accumulated Depreciation/Amortization	28,815,196	1,498,165	237,729	30,075,632
Capital Assets, Net of Depreciation/Amortization	36,483,055	4,549,037	13,863	41,018,229
Governmental activities capital assets, net	\$ 46,502,709	\$ 8,785,173	\$ 5,256,708	\$ 50,031,174

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 7 - CAPITAL ASSETS - (Continued)**

Construction in progress is related to street projects, airport improvements, and utility projects.

Depreciation/Amortization expense was charged to functions as follows:

Governmental Activities:	
General Government	\$ 33,662
Public Safety	164,066
Public Works, which includes the depreciation of infrastructure	1,049,535
Culture and Recreation	250,902
	<hr/>
Total governmental activities - depreciation/amortization expense	<u>\$ 1,498,165</u>

	<b>Beginning</b>			<b>Ending</b>
	<b>Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance</b>
	<hr/>			
<b>Business-Type Activities:</b>				
Capital assets not being depreciated/amortized:				
Land	\$ 1,201,448	\$ -	\$ -	\$ 1,201,448
Construction in Progress	4,595,643	5,899,175	3,876,475	6,618,343
Total capital assets not being depreciated/amortized	<hr/> 5,797,091	5,899,175	3,876,475	<hr/> 7,819,791
Capital assets being depreciated/amortized:				
Buildings and improvements	3,518,764	-	-	3,518,764
Machinery and equipment	5,017,106	103,520	12,118	5,108,508
Utility Plant	75,791,772	2,684,322	-	78,476,094
IT Subscriptions	25,177	-	-	25,177
Total capital assets being depreciated/amortized	<hr/> 84,352,819	2,787,842	12,118	<hr/> 87,128,543
Less: Accumulated Depreciation/Amortization	<hr/> 53,471,738	1,566,598	12,741	<hr/> 55,025,595
Total capital assets being depreciated/amortized, net	<hr/> 30,881,081	1,221,244	(623)	<hr/> 32,102,948
Business-type activities capital assets, net	<hr/> <u>\$ 36,678,172</u>	<u>\$ 7,120,419</u>	<u>\$3,875,852</u>	<u>\$ 39,922,739</u>

Construction in progress at June 30, 2024 consisted of costs associated with the water, wastewater and electric system improvements.

Depreciation/Amortization expense was charged to functions/programs of the primary government as follows:

Business-Type Activities:	
Water	\$ 567,277
Sewer	316,733
Electric	682,588
	<hr/>
Total depreciation/amortization expense – business-type activities	<u>\$ 1,566,598</u>

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 7 - CAPITAL ASSETS - (Continued)**

**Reconciliation of Net Investment in Capital Assets:**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>
Land	\$ 5,670,801	\$ 1,201,448
Construction in Progress	3,342,144	6,618,343
Capital Assets (net of accumulated depreciation/amortization)	41,018,229	32,102,948
Unspent Bond Proceeds	60,644	12,986,860
Less: General Obligation Bonds Payable	(10,858,600)	-
Notes Payable	(63,571)	-
Revenue Bonds	(1,455,184)	(21,585,170)
IT Subscriptions	(69,667)	(12,157)
Lease Payable	(148,846)	-
Accounts/Retainage Payable	(226,822)	(769,949)
	<u>\$ 37,269,128</u>	<u>\$ 30,542,323</u>
Net Investment in Capital Assets	<u>\$ 37,269,128</u>	<u>\$ 30,542,323</u>

**Note 8 - LONG-TERM DEBT**

**General Obligation Bonds**

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and projects. General obligation bonds have been issued for governmental activities. These bonds are direct obligations and pledge the full faith and credit of the City.

General obligation bonds outstanding as of June 30, 2024 are as follows:

	<b>Date of Issue</b>	<b>Final Maturity</b>	<b>Interest Rates</b>	<b>Original Indebtedness</b>	<b>Balance 6/30/24</b>	<b>Due Within One Year</b>
Governmental Activities						
General Obligation Debt						
Corporate purpose bonds	06/29/16	06/01/29	2.00 – 2.50%	\$ 4,590,000	\$ 2,145,000	\$ 450,000
Corporate purpose bonds	03/31/21	06/01/40	2.00 – 2.20%	\$ 9,690,000	<u>8,420,000</u>	<u>445,000</u>
Total Governmental Activities – General Obligation Debt					<u>\$10,565,000</u>	<u>\$ 895,000</u>

The balances shown on the Statement of Net Position is net of unamortized bond premiums of \$293,600.

Debt service requirements to maturity are as follows:



**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 8 - LONG-TERM DEBT - (Continued)**

Years	Governmental Activities		
	Principal	Interest	Total
2025	\$ 895,000	\$ 227,533	\$ 1,122,533
2026	915,000	209,633	1,124,633
2027	930,000	191,333	1,121,333
2028	950,000	171,570	1,121,570
2029	790,000	152,570	942,570
2030-2034	3,620,000	528,950	4,148,950
2035-2039	2,070,000	173,140	2,243,140
2040	395,000	8,690	403,690
<b>Total</b>	<b>\$ 10,565,000</b>	<b>\$ 1,663,419</b>	<b>\$ 12,228,419</b>

On March 31, 2021, the City issued General Obligation Refunding Bonds, Series 2021A. These bonds reduced the present value of future debt service payments of \$4,100,000 for Road Use Tax General Obligation Bonds. The savings were available due to improved municipal bond market conditions during the year. The refunding was undertaken to reduce total debt service payments over the next six years by \$499,036 and resulted in an economic gain of \$460,018.

**Revenue Bonds**

The City also has issued revenue bonds where the City pledges income derived from the acquired or constructed asset to pay debt service. These funds have been expended on construction of the water treatment facilities, electric system improvements, and street reconstruction.

Revenue bonds outstanding at June 30, 2024 are as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 6/30/24	Due Within One Year
Governmental Activities Revenue Debt:						
Community Center Revenue Note – Direct Borrowing	07/01/02	07/01/42	Variable	\$ 2,600,000	\$ 1,455,184	\$ 52,985
<b>Total Governmental Activities</b>					<b>\$ 1,455,184</b>	<b>\$ 52,985</b>
Business-Type Activities Revenue Debt:						
<u>Water Utility</u>						
Revenue Bonds	03/31/21	06/01/41	2.00 – 3.00%	5,055,000	\$ 4,440,000	\$ 225,000
Revenue Bonds	06/05/24	06/01/44	4.13 – 5.00%	5,135,000	5,135,000	160,000
<u>Electric Utility</u>						
Revenue Bonds	04/17/19	11/01/36	2.75 – 4.20%	13,900,000	10,825,000	675,000
Revenue Bonds	06/05/24	11/01/43	4.00 – 5.00%	8,410,000	8,410,000	100,000
<b>Total Business Type Activities</b>					<b>\$28,810,000</b>	<b>\$ 1,160,000</b>

The balances shown on the Statement of Net Position for Business – Type Activities is net of unamortized bond premiums of \$902,509.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 8 - LONG-TERM DEBT - (Continued)**

Debt service requirements to maturity are as follows:

<b>Governmental Activities</b>			
<b>Revenue Debt</b>			
<b>Years</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 52,985	\$ 56,866	\$ 109,851
2026	55,117	54,735	109,852
2027	57,334	52,518	109,852
2028	59,640	50,212	109,852
2029	62,039	47,813	109,852
2030-2034	349,693	199,565	549,258
2035-2039	425,913	123,345	549,258
2040-2043	392,463	32,761	425,224
	<b>\$ 1,455,184</b>	<b>\$ 617,815</b>	<b>\$ 2,072,999</b>

<b>Business-Type Activities</b>			
<b>Revenue Debt</b>			
<b>Years</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 1,160,000	\$ 1,075,680	\$ 2,235,680
2026	1,195,000	1,075,956	2,270,956
2027	1,415,000	1,029,326	2,444,326
2028	1,460,000	975,940	2,435,940
2029	1,520,000	920,009	2,440,009
2030-2034	8,570,000	3,641,845	12,211,845
2035-2039	8,185,000	1,810,509	9,995,509
2040-2044	5,30,000	358,675	5,663,675
Total	<b>\$ 28,810,000</b>	<b>\$ 10,887,940</b>	<b>\$ 39,697,940</b>

**Revenue Refunding Bonds**

On April 17, 2019, the City issued \$13,900,000 in advance refunding Revenue Bonds with interest rates ranging from 2.75%-4.20%. The city issued the bonds to advance refund \$12,485,019 of outstanding series 2012A Electric Revenue Bonds with interest rates ranging from 2.25% to 5.65%. \$13,726,250 was deposited into an irrevocable escrow to complete the advance refunding through an in-substance defeasance. As a result, the series 2012A bond is considered to be defeased and the escrow assets and liability for the notes are not included in the 2024 financial statements. The call date of the 2012A bond was November of 2021 and therefore there is no balance outstanding of defeased bonds. The difference between the net carrying amount of the series 2012A bond and the reacquisition price of the 2012A bond created a deferred outflow related to debt of \$1,140,767. This balance is amortized over the remaining life of the 2019 bond, which matures November of 2036. As of June 30, 2024, amortization of the deferred outflow, which is recognized as interest expense, totaled \$65,187. The new 2019 issuance reduces debt service payments by \$999,035, with an economic gain of \$665,806. Annual principal payments on the 2019 issuance began in November of 2019. Interest payments are due semi-annually each May and November. The balance of the bond at June 30, 2024 was \$10,825,000.

On March 31, 2021, the City issued Water Revenue & Refunding Bonds, Series 2021B. These bonds reduced the present value of future debt service payments of \$2,070,000 of Water Revenue

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 8 - LONG-TERM DEBT - (Continued)**

Bonds, Series 2012B. The savings were available due to improved municipal bond market conditions during the year. The refunding was undertaken to reduce total debt service payments over the next eleven years and resulted in an economic gain of \$328,205. The balance of the bond at June 30, 2024 was \$4,440,000.

On June 5, 2024, the City issued \$8,410,000 of Electric Revenue Bonds. These bonds will be used to finance improvements to the facility. Annual principal payments begin in December of 2024. Interest payments are due semi-annually each June and December.

On June 5, 2024, the City issued \$5,135,000 of Water Revenue Bonds. These bonds will be used to finance improvements and extensions to the Utility. Annual principal payments begin in June of 2025. Interest payments are due semi-annually each June and December.

**Notes Payable – Direct Borrowing**

	<b>Date of Issue</b>	<b>Final Maturity</b>	<b>Interest Rates</b>	<b>Original Indebtedness</b>	<b>Balance 6/30/24</b>	<b>Due Within One Year</b>
<b><u>Governmental Activities</u></b>						
Police Vehicle Acquisition Note	09/22/22	06/01/25	2.99%	\$ 170,000	\$ 63,571	\$ 63,571
Total Governmental Activities					63,571	63,571
<b><u>Business – Type Activities</u></b>						
Electric Utility:						
USDA Note	08/15/16	06/15/26	0.00%	1,000,000	201,679	100,840
USDA Note	12/05/17	11/15/27	0.00%	1,000,000	344,540	100,841
Sewer Utility:						
SRF Revenue Loan	12/17/21	-	0.00%	\$ 402,902	402,902	-
Total Business – Type Activities					\$ 949,121	\$ 201,681

The City received \$170,000 of Acquisition note proceeds on September 22, 2022 to finance the purchase of multiple police vehicles. The loan has a 2.99 percent interest and will mature on June 1, 2025 with monthly payments of \$5,366.49. As of June 30, 2024, the balance of the Acquisition Note was \$63,571.

The City received \$1,000,000 of USDA note proceeds on August 15, 2016 and then transferred the proceeds to Hamilton Hospital for use on a building expansion. The hospital pays the City for the note and the City then makes the payments USDA.

The City received \$1,000,000 of USDA note proceeds on December 5, 2017 and then transferred the proceeds to Mary Ann’s Specialty Foods. The proceeds were used to purchase equipment. Mary Ann’s Specialty Foods pays the City for the note and the City makes the payment to USDA.

The City received \$88,571 of Iowa Finance Authority SRF sewer revenue loan proceeds on February 17, 2023. The City received additional amounts of \$181,757 and \$132,574 of Iowa Finance Authority SRF sewer revenue loan proceeds on August 31, 2023 and January 31, 2024; respectively. The city council approved sewer revenue loans not to exceed \$2,000,000 on November 1, 2021 for the planning, designing, and constructing improvements and extensions to the sewer utility. The loan has a zero percent interest and will mature once the loan is drawn down in full when all projects costs are submitted to the Iowa Finance Authority.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 8 - LONG-TERM DEBT - (Continued)**

Debt service requirements to maturity are as follows:

Years	Governmental Activities - Notes Payable		
	Principal	Interest	Total
2025	\$ 63,571	\$ 1,037	\$ 64,608
Total	\$ 63,571	\$ 1,037	\$ 64,608

Years	Business-Type Activities			
	Electric Utility - Notes Payable		Sewer Utility - Notes Payable	
	Principal	Total	Principal	Total
2025	\$ 201,681	\$ 201,681	\$ -	\$ -
2026	201,681	201,681	-	-
2027	100,840	100,840	-	-
2028	42,017	42,017	-	-
2029	-	-	-	-
Thereafter	-	-	402,902	402,902
Total	\$ 546,219	\$ 546,219	\$ 402,902	\$ 402,902

**Subscription-Based Information Technology Arrangements**

*Debt Book Lease* - On June 1, 2023, the City entered into a 31 month subscription for the use of Debt Book. An initial subscription liability was recorded in the amount of \$24,321. As of June 30, 2024, the value of the subscription liability is \$9,953. The City is required to make annual fixed payments of \$7,050. The subscription has an interest rate of 2.36%. The value of the right to use asset as of June 30, 2024 is \$24,321 with accumulated amortization of \$10,491.

*Microsoft Azure Lease* - On November 7, 2022, the City entered into a 36 month subscription for the use of Microsoft Azure ASP.Net. An initial subscription liability was recorded in the amount of \$3,044. As of June 30, 2024, the value of the subscription liability is \$3,044. The City is required to make monthly fixed payments of \$300. The subscription has an interest rate of 3.23%. The value of the right to use asset as of June 30, 2024 is \$3,044 with accumulated amortization of \$1,675. The City has 1 extension option, for 12 months.

*Brightly Inspection Lease* - On July 1, 2022, the City entered into a 72 month subscription for the use of Brightly Inspection. An initial subscription liability was recorded in the amount of \$81,619. As of June 30, 2024, the value of the subscription liability is \$68,827. The City is required to make annual fixed payments of \$14,457. The subscription has an interest rate of 3.33%. The value of the right to use asset as of June 30, 2024 is \$103,109 with accumulated amortization of \$33,899.

*Brightly Fleet Management Lease* - On December 1, 2022, the City entered into a 31 month subscription for the use of Brightly Fleet Management. An initial subscription liability was recorded in the amount of \$13,180. As of June 30, 2024, the value of the subscription liability is \$0. The City is required to make annual fixed payments of \$6,000. The subscription has an interest rate of 3.24%. The value of the right to use asset as of June 30, 2024 is \$18,911 with accumulated amortization of \$11,591.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 8 - LONG-TERM DEBT - (Continued)**

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 10,669	\$ 444	\$ 11,113
2026	1,488	12	1,500
	<u>\$ 12,157</u>	<u>\$ 456</u>	<u>\$ 12,613</u>

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 12,717	\$ 2,599	\$ 15,316
2026	12,993	1,897	14,890
2027	13,873	1,464	15,337
2028	14,795	1,002	15,797
2029	15,289	509	15,798
	<u>\$ 69,667</u>	<u>\$ 7,471</u>	<u>\$ 77,138</u>

**Intangible Right to Use Lease Agreements**

*Police Body & In-Car Camera Lease* - On January 2, 2024, the city entered into a 120 month lease for the use of police body & in-car cameras. An initial lease liability was recorded in the amount of \$200,382. As of June 30, 2024, the value of the lease liability is \$148,846. The lease has an interest rate of 3.511%. The value of the right to use asset as of June 30, 2024 is \$200,382 with accumulated amortization of \$9,963. The lease has 1 extension option, for 60 months.

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 14,349	\$ 5,226	\$ 19,575
2026	14,853	4,722	19,575
2027	15,374	4,201	19,575
2028	15,914	3,661	19,575
2029	16,473	3,102	19,575
2030 - 2034	71,883	6,418	78,301
	<u>\$ 148,846</u>	<u>\$ 27,330</u>	<u>\$ 176,176</u>

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 8 - LONG-TERM DEBT - (Continued)**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2024, was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Primary Government:</b>					
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation	\$ 11,445,000	\$ 221,860	\$ 1,101,860	\$ 10,565,000	\$ 895,000
Revenue Bonds	1,509,894	-	54,710	1,455,184	52,985
Notes Payable - Direct Borrowing	125,068	-	61,497	63,571	63,571
IT Subscriptions	76,192	-	6,525	69,667	12,717
Lease Agreements	-	200,382	51,536	148,846	14,349
Compensated Absences	345,445	361,012	345,445	361,012	198,096
Governmental Activity					
Long-Term Liabilities:	<u>13,501,599</u>	<u>783,254</u>	<u>1,621,573</u>	<u>12,663,280</u>	<u>1,236,718</u>
<b>Business-Type Activities:</b>					
Bonds Payable:					
Revenue Bonds	16,135,000	13,545,000	870,000	28,810,000	1,160,000
Notes Payable - Direct Borrowing	836,471	314,331	201,681	949,121	201,681
IT Subscriptions	18,761	-	6,604	12,157	10,669
Compensated Absences	311,023	320,781	311,023	320,781	177,470
Business-Type Activity					
Long-Term Liabilities:	<u>\$ 17,301,255</u>	<u>\$14,180,112</u>	<u>\$ 1,389,308</u>	<u>\$ 30,092,059</u>	<u>\$ 1,549,820</u>

**Note 9 - TRANSFERS**

The following is a summary of transfers between funds:

	<b>Capital</b>					<b>Total</b>
	<b>General</b>	<b>Projects</b>	<b>Water</b>	<b>Electric</b>	<b>Non-Major</b>	<b>Transfer Out</b>
<b>General</b>	\$ -	\$ 6,491	\$ -	\$ -	\$ 1,142,250	\$ 1,148,741
<b>Electric</b>	727,662	-	-	-	1,295,039	2,022,701
<b>Sewer</b>	119,551	63,871	-	28,850	-	212,272
<b>Water</b>	119,084	230,146	-	-	-	349,230
<b>Non-Major</b>	-	37,475	1,220,375	-	44,228	1,302,078
<b>Total Transfer In</b>	<u>\$ 966,297</u>	<u>\$ 337,983</u>	<u>\$ 1,220,375</u>	<u>\$ 28,850</u>	<u>\$ 2,481,517</u>	<u>\$ 5,035,022</u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 10 - PENSION PLAN**

**Pension Plans**

	<b>IPERS</b>	<b>MFPRSI</b>	<b>Total</b>
Pension liability	\$ 1,876,096	\$ 1,862,429	\$ 3,738,525
Deferred Outflows of Resources Related to Pensions	794,316	674,515	1,468,831
Deferred Inflows of Resources Related to Pensions	43,795	126,890	170,685
Pension Expense	\$ 201,155	\$ 266,172	\$ 467,327

**Iowa Public Employees Retirement System**

*Plan description* – IPERS membership is mandatory for employees of the City, except for those covered by another retirement system. Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees’ Retirement System (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or at [www.ipers.org](http://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 informational purposes only. Refer to the plan documents for more information.

**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, anytime 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, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

Protection occupation members may retire at normal retirement age which is generally at age 55 and may retire any time after reaching age 50 with 22 or more years of covered employment.

The formula used to calculate a protection occupation members’ monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for years of service greater than 22 but not more than 30 years of service.
- The member’s highest three-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

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 10 - PENSION PLAN - (Continued)**

differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting 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 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 1 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 2024, pursuant to the required rate, Regular members contributed 6.29 percent of covered payroll and the City contributed 9.44 percent of covered payroll, for a total rate of 15.73 percent. Protective occupation members contributed 6.21 percent of covered payroll and the City contributed 9.31 percent of covered payroll for a total rate of 15.52 percent.

The City's total contributions to IPERS for the year ended June 30, 2024 were \$366,963.

**Net Pension Liabilities (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2024, the City reported a liability of \$1,876,096 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2023, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all IPERS participating employers. At June 30, 2023, the City's collective proportion was .042 percent, which was an increase of .000815 percent from its proportion measured as of June 30, 2022.



**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 10 - PENSION PLAN - (Continued)**

For the year ended June 30, 2024, the City recognized pension expense of \$201,155. At June 30, 2024 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 165,965	\$ 7,743
Changes of assumptions	-	2,046
Net difference between projected and actual earnings on pension plan investments	176,754	-
Changes in proportion and differences between City contributions and proportionate share of contributions	84,634	34,006
City contributions subsequent to the measurement date	366,963	-
Total	\$ 794,316	\$ 43,795

\$366,963 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	
2025	\$ (23,912)
2026	(135,528)
2027	439,425
2028	88,202
2029	15,371
	\$ 383,558

There were no non-employer contributing entities to IPERS.

*Actuarial assumptions* – The total pension liability (asset) in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation (effective June 30, 2017)	2.60 percent per annum
Salary Increases (effective June 30, 2017)	3.25 to 16.25 percent average, including inflation. Rates vary by membership group.
Long-term Investment Rate of Return (effective June 30, 2017)	7.00 percent per annum, compounded annually, net of pension plan investment expense, and including inflation.
Wage Growth (effective June 30, 2017)	3.25 percent per annum based on 2.60 percent inflation and 0.65 percent real wage inflation.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 10 - PENSION PLAN - (Continued)**

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2023 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

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 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:

<b>Asset Class</b>	<b>Asset Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic equity	21.0%	4.56%
International equity	16.5	6.22
Global smart beta equity	5.0	5.22
Core plus fixed income	23.0	2.69
Public credit	3.0	4.38
Cash	1.0	1.59
Private equity	17.0	10.44
Private real assets	9.0	3.88
Private credit	4.5	4.60
Total	100.0%	

*Discount rate* – The discount rate used to measure the total pension liability (asset) was 7.00 percent. 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 the City will be made at contractually required rates, actuarially determined. Based on those assumptions, the IPERS' 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 IPERS' investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

*Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate* - The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.0 percent) than the current rate.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 10 - PENSION PLAN - (Continued)**

	1% Decrease 6.0%	Discount Rate 7.0%	1% Increase 8.0%
City's proportionate share of the net Pension liability (asset)	\$ 4,024,436	\$ 1,876,096	\$ 75,741

*Pension plan fiduciary net position* – Detailed information about IPERS' fiduciary net position is available in the separately issued financial report which is available on IPERS' website at [www.ipers.org](http://www.ipers.org).

*Payables to IPERS* – All legally required City contributions and legally required employee contributions which had been withheld from employee wages were remitted by the City to IPERS by June 30, 2024.

**Municipal Fire and Police Retirement System of Iowa (MFPRSI)**

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 Webster 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](http://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 percent of the member's average final compensation. Members who perform more than 22 years of service receive an additional 2% of the member's average final compensation 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 percent surviving spouse benefit.

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. When electing to participate in DROP the member signs 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

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
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**Note 10 - PENSION PLAN - (Continued)**

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 benefits may be either accidental and ordinary. Accidental disability is defined as permanent disability incurred in the line of duty, with benefits equivalent to the greater of 60 percent 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 percent 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 percent 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 annually in accordance with Chapter 411.6 of the Code of Iowa which provides 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, the contribution rate was 9.40% of earnable compensation for the year ended June 30, 2024.

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 percent 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 17.00% of earnable compensation. The contribution rate was 22.98% for the year ended June 30, 2024.

The City's contributions to MFPRSI for the year ended June 30, 2024 was \$266,339.

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 17.00% of earnable compensation. The State of Iowa therefore is considered to be a non-employer contributing entity in accordance with the provisions of the Governmental Accounting Standards Board Statement No. 67 – Financial Reporting for Pension Plans.

There were no state appropriations to MFPRSI during the fiscal year ended June 30, 2024.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 10 - PENSION PLAN - (Continued)**

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2024, the City reported a liability of \$1,862,429 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2023, the City's proportion was .297% which was a decrease of .027% from its proportions measured as of June 30, 2022.

For the year ended June 30, 2024, the City recognized pension expense of \$266,172. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 142,292	\$ -
Changes of assumptions	9,382	-
Net difference between projected and actual earnings on pension plan investments	118,590	-
Changes in proportion and differences between City contributions and proportionate share of contributions	137,912	126,890
City contributions subsequent to the measurement date	266,339	-
Total	\$ 674,515	\$ 126,890

\$266,339 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, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30,</b>	
2025	\$ 30,434
2026	(47,856)
2027	272,540
2028	26,958
2029	(791)
	\$ 281,285

Actuarial Assumptions The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of Inflation	3.00 percent
Salary increases	3.75 to 15.11 percent, including inflation
Investment rate of return	7.50 percent, net of investment expense, including inflation

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 10 - PENSION PLAN - (Continued)**

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 to June 30, 2022.

Mortality rates were based on the RP-2014 Blue Collar Combined Healthy Mortality 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 long-term expected rate of return on MFPRSI 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. The best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Long-Term Expected Real Rate of Return</b>
Broad Fixed Income	4.9%
Broad U.S. Equity	7.1
Global Equity	7.2
Broad Non-US Equity	7.4
Managed Futures	5.2
Real Estate - Core	6.8
Opportunistic Real Estate	11.1
Global Infrastructure	6.9
Private Credit	10.1
Private Equity	12.1

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 MFPRSI'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 MFPRSI's 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 percent, 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-percent lower (6.50 percent) or 1-percent higher (8.5 percent) than the current rate.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 10 - PENSION PLAN - (Continued)**

	<b>1% Decrease 6.5%</b>	<b>Discount Rate 7.5%</b>	<b>1% Increase 8.5%</b>
City's proportionate share of the net Pension liability	\$3,261,726	\$1,862,429	\$704,085

Pension Plan Fiduciary Net Position - Detailed information about the MFPRSI's fiduciary net position is available in the separately issued MFPRSI financial report which is available on MFPRSI's website at [www.mfprsi.org](http://www.mfprsi.org).

Payables to the Pension Plan – All legally required City contributions and legally required employee contributions which had been withheld from employee wages were remitted by the City to MFPRSI by June 30, 2024.

**Note 11 - EMPLOYEE VISION AND DENTAL PLAN**

The City of Webster City Medical/Flex Insurance Fund was established to account for the City's medical and flex benefit plan. The City has entered into an administrative services agreements with Employee Benefits System, to administer the employee dental and vision benefit plans. The agreements are subject to automatic renewal provisions.

Monthly payments of service fees and plan contributions to the City of Webster City Medical/Flex Insurance Fund are recorded as disbursements in the operating funds. Under an administrative services agreement, monthly payments of service fees and claims processed were paid to Wellmark Blue Cross and Blue Shield from the Internal Service Fund, Medical/Flex Insurance Account.

For vision claims, the claims are limited to specified services outlined in the vision plan and the uninsured risk of loss is minimal per employee. For dental claims, the uninsured risk of loss is \$1,000 for a policy year per employee. The City has not purchased additional commercial insurance since claims are limited to the amounts specified in the plan.

All funds of the City participate in the vision and dental plan. Amounts payable to the medical/flex insurance fund are based on actual claims incurred in prior years.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable.

Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other non-incremental costs to the claims liability.

***Claims Liability***

	<b>Current Year</b>
Unpaid claims, beginning of fiscal year	\$ 29,000
Current year claims and changes in estimates	229,223
Claim payments	(229,223)
Unpaid claims, end of fiscal year	\$ 29,000

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 12 - DEFICIT FUND EQUITY**

The City has one fund with a deficit equity balance at June 30, 2024. The City intends to finance these deficits from fund transfers.

The individual fund deficits were as follows:

Internal Service.....	\$ 36,503
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**Note 13 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks, with the exception of vision and dental care, are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

**Note 14 - COMMITMENTS**

As of June 30, 2024, the City had entered into several construction contracts totaling approximately \$10,808,429 of which approximately \$8,186,690 has been expended to date. The remaining \$2,446,279 will be paid as work progresses.

**Note 15 - CONTINGENCY**

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of the management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has received federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

The City of Webster City has entered into several development agreements with developers.

The developers are constructing industrial/commercial facilities on property located in the City. Chapter 403 of the Code of Iowa authorizes cities to establish urban renewal areas and to undertake economic development projects. In recognition of the developers' commitment, the City agreed to make economic tax rebate payments to the developer during the term of the agreements in amounts which represent the property taxes paid with respect to the project by the developers in that fiscal year, minus the amount of debt service taxes levied by taxing jurisdictions, provided, however, that the total rebate payments during the term of the agreement do not exceed the maximum amounts listed.

The agreement assumes that the full taxable value of the project will go on the property tax rolls as of the dates listed below. All tax rebate payments will be made on December 1, and June 1 beginning the year after the initial incremental taxable value is placed on the property tax roll. The tax rebate payments shall not constitute general obligation of the City, but shall be paid solely and only from incremental property taxes received by the City from the Hamilton County Treasurer which are attributable to each individual project.



**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 15 - CONTINGENCY (Continued)**

The tax rebate payments to the developer are subject to the following conditions:

1. Timely payment of property taxes by the developer when due and submission to the City of a receipt or cancelled check as evidence of each tax payment. Residential developers are not required to submit receipts.
2. Submission of documentation satisfactory to the City, at least one week prior to each December 1 and June 1 payment date, that that project is being used as a commercial facility.

**Note 16 - OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

Plan Description – The City operates a single-employer health benefit plan which provides medical / prescription drug benefits for employees, retirees and their 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.

OPEB Benefits – Individuals who are employed by City of Webster City and are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical, prescription drug and dental benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	0
Active employees	<u>68</u>
Total	<u>68</u>

Total OPEB Liability – The City’s total OPEB liability of \$248,337 was measured as of July 1, 2023 and was determined by an actuarial valuation date of July 1, 2023.

Actuarial Assumptions – The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurements.

Rate of inflation (effective July 1, 2023)	2.60% per annum
Rates of salary increase (effective July 1, 2023)	3.25% per year, annum, including inflation
Discount rate (effective July 1, 2023)	4.13% compounded annually, including inflation
Healthcare cost trend rate (effective July 1, 2023)	8.00% initial rate decreasing by .50% annually to an ultimate rate of 4.50%

Discount Rate – The discount rate used to measure the total OPEB liability was 4.13% which reflects The Bond Buyer index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 16 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) – (Continued)**

Mortality rates are from the SOA Public Plan 2010 tables. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Changes in Total OPEB Liability

	Total OPEB Liability
Total OPEB liability beginning of year	\$ 160,448
Changes for the year:	
Service cost	13,818
Interest	7,127
Differences between expected and actual experiences	45,542
Changes in assumptions	21,402
Benefit payments	-
Net changes	87,889
Total OPEB liability end of year	\$ 248,337

Changes of assumptions reflect a change in the discount rate from 4.09% in fiscal year 2023 to 4.13% in fiscal year 2024.

Sensitivity of the City's 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 total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.13%) or 1% higher (5.13%) than the current discount rate.

	1% Decrease (3.13%)	Discount Rate (4.13%)	1% Increase (5.13%)
Total OPEB Liability	\$ 268,098	\$ 248,337	\$ 229,333

Sensitivity of the City's 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 a healthcare cost trend rate that is 1% lower (6.50%) or 1% higher (8.50%) than the current healthcare cost trend rate.

	1% Decrease (3.50%)	Healthcare Cost Trend Rate (4.50%)	1% Increase (5.50%)
Total OPEB Liability	\$ 216,472	\$ 248,337	\$ 286,287

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB – For the year ended June 30, 2024, the City recognized OPEB expense of \$16,509. At June 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

**Note 16 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) – (Continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 44,567	\$ (56,179)
Changes of assumptions	30,740	(22,931)
Contributions subsequent to measurement date	1,813	-
Total	<u>\$ 77,120</u>	<u>\$ (79,110)</u>

The amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year ending June 30,	Amount
2025	\$ (4,436)
2026	(4,436)
2027	(4,441)
2028	(5,336)
2029	(2,516)
Thereafter	17,362
Total	<u>\$ (3,803)</u>

**Note 17 - NOTES RECEIVABLE**

In May 2012, the City loaned Corn Belt Energy \$5,000,000 for system upgrades that are not City assets out of the Electric fund. This was done in conjunction with the issuance of the 2012A Electric Revenue Bonds which was refunded by 2019 Electric Revenue Bonds and will be repaid starting in fiscal year 2032. Corn Belt Energy is reimbursing the City for all principal and interest related to the 2019 Electric Revenue Bonds.

The Electric fund has multiple loans to various entities for economic development. The related note receivable balance as of June 30, 2024 was \$699,336.

The governmental activities have multiple loans to various entities for community betterment and economic development. The related note receivable balance as of June 30, 2024 was \$208,478.

**Note 18 - TAX ABATEMENTS**

Governmental Accounting Standards Board 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 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

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Financial Statements**  
**June 30, 2024**

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**Note 18 - TAX ABATEMENTS – (Continued)**

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, 2024, the City abated \$182,531 of property tax under the urban renewal and economic development projects.

**Note 19 - DEVELOPMENT AGREEMENTS**

The City entered into various development agreements for construction of commercial buildings and land development. The City agreed to pay the developers an amount not to exceed \$2,392,000 subject to annual appropriation by the City Council. The agreements require semi-annual payments, provided the developer follows the terms of the agreement. During the year ended June 30, 2024, the City rebated \$190,968 of incremental property tax to the developers. At June 30, 2024, the remaining balance to be paid on the agreements was \$1,118,416.

**Note 20 - SUBSEQUENT EVENTS**

On October 2, 2024 the City issued General Obligation Corporate Purpose Bonds, Series 2024A in the amount of \$2,445,000 maturing June 1, 2042. The purpose of the bonds is to pay the cost of street, water, and sewer projects, install street lighting and signage, and City Hall HVAC improvements.

On September 3, 2024, the City received proceeds of \$308,403 of SRF Revenue loan funds for planning and design for the Wastewater Treatment Plant Facility. On December 2, 2024, the Iowa Finance Authority approved a 3-year extension on the SRF Revenue loan to bridge the time needed on design completion and entering into an agreement for the construction portion of the project. The City can continue to draw down as expenses are occurred.

On December 16, 2024, the City approved a contract with Castor Construction for \$1,602,379 for the Fair Meadow Phase 2 Project and with Nels Pederson for \$979,577 for Brewer Street & Wilson Avenue Improvements.

**Note 21 - CHANGE IN FINANCIAL REPORTING ENTITY**

During the year ended June 30, 2024, the City made a change in the presentation of certain funds in order to simplify the reporting of funds. As a result of this decision, the City closed the Police Reserve Fund and D.A.R.E Fund into the General Fund. The city also combined all Tax Increment Financing (TIF) funds into a single fund as well as all the capital project funds except for ARPA into a single fund. This does not affect the legal or contractual requirements governing the use of resources in individual projects or TIF districts.

Below is a summary of the change on beginning net position for each fund reporting change:

	General Fund	Non-Major Funds
Beginning balance, July 1, 2023	\$ 4,749,776	\$ 4,274,712
Other change within financial reporting entity	3,611	(3,611)
Adjusted beginning balance, July 1, 2023	<u>\$ 4,753,387</u>	<u>\$ 4,271,101</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF WEBSTER CITY, IOWA**  
**BUDGETARY COMPARISON SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL**  
**Governmental Funds and Proprietary Funds**  
**For the Year Ended June 30, 2024**

	<b>Governmental Funds Actual</b>	<b>Proprietary Funds Actual</b>
<b>Receipts:</b>		
Taxes	\$ 5,434,083	\$ -
Licenses and Permits	141,131	-
Intergovernmental Revenue	3,738,748	-
Charges for Services	478,581	17,808,946
Revenue from Use of Property	967,598	-
Miscellaneous	2,211,572	3,883,594
Total receipts	<u>12,971,713</u>	<u>21,692,540</u>
<b>Disbursements:</b>		
Public Safety	4,581,834	-
Public Works	2,316,700	-
Health and Social Services	27,629	-
Culture and Recreation	1,628,419	-
Community and Economic Development	733,449	-
General Government	594,468	-
Capital Projects	2,105,935	-
Debt Service	1,569,676	-
Business-Type Activities	-	18,778,128
Total disbursements	<u>13,558,110</u>	<u>18,778,128</u>
Excess (deficiency) of receipts over disbursements	<u>(586,397)</u>	<u>2,914,412</u>
<b>Other financing sources (uses):</b>		
Proceeds from Debt Issuance	422,242	-
Proceeds from Sale of Asset	2,000	-
Contributed Capital Revenue	-	652,744
Transfers In	3,785,797	1,249,225
Transfers Out	(2,450,819)	(2,584,203)
Total other financing sources (uses)	<u>1,759,220</u>	<u>(682,234)</u>
Net Change in Balances	1,172,823	2,232,178
Balances - beginning of year	10,999,940	46,296,428
Balances - end of year	<u>\$ 12,172,763</u>	<u>\$ 48,528,606</u>

Total Actual	Budgeted Amounts		Final to Actual Variance
	Original	Final	
\$ 5,434,083	\$ 6,437,226	\$ 6,413,345	\$ (979,262)
141,131	172,580	122,580	18,551
3,738,748	2,014,945	1,194,945	2,543,803
18,287,527	18,222,593	18,222,593	64,934
967,598	1,106,339	1,106,339	(138,741)
6,095,166	1,688,438	1,688,438	4,406,728
<u>34,664,253</u>	<u>29,642,121</u>	<u>28,748,240</u>	<u>5,916,013</u>
4,581,834	3,753,830	4,156,454	(425,380)
2,316,700	3,645,443	3,773,093	1,456,393
27,629	25,819	25,819	(1,810)
1,628,419	1,952,961	2,001,293	372,874
733,449	763,241	763,241	29,792
594,468	1,073,883	1,073,883	479,415
2,105,935	3,519,500	3,519,500	1,413,565
1,569,676	1,521,784	1,521,784	(47,892)
18,778,128	40,140,291	42,790,744	24,012,616
<u>32,336,238</u>	<u>56,396,752</u>	<u>59,625,811</u>	<u>27,289,573</u>
<u>2,328,015</u>	<u>(26,754,631)</u>	<u>(30,877,571)</u>	<u>33,205,586</u>
422,242	38,785,800	14,785,800	(14,363,558)
2,000	-	-	2,000
652,744	-	-	652,744
5,035,022	29,847,462	29,847,462	(24,812,440)
<u>(5,035,022)</u>	<u>(29,847,462)</u>	<u>(29,847,462)</u>	<u>24,812,440</u>
<u>1,076,986</u>	<u>38,785,800</u>	<u>14,785,800</u>	<u>(13,708,814)</u>
3,405,001	12,031,169	(16,091,771)	19,496,772
57,296,368	-	-	-
<u>\$ 60,701,369</u>	<u>\$ 12,031,169</u>	<u>\$ (16,091,771)</u>	<u>\$ -</u>

**CITY OF WEBSTER CITY, IOWA**  
**Notes to Required Supplementary Information – Budgetary Reporting**  
**June 30, 2024**

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The budgetary comparison is presented as Required Supplementary Information in accordance with Governmental Accounting Standards Board Statement No. 41 for governments with significant budgetary perspective differences resulting from not being able to present budgetary comparisons for the General Fund and each major Special Revenue Fund.

In accordance with the Code of Iowa, the City Council annually adopts a budget prepared on the modified accrual basis of accounting for all funds except the Internal Service Funds, and appropriates the amount deemed necessary for each of the different City offices and departments. The budgets may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the budget and appropriations lapse at year end. The budget was amended twice during the year.

Formal and legal budgetary control is based upon 9 major classes of expenditures known as functions, not by fund. These 9 functions are: public safety, public works, community and economic development, health and social services, culture and recreation, general government, debt service, capital projects, and business-type activities. Function disbursements required to be budgeted include disbursements for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds, and the Enterprise Funds. Although the budget document presents function disbursements by fund, the legal level of control is at the aggregated function level, not by fund. Legal budgetary control is also based upon the appropriation to each office or department. During the year, two budget amendments increased budgeted disbursements by \$3,229,059 and decreased budgeted revenues by \$24,893,881. The budget amendments are reflected in the final budgeted amounts

During the fiscal year ended June 30, 2024, disbursements exceeded the amount budgeted in the Public Safety, Health and Social Services, and Debt functions.



**CITY OF WEBSTER CITY, IOWA**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF**  
**THE NET PENSION LIABILITY (ASSET)**  
**IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM LAST TEN YEARS\***  
**(IN THOUSANDS)**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020
City's proportion of the net pension liability (asset)	.041565%	.04075%	.006905%	.039985%	.039774%
City's proportionate share of the net pension liability (asset)	\$ 1,876	\$ 1,540	\$ 24	\$ 2,809	\$ 2,303
City's covered payroll	\$ 3,717	\$ 3,392	\$ 3,243	\$ 3,198	\$ 3,049
City's proportionate share of the net pension liability as a percentage of its covered payroll	50.47%	45.40%	0.74%	87.84%	75.53%
Plan fiduciary net position as a percentage of the total pension liability (asset)	90.13%	91.40%	100.81%	82.90%	85.45%
	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset)	.036903%	.035507%	.035876%	.036600%	.038060%
City's proportionate share of the net pension liability (asset)	\$ 2,335	\$ 2,365	\$ 2,257	\$ 1,808	\$ 1,509
City's covered payroll	\$ 2,790	\$ 2,666	\$ 2,595	\$ 2,559	\$ 2,553
City's proportionate share of the net pension liability as a percentage of its covered payroll	83.69%	88.71%	86.97%	70.65%	59.11%
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.62%	82.21%	81.82%	85.19%	87.61%

\*The amounts presented for each fiscal year were determined as of June 30.

See accompanying independent auditors' report

**CITY OF WEBSTER CITY, IOWA  
SCHEDULE OF THE CITY'S RETIREMENT SYSTEM  
LAST TEN YEARS (IN THOUSANDS)  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 367	\$ 350	\$ 316	\$ 305	\$ 302
Contributions in relation to the statutorily required contribution	(367)	(350)	(316)	(305)	(302)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,884	\$ 3,717	\$ 3,392	\$ 3,243	\$ 3,198
Contributions as a percentage of covered payroll	9.45%	9.42%	9.32%	9.40%	9.44%

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 288	\$ 250	\$ 238	\$ 232	\$ 230
Contributions in relation to the statutorily required contribution	(288)	(250)	(238)	(232)	(230)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 3,049	\$ 2,790	\$ 2,666	\$ 2,595	\$ 2,559
Contributions as a percentage of covered payroll	9.44%	8.96%	8.93%	8.94%	8.98%

See accompanying independent auditors' report

**CITY OF WEBSTER CITY, IOWA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
PENSION LIABILITY (ASSET)  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024**

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**Changes of Benefit Terms:**

There are no significant changes in benefit terms.

**Changes of Assumptions:**

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

- Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
- Adjusted retirement rates for Regular members.
- Lowered disability rates for Regular members.
- Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption 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 from 4.00% to 3.25%.

See accompanying independent auditors' report

**CITY OF WEBSTER CITY, IOWA**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA**  
**LAST TEN YEARS\* (IN THOUSANDS)**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020
City's proportion of the net pension liability	.29745%	.32436%	.31095%	.27856%	.28529%
City's proportionate share of the net pension liability	\$ 1,862	\$ 1,822	\$ 698	\$ 2,222	\$ 1,871
City's covered payroll	\$ 1,078	\$ 1,096	\$ 1,010	\$ 885	\$ 864
City's proportionate share of the net pension liability as a percentage of its covered payroll	172%	166%	69%	251%	217%
Plan fiduciary net position as a percentage of the total pension liability	84%	85%	94%	76%	80%
	2019	2018	2017	2016	2015
City's proportion of the net pension liability	.29300%	.30700%	.31197%	.28126%	.31191%
City's proportionate share of the net pension liability	\$ 1,742	\$ 1,800	\$ 1,951	\$ 1,321	\$ 1,131
City's covered payroll	\$ 850	\$ 869	\$ 845	\$ 737	\$ 797
City's proportionate share of the net pension liability as a percentage of its covered payroll	205%	207%	231%	179%	142%
Plan fiduciary net position as a percentage of the total pension liability	81%	81%	78%	83%	86%

\*The amounts presented for each fiscal year were determined as of June 30.

See accompanying independent auditors' report

**CITY OF WEBSTER CITY, IOWA  
SCHEDULE OF CITY CONTRIBUTIONS  
MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM OF IOWA  
LAST TEN YEARS (IN THOUSANDS)  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020
Statutorily required contribution	\$ 266	\$ 258	\$ 287	\$ 351	\$ 216
Contributions in relation to the statutorily required contribution	(266)	(258)	(287)	(351)	(216)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 1,114	\$ 1,078	\$ 1,096	\$ 1,010	\$ 885
Contributions as a percentage of covered payroll	23.88%	23.93%	26.19%	34.75%	24.41%

	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 225	\$ 218	\$ 225	\$ 235	\$ 244
Contributions in relation to the statutorily required contribution	(225)	(218)	(225)	(235)	(244)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 864	\$ 850	\$ 869	\$ 845	\$ 737
Contributions as a percentage of covered payroll	26.04%	25.68%	25.92%	27.77%	30.41%

See accompanying independent auditors' report

**CITY OF WEBSTER CITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION LIABILITY  
YEAR ENDED JUNE 30, 2024**

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**Changes of Benefit Terms:**

There were no significant changes of benefit terms.

**Changes of Assumptions:**

The 2018 valuation changed postretirement mortality rates were based o 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 of future mortality improvement with 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.

See accompanying independent auditors' report

**CITY OF WEBSTER CITY, IOWA  
SCHEDULE OF CHANGES IN THE CITY'S  
TOTAL OPEB LIABILITY, RELATED RATIOS AND NOTES  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023	2022	2021	2020
Service Cost	\$ 13,818	\$ 18,182	\$ 14,629	\$ 13,424	\$ 14,687
Interest Cost	7,127	4,039	4,403	5,228	7,211
Difference between expected and actual experiences	45,542	(6,172)	(13,224)	(10,777)	(51,199)
Changes in assumptions	21,402	(21,845)	9,534	8,003	(6,394)
Benefit payments	-	-	-	(923)	-
Net change in total OPEB liability	87,889	(5,796)	15,342	14,954	(35,695)
Total OPEB liability beginning of year	160,448	166,244	150,902	135,947	171,642
Total OPEB liability end of year	<u>\$ 248,337</u>	<u>\$ 160,448</u>	<u>\$ 166,244</u>	<u>\$ 150,902</u>	<u>\$ 135,947</u>
Covered-employee payroll	\$ 4,488,404	\$ 4,834,630	\$ 4,033,956	\$ 4,505,464	\$ 3,631,342
Total OPEB liability as a percentage of covered-employee payroll	5.5%	3.3%	4.1%	3.3%	3.7%

	2019	2018
Service Cost	\$ 16,729	\$ 13,109
Interest Cost	6,909	4,776
Difference between expected and actual experiences	(24,799)	11,937
Changes in assumptions	(3,458)	(2,912)
Benefit payments	-	(2,245)
Net change in total OPEB liability	(4,619)	24,665
Total OPEB liability beginning of year	176,261	151,596
Total OPEB liability end of year	<u>\$ 171,642</u>	<u>\$ 176,261</u>
Covered-employee payroll	\$ 3,995,583	\$ 3,696,412
Total OPEB liability as a percentage of covered-employee payroll	4.3%	4.8%

See accompanying independent auditor's report

**CITY OF WEBSTER CITY, IOWA  
SCHEDULE OF CHANGES IN THE CITY'S  
TOTAL OPEB LIABILITY, RELATED RATIOS AND NOTES  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2024**

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**Notes to Schedule of Changes in the City's Total OPEB Liability and Related Ratios**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

*Changes in benefit terms:*

There were no significant changes in benefit terms.

*Changes in assumptions:*

The 2022 valuation implemented the following refinements as a result of a new actuarial opinion dated June 30, 2022:

- Changed mortality assumptions to the SOA Public Plan 2010 tables.

Changes in 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.

Year ended June 30, 2024	4.13%
Year ended June 30, 2023	4.09%
Year ended June 30, 2022	2.19%
Year ended June 30, 2021	2.66%
Year ended June 30, 2020	3.51%
Year ended June 30, 2019	3.87%
Year ended June 30, 2018	3.58%
Year ended June 30, 2017	4.00%

Note: GASB No.75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the county will present information for those years for which information is available.

See accompanying independent auditor's report



## **SUPPLEMENTARY INFORMATION**

**CITY OF WEBSTER CITY, IOWA**  
**COMBINING BALANCE SHEET**  
**Governmental Nonmajor Funds**  
**June 30, 2024**

	<b>Special Revenue Funds</b>			
	<b>FICA/ IPERS</b>	<b>Worker's Compensation</b>	<b>Medical/Flex Insurance</b>	<b>Unemployment Compensation</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 498
Investments	100,000	152,000	396,000	16,000
Receivables (Net, where applicable, of allowance for uncollectibles)				
Accounts	-	-	-	-
Taxes	2,630	804	7,059	153
Subsequent Year Taxes	233,109	68,591	621,572	13,961
Accrued Interest	701	1,959	4,387	109
Notes Receivable	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-
Inventories	-	-	-	-
<b>Total Assets</b>	<b>336,440</b>	<b>223,354</b>	<b>1,029,018</b>	<b>30,721</b>
<b>Liabilities</b>				
Accounts Payable	-	-	-	-
Accrued Wages	-	-	-	-
Other Accrued Expenses	-	-	-	-
Due to Other Funds	258	20	4,146	-
<b>Total Liabilities</b>	<b>258</b>	<b>20</b>	<b>4,146</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Subsequent Year Property Taxes	233,109	68,591	621,572	13,961
Unavailable Revenue - Other	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>233,109</b>	<b>68,591</b>	<b>621,572</b>	<b>13,961</b>
<b>Fund Balances</b>				
Non-Spendable:				
Inventories	-	-	-	-
Permanent Fund	-	-	-	-
Restricted:				
Specific Tax Levy	103,073	154,743	403,300	16,760
Streets	-	-	-	-
Capital Projects	-	-	-	-
Economic Development Activities	-	-	-	-
Committed:				
Economic Development Activities	-	-	-	-
Community Development Activities	-	-	-	-
<b>Total Fund Balances</b>	<b>103,073</b>	<b>154,743</b>	<b>403,300</b>	<b>16,760</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 336,440</b>	<b>\$ 223,354</b>	<b>\$ 1,029,018</b>	<b>\$ 30,721</b>

Special Revenue Funds						
Road Use Tax	Property & Liability Ins. Insurance	Police/Fire Retirement	Formerly Non-Major Fund Police Reserve Fund	Siezed Property Trust	Economic Development Loan	
\$ 47,752	\$ -	\$ 194	\$ -	\$ -	\$ 1,483,019	
1,780,000	-	57,000	-	-	1,401,000	
953	-	-	-	-	449	
-	858	2,874	-	-	-	
-	194,162	273,518	-	-	-	
21,336	-	397	-	-	28,038	
-	-	-	-	-	25,818	
89,072	-	-	-	-	40,000	
46,151	-	-	-	-	-	
1,985,264	195,020	333,983	-	-	2,978,324	
354,768	-	-	-	-	-	
13,973	-	-	-	-	-	
626	-	-	-	-	-	
-	-	-	-	-	-	
369,367	-	-	-	-	-	
-	194,162	273,518	-	-	-	
-	-	721	-	-	41,867	
-	194,162	274,239	-	-	41,867	
46,151	-	-	-	-	-	
-	-	-	-	-	-	
-	858	59,744	-	-	-	
1,569,746	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	2,936,457	
-	-	-	-	-	-	
1,615,897	858	59,744	-	-	2,936,457	
\$ 1,985,265	\$ 195,020	\$ 333,983	\$ -	\$ -	\$ 2,978,324	

**CITY OF WEBSTER CITY, IOWA**  
**COMBINING BALANCE SHEET**  
**Governmental Nonmajor Funds**  
**June 30, 2024**

	<b>Special Revenue Funds</b>			
	<b>WC Comm Rehabilitation Revolving Loan</b>	<b>TIF Funds</b>	<b>Debt Service</b>	<b>SSMID</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 82,742	\$ 1	\$ 102,855	\$ 9,744
Investments	70,000	337,200	-	35,300
Receivables (Net, where applicable, of allowance for uncollectibles)				
Accounts	-	1,500	-	-
Taxes	-	292	10,321	111
Subsequent Year Taxes	-	435,161	1,134,333	68,855
Accrued Interest	2,644	2,372	2,605	163
Notes Receivable	7,660	-	-	-
Due from Other Governmental Agencies	-	-	-	-
Inventories	-	-	-	-
<b>Total Assets</b>	<b>163,046</b>	<b>776,526</b>	<b>1,250,114</b>	<b>114,173</b>
<b>Liabilities:</b>				
Accounts Payable	-	-	-	1,243
Accrued Wages	-	-	-	-
Other Accrued Expenses	-	-	-	-
Due to Other Funds	-	80,175	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>80,175</b>	<b>-</b>	<b>1,243</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Subsequent Year Property Taxes	-	435,161	1,134,333	68,855
Unavailable Revenue - Other	885	2,030	330	163
<b>Total Deferred Inflows of Resources</b>	<b>885</b>	<b>437,191</b>	<b>1,134,663</b>	<b>69,018</b>
<b>Fund Balances:</b>				
Non-Spendable:				
Inventories	-	-	-	-
Permanent Fund	-	-	-	-
Restricted:				
Specific Tax Levy	-	259,160	115,451	43,912
Streets	-	-	-	-
Capital Projects	-	-	-	-
Economic Development Activities	-	-	-	-
Committed:				
Economic Development Activities	162,161	-	-	-
Community Development Activities	-	-	-	-
<b>Total Fund Balances</b>	<b>162,161</b>	<b>259,160</b>	<b>115,451</b>	<b>43,912</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 163,046</b>	<b>\$ 776,526</b>	<b>\$ 1,250,113</b>	<b>\$ 114,173</b>

**Special Revenue Funds**

USDA Revolving Loan Fund	CDBG Housing Rehab	Wilson Brewer Park Depot	Webster City Pride
\$ 299,801	\$ 17	\$ 417	\$ 4,251
-	-	1,500	-
-	-	-	-
-	-	-	-
-	-	10	111
75,000	-	-	-
-	-	-	-
-	-	-	-
<u>374,801</u>	<u>17</u>	<u>1,927</u>	<u>4,362</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
75,000	-	10	-
<u>75,000</u>	<u>-</u>	<u>10</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
299,801	-	-	-
-	-	-	-
-	17	1,917	4,362
<u>299,801</u>	<u>17</u>	<u>1,917</u>	<u>4,362</u>
<u>\$ 374,801</u>	<u>\$ 17</u>	<u>\$ 1,927</u>	<u>\$ 4,362</u>

**CITY OF WEBSTER CITY, IOWA**  
**COMBINING BALANCE SHEET**  
**Governmental Nonmajor Funds**  
**June 30, 2024**

	Capital Project Funds		Permanent	Total
	<i>Formerly Non-Major Fund</i>		Perpetual	Governmental
	Capital Project Funds	American Rescue Plan	Care Fund	Nonmajor Funds
<b>Assets</b>				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 2,031,291
Investments	-	398,000	467,000	5,211,000
Receivables (Net, where applicable, of allowance for uncollectibles)				
Accounts	-	-	479	3,381
Taxes	-	-	-	25,102
Subsequent Year Taxes	-	-	-	3,043,262
Accrued Interest	-	18,102	3,176	86,110
Notes Receivable	-	-	-	108,478
Due from Other Governmental Agencies	-	-	-	129,072
Inventories	-	-	-	46,151
<b>Total Assets</b>	<b>-</b>	<b>416,102</b>	<b>470,655</b>	<b>10,683,847</b>
<b>Liabilities:</b>				
Accounts Payable	-	-	-	356,011
Accrued Wages	-	-	-	13,973
Other Accrued Expenses	-	-	-	626
Due to Other Funds	-	398,000	2,746	485,345
<b>Total Liabilities</b>	<b>-</b>	<b>398,000</b>	<b>2,746</b>	<b>855,955</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Subsequent Year Property Taxes	-	-	-	3,043,262
Unavailable Revenue - Other	-	2,706	-	123,712
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>2,706</b>	<b>-</b>	<b>3,166,974</b>
<b>Fund Balances:</b>				
Non-Spendable:				
Inventories	-	-	-	46,151
Permanent Fund	-	-	467,909	467,909
Restricted:				
Specific Tax Levy	-	-	-	1,157,001
Streets	-	-	-	1,569,746
Capital Projects	-	15,396	-	15,396
Economic Development Activities	-	-	-	299,801
Committed:				
Economic Development Activities	-	-	-	3,098,618
Community Development Activities	-	-	-	6,296
<b>Total Fund Balances</b>	<b>-</b>	<b>15,396</b>	<b>467,909</b>	<b>6,660,918</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ -</b>	<b>\$ 416,102</b>	<b>\$ 470,655</b>	<b>\$ 10,683,847</b>

**CITY OF WEBSTER CITY, IOWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Governmental Nonmajor Funds**  
**For the Year Ended June 30, 2024**

	<b>Special Revenue Funds</b>			
	<b>FICA/ IPERS</b>	<b>Worker's Compensation</b>	<b>Medical/Flex Insurance</b>	<b>Unemployment Compensation</b>
<b>Revenue:</b>				
Taxes	\$ 269,107	\$ 155,162	\$ 809,698	\$ 18,529
Intergovernmental Revenue	15,205	6,988	46,972	773
Charges for Services	-	-	-	-
Refunds/Reimbursements	-	-	-	-
Interest	56	-	221	28
Miscellaneous	-	6,179	-	-
<b>Total Revenue</b>	<b>284,368</b>	<b>168,329</b>	<b>856,891</b>	<b>19,330</b>
<b>Expenditures:</b>				
Public Safety	79,484	117,425	411,474	1,535
Public Works	68,383	20,687	130,071	455
Culture and Recreation	80,650	16,922	85,954	592
Community and Economic Development	-	-	-	32
General Government	40,141	645	61,423	112
Debt Service	-	-	-	-
<b>Total Expenditures</b>	<b>268,658</b>	<b>155,679</b>	<b>688,922</b>	<b>2,726</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>15,710</b>	<b>12,650</b>	<b>167,969</b>	<b>16,604</b>
<b>Other financing sources (uses):</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>15,710</b>	<b>12,650</b>	<b>167,969</b>	<b>16,604</b>
Fund balances (deficits) -beginning of year	87,363	142,093	235,331	156
Change within financial reporting entity - Major to Nonmajor	-	-	-	-
Change within financial reporting entity - Nonmajor to Major	-	-	-	-
Other change within financial reporting entity	-	-	-	-
<b>Fund balances (deficits) -beginning of year, as restated</b>	<b>87,363</b>	<b>142,093</b>	<b>235,331</b>	<b>156</b>
<b>Fund balances (deficits) - end of year</b>	<b>\$ 103,073</b>	<b>\$ 154,743</b>	<b>\$ 403,300</b>	<b>\$ 16,760</b>

Special Revenue Funds						
Road Use Tax	Property & Liability Ins. Insurance	Police/Fire Retirement	Formerly Non- Major Fund	Sized Property Trust	Economic Development Loan	
			Police Reserve Fund			
\$ -	\$ 98,079	\$ 256,160	\$ -	\$ -	\$ -	
1,106,395	3,432	14,421	-	-	40,000	
-	-	-	-	-	-	
-	-	-	-	-	-	
82,460	169	455	-	-	28,082	
1,326	6,177	-	-	-	7,510	
1,190,181	107,857	271,036	-	-	75,592	
-	60,803	257,150	-	200	-	
1,459,144	7,720	-	-	-	-	
-	33,731	-	-	-	-	
-	-	-	-	-	161,227	
-	9,881	-	-	-	-	
-	-	-	-	-	-	
1,459,144	112,135	257,150	-	200	161,227	
(268,963)	(4,278)	13,886	-	(200)	(85,635)	
-	5,136	-	-	200	2,444,028	
-	-	-	-	-	-	
-	5,136	-	-	200	2,444,028	
(268,963)	858	13,886	-	-	2,358,393	
1,884,860	-	45,858	3,611	-	578,064	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	(3,611)	-	-	
1,884,860	-	45,858	-	-	578,064	
\$ 1,615,897	\$ 858	\$ 59,744	\$ -	\$ -	\$ 2,936,457	



**CITY OF WEBSTER CITY, IOWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Governmental Nonmajor Funds**  
**For the Year Ended June 30, 2024**

	Special Revenue Funds			
	WC Comm Rehabilitation Revolving Loan	TIF Funds	Debt Service	SSMID
Revenue:				
Taxes	\$ -	\$ 319,893	\$ 1,188,192	\$ 28,707
Intergovernmental Revenue	-	-	64,814	9,406
Charges for Services	-	-	-	-
Refunds/Reimbursements	-	-	119,006	-
Interest	7,571	585	9,236	-
Miscellaneous	151	-	-	351
Total Revenue	<u>7,722</u>	<u>320,478</u>	<u>1,381,248</u>	<u>38,464</u>
Expenditures:				
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Community and Economic Development	-	191,531	-	25,532
General Government	-	-	-	-
Debt Service	-	-	1,458,444	-
Total Expenditures	<u>-</u>	<u>191,531</u>	<u>1,458,444</u>	<u>25,532</u>
Excess (deficiency) of revenues over expenditures	<u>7,722</u>	<u>128,947</u>	<u>(77,196)</u>	<u>12,932</u>
Other financing sources (uses):				
Transfers In	-	20,998	2,581	8,574
Transfers Out	-	(81,703)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(60,705)</u>	<u>2,581</u>	<u>8,574</u>
Net Change in Fund Balance	7,722	68,242	(74,615)	21,506
Fund balances (deficits) -beginning of year	154,439	190,918	-	22,406
Change within financial reporting entity - Major to Nonmajor	-	-	190,066	-
Change within financial reporting entity - Nonmajor to Major	-	-	-	-
Other change within financial reporting entity	-	-	-	-
Fund balances (deficits) -beginning of year, as restated	<u>154,439</u>	<u>190,918</u>	<u>190,066</u>	<u>22,406</u>
Fund balances (deficits) - end of year	<u>\$ 162,161</u>	<u>\$ 259,160</u>	<u>\$ 115,451</u>	<u>\$ 43,912</u>

**Special Revenue Funds**

USDA Revolving Loan Fund	CDBG Housing Rehab	Wilson Brewer Park Depot	Webster City Pride
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
36,000	-	-	-
1,389	-	-	110
465	-	-	-
<u>37,854</u>	<u>-</u>	<u>-</u>	<u>110</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>37,854</u>	<u>-</u>	<u>-</u>	<u>110</u>
-	-	-	-
-	-	-	-
<u>37,854</u>	<u>-</u>	<u>-</u>	<u>110</u>
261,947	17	1,917	4,252
-	-	-	-
-	-	-	-
-	-	-	-
<u>261,947</u>	<u>17</u>	<u>1,917</u>	<u>4,252</u>
<u>\$ 299,801</u>	<u>\$ 17</u>	<u>\$ 1,917</u>	<u>\$ 4,362</u>

**CITY OF WEBSTER CITY, IOWA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Governmental Nonmajor Funds**  
**For the Year Ended June 30, 2024**

	Capital Project Funds		Permanent	Total
	Formerly Non-Major Fund	American Rescue Plan	Perpetual Care Fund	Governmental Nonmajor Funds
	Capital Project Funds			
Revenue:				
Taxes	\$ -	\$ -	\$ -	\$ 3,143,527
Intergovernmental Revenue	-	1,146,991	-	2,455,397
Charges for Services	-	-	3,310	3,310
Refunds/Reimbursements	-	-	-	155,006
Interest	-	81,965	-	212,327
Miscellaneous	-	-	-	22,159
Total Revenue	-	1,228,956	3,310	5,991,726
Expenditures:				
Public Safety	-	-	-	928,071
Public Works	-	-	-	1,686,460
Culture and Recreation	-	-	-	217,849
Community and Economic Development	-	-	-	378,322
General Government	-	-	-	112,202
Debt Service	-	-	-	1,458,444
Total Expenditures	-	-	-	4,781,349
Excess (deficiency) of revenues over expenditures	-	1,228,956	3,310	1,210,378
Other financing sources (uses):				
Transfers In	-	-	-	2,481,517
Transfers Out	-	(1,220,375)	-	(1,302,078)
Total other financing sources (uses)	-	(1,220,375)	-	1,179,439
Net Change in Fund Balance	-	8,581	3,310	2,389,817
Fund balances (deficits) -beginning of year	3,761,802	6,815	464,599	7,846,448
Change within financial reporting entity - Major to Nonmajor	-	-	-	190,066
Change within financial reporting entity - Nonmajor to Major	(3,761,802)	-	-	(3,761,802)
Other change within financial reporting entity	-	-	-	(3,611)
Fund balances (deficits) -beginning of year, as restated	-	6,815	464,599	4,271,101
Fund balances (deficits) - end of year	\$ -	\$ 15,396	\$ 467,909	\$ 6,660,918

**CITY OF WEBSTER CITY, IOWA**  
**COMBINING SCHEDULE OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2024**

	Trust Funds					Totals
	Joe E. Barr Trust	Edgar Foster Trust	Calvary Cemetery Trust	Zella Silvers Trust	Mulberry Church Trust	
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 1,568	\$ 1,854	\$ 5,112	\$ 2,875	\$ 5,776	\$ 17,185
Investments	-	-	-	-	10,000	10,000
Receivables:						
Accounts Receivable	-	-	-	-	50	50
Accrued Interest	-	-	-	-	70	70
<b>Total Assets</b>	<b>1,568</b>	<b>1,854</b>	<b>5,112</b>	<b>2,875</b>	<b>15,896</b>	<b>27,305</b>
<b>LIABILITIES</b>						
Accounts Payable	33	33	-	34	-	100
<b>Total Liabilities</b>	<b>33</b>	<b>33</b>	<b>-</b>	<b>34</b>	<b>-</b>	<b>100</b>
<b>NET POSITION</b>						
Restricted for individuals, organizations, and other governments	1,535	1,821	5,112	2,841	15,896	27,205
<b>Total Liabilities and Net Position</b>	<b>\$ 1,568</b>	<b>\$ 1,854</b>	<b>\$ 5,112</b>	<b>\$ 2,875</b>	<b>\$ 15,896</b>	<b>\$ 27,305</b>

**CITY OF WEBSTER CITY, IOWA  
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 For the Year Ended June 30, 2024**

	<b>Trust Funds</b>					
	<b>Joe E. Barr Trust</b>	<b>Edgar Foster Trust</b>	<b>Calvary Cemetery Trust</b>	<b>Zella Silvers Trust</b>	<b>Mulberry Church Trust</b>	<b>Totals</b>
<b>Additions</b>						
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 226	\$ 226
Miscellaneous	-	-	-	-	6,011	6,011
<b>Total Additions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,237</b>	<b>6,237</b>
<b>Deductions</b>						
Culture and Recreation	33	33	-	34	1,732	1,832
Changes in Net Position	(33)	(33)	-	(34)	4,505	4,405
Net Position Beginning of Year	1,568	1,854	5,112	2,875	11,391	22,800
Net Position End of Year	<b>\$ 1,535</b>	<b>\$ 1,821</b>	<b>\$ 5,112</b>	<b>\$ 2,841</b>	<b>\$ 15,896</b>	<b>\$ 27,205</b>

**CITY OF WEBSTER CITY, IOWA**  
**Schedule of Expenditures of Federal Awards (Cash Basis)**  
**For the Year Ended June 30, 2024**

	<b>Assistance Listing Number</b>	<b>Pass-Through Entity Identifying Number</b>	<b>Program Expenditures</b>
<b>Direct:</b>			
U.S. Department of Transportation			
Airport Improvement Program	20.106	3-19-0097-019-2022	\$ 28,927
Airport Improvement Program	20.106	3-19-0097-021-2023	9,808
Airport Improvement Program	20.106	3-19-0097-022-2023	48,620
			<u>87,355</u>
U.S. Department of Treasury			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	1,146,991
			<u>1,234,346</u>
<b>Total Direct:</b>			
			<u>1,234,346</u>
<b>Indirect:</b>			
U.S. Department of Transportation			
Iowa Department of Public Safety			
State & Community Highway Safety Grants	20.600	PAP 402-PT-2024	4,800
			<u>4,800</u>
<b>Total Indirect:</b>			
			<u>4,800</u>
Total Expenditures of Federal Awards			<u>\$ 1,239,146</u>

**BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of City of Webster City under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of City of Webster City, it is not intended to and does not present the financial position, changes in financial position or cash flows of City of Webster City.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, Wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City of Webster City has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**SUBRECIPIENTS**

No awards were passed through to subrecipients.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor, Members of the City Council  
City of Webster City, Iowa

We have audited, in accordance auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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 Webster City, Iowa as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Webster City, Iowa's basic financial statements, and have issued our report thereon dated December 26, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Webster City, Iowa's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Webster City, Iowa's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Webster City, Iowa's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Webster City, Iowa's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Comments involving statutory and other legal matters about the City's operations for the year ended June 30, 2024 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the City. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

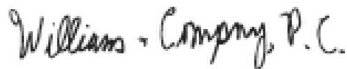
### **City of Webster City, Iowa's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Webster City, Iowa's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Webster City, Iowa's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of City of Webster City, Iowa during the course of our audit. If you have any questions concerning any of the above matters, we would be pleased to discuss them with you at your convenience.



Certified Public Accountants

Le Mars, Iowa  
December 26, 2024





## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Members of the City Council  
Webster City, Iowa

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited the City of Webster City, Iowa's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal program for the year ended June 30, 2024. The City of Webster City, Iowa's major federal programs are identified in the summary of the independent auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Webster City, Iowa, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2024.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Webster City, Iowa and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

#### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance

but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose

*Williams + Company, P.C.*

Certified Public Accountants

Le Mars, Iowa  
December 26, 2024

**CITY OF WEBSTER CITY, IOWA**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Part I: Summary of the Independent Auditors' Results**

- (a) Unmodified opinions were issued on the financial statements.
- (b) A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements.
- (c) The audit did not disclose any noncompliance which is material to the financial statements.
- (d) An unmodified opinion was issued on compliance with requirements applicable to each major program.
- (e) The audit disclosed no audit findings which were required to be reported in accordance with the Uniform Guidance.
- (f) The major program was as follows:
  - 21.027 Coronavirus State and Local Fiscal Recovery Funds
- (g) The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- (h) The City of Webster City did not qualify as a low-risk auditee.

**Part II: Findings Related to the Financial Statements:**

**Instances of Non-Compliance:**

No matters were noted.

**Material Weakness:**

2024-001 Financial Reporting

Condition and Criteria - The auditors were required to propose and have management post material adjusting journal entries to the fund financial statements in order for the financial statements to conform with U.S. generally accepted accounting principles. Management is responsible for the preparation of financial statements in accordance with U.S. generally accepted accounting principles (GAAP).

Effect – The financial statements provided by management are not presented entirely in accordance with U.S. generally accepted accounting principles.

Cause – With a limited number of personnel and current staff workload, the time constraints do not allow for all required year end U.S. GAAP adjusting journal entries to be posted.

Recommendation – The City should review the financial statements and ensure all accounts are properly adjusted.

View of Responsible Officials – City management feels that hiring additional personnel to implement the additional U.S. GAAP adjusting journal entries would not be cost-effective. However, management has and will continue to monitor this process on a regular basis.

**CITY OF WEBSTER CITY, IOWA**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Part III: Findings Related to the Federal Awards:**

**Instances of Non-Compliance:**

No matters were noted.

**Material Weakness:**

No matters were noted.

**Part IV: Other Findings Related to Statutory Reporting:**

2024-A Certified Budget – Disbursements during the year ended June 30, 2024 exceeded the amount budgeted in Public Safety, Health and Social Services, and Debt Service functions. Chapter 384.20 of the Code of Iowa states, in part, “Public monies may not be expended or encumbered except under an annual or continuing appropriation.”

Recommendation – The budget should have been amended in accordance with Chapter 384.18 of the code of Iowa before disbursements were allowed to exceed the budget.

Response – The budget will be amended in the future, if applicable.

2024-B Questionable Expenditures - We noted no questionable expenditures during our audit.

2024-C Travel Expense - No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

2024-D Business Transactions – Business transactions between the City and City officials are detailed as follows:

<b>Name, Title and Business Connection</b>	<b>Transaction/Description</b>	<b>Amount</b>
Tile Pros, Inc. – Brandon Hayes, Fireman	Contractor	\$ 27,954
Zehner Safety – Don Zehner, Fireman	Supplies	1,935
Estlund Heating & AC – Jeremy Estlund, Fireman	Repair	782
TMI – Brandon Hayes, Fireman	Contractor	1,970
AW.some Mowing—Logan Welch, Councilman	Maintenance	\$ 15,498

In accordance with Chapter 362.5(3)(j) of the Code of Iowa, the transactions with Zehner Safety, Estlund Heating & AC, and TMI do not appear to represent conflicts of interest since total transactions with each individual were less than \$6,000 during the fiscal year. The transactions with AW.some Mowing and Tile Pros may represent a conflict of interest and the City should contact legal counsel for determination.

2024-E Restricted Donor Activity – No transactions were noted between the city, city officials, City employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

**CITY OF WEBSTER CITY, IOWA**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended June 30, 2024**

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**Part IV: Other Findings Related to Statutory Reporting (Continued):**

- 2024-F Bond Coverage - Surety bond coverage of City officials and employees is in accordance with statutory provisions. However, we recommend that the amount of coverage be reviewed annually to insure that the coverage is adequate for current operations.
- 2024-G Council Minutes - We noted no transactions requiring approval which had not been approved by the Council.
- 2024-H Deposits and Investments – No instances of noncompliance with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the City's investment policy were noted.
- 2024-I Revenue Bonds - No violations of revenue bond resolutions were noted.
- 2024-J Urban Renewal Annual Report – The annual urban renewal report was properly approved and certified to the Iowa Department of Management on or before December 1.
- 2024-K Financial Condition – At June 30, 2024, the City had a deficit balance in the following fund:

Fund	Amount
Internal Service	\$ (36,503)

Recommendation – The City should investigate alternatives to eliminate the deficit to return the funds to a sound financial position.

Response – The City will review available resources to return these funds to a sound financial position.

**CITY OF WEBSTER CITY, IOWA  
Schedule of Prior Year Audit Findings  
June 30, 2024**

**Prior Year Audit Findings – Year Ended June 30, 2024**

2023-001 Financial Reporting

Criteria - The auditors were required to propose and have management post material adjusting journal entries to the fund financial statements in order for the financial statements to conform with U.S. generally accepted accounting principles. Management is responsible for the preparation of financial statements in accordance with U.S. generally accepted accounting principles (GAAP).

Effect – The financial statements provided by management are not presented entirely in accordance with U.S. generally accepted accounting principles.

Recommendation – The City should review the financial statements and train the appropriate employees to guarantee the correct information is being recorded.

Current Status – The recommendation is still in process, see finding 2024-001. The City continues to look at its processes in order to make sure all amounts and adjustments are properly recorded.

CITY OF WEBSTER CITY, IOWA  
URBAN RENEWAL PLAN  
2025 WEBSTER CITY HOUSING URBAN RENEWAL AREA

FEBRUARY, 2025

**I. INTRODUCTION**

Chapter 403 of the Code of Iowa authorizes cities to establish areas within their boundaries known as “urban renewal areas,” and to exercise special powers within these areas. Urban renewal powers were initially provided to cities in order that conditions of blight and of deterioration within cities might be brought under control. Gradually, urban renewal has been found to be a useful tool, as well, for economic development in previously undeveloped areas and for retention of enterprises and jobs in other areas.

In order to facilitate the use of urban renewal for economic development, in 1985, the Iowa General Assembly amended Chapter 403 to authorize City Councils to create “economic development” areas. An economic development urban renewal area may be any area of a city which has been designated by the City Council as an area which is appropriate for commercial, industrial and/or residential housing enterprises and in which the city seeks to encourage further development.

As an additional expression of the role for local governments in private economic development, the General Assembly also enacted Chapter 15A of the Code of Iowa, which declares that economic development is a “public purpose” and authorizes local governments to make grants, loans, guarantees, tax incentives and other financial assistance to private enterprise. The statute defines “economic development” as including public investment involving the creation of new jobs and income or the retention of existing jobs and income that would otherwise be lost.

The process by which an economic development urban renewal area may be created begins with a finding by the City Council that such an area needs to be established within the City. An urban renewal plan is then prepared for the area, which must be consistent with the City’s existing comprehensive or general plan. All other affected taxing entities must be notified and given an opportunity to comment on the plan. The City Council must hold a public hearing on the urban renewal plan, following which, the Council may approve the plan.

In 1996, the Iowa General Assembly again expanded the scope of urban renewal legislation relative to housing development in “economic development areas.” This legislation allows the use of tax increment financing (TIF) for housing projects beyond those that benefit only low and moderate income (LMI) families. Under the 1996 legislation, TIF can be used to support the construction of public infrastructure for any type of housing development as long as a percentage of the TIF revenues or funds from other sources, equal to or greater than the percentage of LMI families in the county, is set aside to help meet the housing needs of this group.



This document is intended to serve as the Urban Renewal Plan for the 2025 Webster City Urban Renewal Area (the “Urban Renewal Area”) of the City of Webster City, Iowa (the “City”) and will guide the City in promoting economic growth through the encouragement of residential development in such area as detailed herein. This document is an Urban Renewal Plan within the meaning of Chapter 403 of the Code of Iowa and sets out proposed projects and activities within the Urban Renewal Area.

## **II. DESCRIPTION OF URBAN RENEWAL AREA**

A description of all property (the “Property”) that has been included within the Urban Renewal Area is attached hereto as Exhibit A.

## **III. URBAN RENEWAL OBJECTIVES**

The primary objectives for the development of the Urban Renewal Area are:

1. To contribute to a diversified, well-balanced local economy by creating job opportunities and strengthening the property tax base.
2. To assist in providing land and resources for new and expanded residential development in a manner that is efficient from the standpoint of providing municipal services.
3. To stimulate through public action and commitment, private investment in residential development through the use of various federal, state and local incentives, including tax increment financing.
4. To provide municipal infrastructure, services and facilities that enhance possibilities for economic development and community attractiveness to private enterprise.
5. To help finance the cost of streets, water, sanitary sewer, storm sewer, or other public improvements in support of new residential development.
6. To provide a more marketable and attractive investment climate.
7. To increase the number of housing units in the City that are safe, attractive and comfortable.
8. To provide public facilities to enhance City services and enhance the economic attractiveness of the community.
9. To provide assistance for housing on a City-wide basis to families whose incomes are no greater than 80% of the median family income in Hamilton County.

#### IV. URBAN RENEWAL PROJECTS AND ACTIVITIES

The following types of activities are examples of the specific actions which may be undertaken by the City within the Urban Renewal Area:

1. Preparation of plans related to the development and implementation of the Urban Renewal Area and specific urban renewal projects.
2. Construction of public improvements and facilities, including streets, public utilities or other facilities in connection with an urban renewal project.
3. Construction of buildings or specific site improvements such as grading and site preparation activities, access roads and parking, railroad spurs, fencing, utility connections, and related activities.
4. Acquisition, preparation and disposition of property for development and/or redevelopment.
5. Making available, as appropriate, financing for development projects, including conventional municipal borrowing and tax increment financing resulting from increased property values in the Urban Renewal Area.
6. Pursuant to state law, provision of direct financial assistance, including grants, loans and tax increment rebate agreements, to private persons engaged in economic development, in such form and subject to such conditions as may be determined by the City Council.

#### V. SPECIFIC URBAN RENEWAL PROJECTS

**Name of Project:** Residential Subdivision Development Project

**Date of Council Approval of Project:** February 3, 2025

**Description of Project:** A private developer (the “Developer”) is undertaking the development of a residential subdivision (the “Housing Project”) and the corresponding construction of public infrastructure (the “Infrastructure Project”) on the Property (as defined in Section II above) in the Urban Renewal Area. The addition of new residential housing in the City will enhance the quality of life in the City thereby resulting in commercial and residential growth in the City.

It has been requested that the City provide tax increment financing assistance to the Developer in support of the efforts to complete the Infrastructure Project.

The costs incurred by the City in providing tax increment financing assistance to the Developer will include legal and administrative fees (the “Admin Fees”) in an amount not to exceed \$15,000.

**Description of Use of TIF:** The City intends to enter into a development agreement (the “Agreement”) with the Developer with respect to the construction of the Housing Project and the Infrastructure Project and to provide annual appropriation economic development payments (the “Payments”) to the Developer thereunder. The Payments, in an amount not to exceed \$4,550,000 will be funded with incremental property tax revenues to be derived from the Property.

**Description of Use of Economic Development Grant:** The City also intends to provide the Developer with an economic development grant (the “Grant”) in an amount not to exceed \$1,200,000. The Grant will be funded with either borrowed funds and/or an internal advance of City’s funds on hand. The Grant will be disbursed for costs verified by paid receipts for the extension of Wall Street and Lynx Avenue. The Grant will amount will be the lesser of either \$1,200,000 or 20% of the Infrastructure Project.

It is anticipated that the City’s total commitment of incremental property tax revenues with respect to the Infrastructure Project, including the Payments (\$4,550,000), the Admin Fees (\$15,000), and the LMI Set Aside (\$1,898,260) (as described below) will not exceed \$6,463,260.

**LMI Set Aside:** Pursuant to the provisions of Section 403.22 of the Code of Iowa, the City will provide low and moderate income family housing assistance in its area of operation in an amount not less than 41.72% of the incremental property tax revenues that are paid to the Developer under the Development Agreement.

## **VI. LAND USE PLAN AND PROPOSED DEVELOPMENT**

The City has adopted a Comprehensive Land Use Plan which guides the establishment of commercial, residential and industrial land uses throughout the incorporated area. Land use in the Urban Renewal Area will be carried out in a manner that will maintain consistency with the Comprehensive Land Use Plan.

## **VII. TAX INCREMENT FINANCING**

In order to assist in the development or retention of private enterprises, the City may be requested to acquire land, construct public improvements or provide economic development loans, grants or other tax incentives for the benefit of private enterprises in order to enhance the value of property in the Urban Renewal Area. As part of the Urban Renewal Area, the City has adopted an ordinance to create a tax increment district (the “TIF District”), within which the property taxes eventually paid by new private development may be used to pay costs of urban renewal projects for these types of activities, including reimbursing the City or paying debt service on obligations issued by the City. The use of these tax revenues is known as tax increment financing (“TIF”).

Depending upon the date upon which the TIF District is legally established and the date on which debt is initially certified within the TIF District, an original taxable valuation is established for the property within the TIF District, which is known as the “base valuation.” The “base valuation” is the assessed value of the taxable property in the TIF District as of January 1

of the calendar year preceding the calendar year in which the City first certifies the amount of any debt payable from TIF revenues to be generated within that TIF District. When the value of the property inside the TIF District increases by virtue of new construction or any other reason, the difference between the base valuation and the new property value is the “tax increment” or “incremental value.”

Procedurally, after tax increment debt has been incurred for the financing of improvements within the TIF District or for the payment of economic development incentives to private entities, property taxes levied by all local jurisdictions (city, county, school, area college) against the incremental value, with the exception of taxes levied to repay current or future debt incurred by local jurisdictions and the school district instructional support and physical plant and equipment levies, are allocated by state law to the City’s tax increment fund rather than to each local jurisdiction.

### **VIII. ASSISTANCE TO FAMILIES OF LOW AND MODERATE INCOME**

The City’s primary objective in the Urban Renewal Area is to promote new residential development and the corresponding construction of public infrastructure.

When a City utilizes TIF to support the provision of public infrastructure related to residential development, a percentage of the TIF revenues generated by the project (or other funds of the City) must be used to provide assistance (“LMI assistance”) to families of low and moderate income (“LMI families”).

As approved by the Iowa Department of Economic Development, the percent of incremental revenues used to provide LMI assistance must be at least equal to 41.72% of the TIF revenues generated by this project. LMI families are those whose incomes do not exceed 80% of the median county income in Hamilton County.

The requirement to provide assistance for LMI housing may be met either by ensuring that at least 41.72% of the units constructed in the area are occupied by families whose incomes are at or below 80% of the median county income, or by setting aside an amount equal to 41.72% of the project costs for LMI housing activities elsewhere in the City.

If funds are set aside, as opposed to constructing affordable housing in the Urban Renewal Area, the type of assistance provided anywhere within the City may include but is not necessarily limited to:

1. Owner/renter-occupied housing rehabilitation.
2. Grants, credits or other direct assistance to LMI families.
3. Homeownership assistance.
4. Tenant -based rental assistance.
5. Down-payment assistance.

6. Mortgage interest buy-down assistance.
7. Infrastructure development for LMI housing.

**IX. EFFECTIVE PERIOD**

This Urban Renewal Plan will become effective upon its adoption by the City Council and will remain in effect until it is repealed by the City Council. The collection of incremental property taxes in the Urban Renewal Area will continue for the maximum number of years authorized by Chapter 403 of the Code of Iowa unless otherwise determined by action of the City Council.

**X. PLAN AMENDMENTS**

This Urban Renewal Plan may be amended in accordance with the procedures set forth in Chapter 403 of the Code of Iowa to, for example, change the project boundaries, modify urban renewal objectives or activities, or to carry out any other purposes consistent with Chapter 403 of the Code of Iowa.

**XI. FINANCIAL INFORMATION**

CITY DEBT INFORMATION

1. Current constitutional debt limit:	<u>\$22,433,605</u>
2. Outstanding general obligation debt:	<u>\$13,010,000</u>
3. Proposed amount of TIF debt to be incurred*:	<u>\$4,550,000</u> (Payments)
	<u>\$15,000</u> (Admin Fees)
	<u>\$1,898,260</u> (LMI Amount)
	<u>\$6,463,260</u> (Total)

\*Some or all of the debt incurred hereunder may be subject to annual appropriation by the City Council.

**EXHIBIT A**  
**LEGAL DESCRIPTION**  
**2025 WEBSTER CITY HOUSING URBAN RENEWAL AREA**

Parcel Letter “K” as recorded in Document 2017 389, Slide 57A, Page 12 of the Hamilton County, Iowa, Recorder’s Office, located in the SW ¼ of the SE ¼ of Section Two, Township 88 North, Range 26, West of the 5<sup>th</sup> P.M., Webster City, Hamilton County, Iowa, except Parcel “A” of Parcel Letter “K” as recorded in Document 2018 66, Slide 57A, Page 16 of the Hamilton County, Iowa, Recorder’s Office, Webster City, Hamilton County, Iowa.

RESOLUTION NO. 2025 - xxx

A Resolution to Declare Necessity and Establish an Urban Renewal Area, Pursuant to Section 403.4 of the Code of Iowa and Approve Urban Renewal Plan and Project for the 2025 Webster City Housing Urban Renewal Area

WHEREAS, as a preliminary step to exercising the authority conferred upon Iowa cities by Chapter 403 of the Code of Iowa, the “Urban Renewal Law,” a municipality must adopt a resolution finding that one or more slums, blighted or economic development areas exist in the municipality and that the development of such area or areas is necessary in the interest of the public health, safety or welfare of the residents of the municipality; and

WHEREAS, it has been proposed by the City Council of the City of Webster City, Iowa (the “City”) that the 2025 Webster City Housing Urban Renewal Area (the “Urban Renewal Area”) be established on the property (the “Property”) described in Exhibit A to this Resolution; and

WHEREAS, the proposal demonstrates that sufficient need exists to warrant finding the Urban Renewal Area to be an economic development area; and

WHEREAS, a proposed urban renewal plan (the “Plan”) has been prepared for the governance of projects and initiatives to be undertaken in the Urban Renewal Area and which authorizes a certain initial urban renewal project to be undertaken therein consisting of providing tax increment financing support to Wilson Estates LLC in connection with the construction of public infrastructure necessary for the development of a housing subdivision; and

WHEREAS, notice of a public hearing by the City Council on the question of establishing the Property as an urban renewal area and on the Plan and projects for the Urban Renewal Area was heretofore given in strict compliance with the provisions of Chapter 403 of the Code of Iowa, and the City Council has conducted said hearing on February 3, 2025; and

WHEREAS, pursuant to Section 403.17 of the Code of Iowa, the City has received the executed consent agreement of the owner of “agricultural land” proposed for inclusion in the Urban Renewal Area; and

WHEREAS, copies of the Plan, notice of public hearing and notice of a consultation meeting with respect to the urban renewal plan were mailed to Hamilton County and the Webster City Community School District; the consultation meeting was held on the 17th day of January, 2025; and responses to any comments or recommendations received following the consultation meeting were made as required by law;

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

Section 1. An economic development area as defined in Chapter 403 of the Code of Iowa is found to exist on the Property.

Section 2. The Property is hereby declared to be an urban renewal area, in conformance with the requirements of Chapter 403 of the Code of Iowa, and is hereby designated the 2025 Webster City Housing Urban Renewal Area.

Section 3. The development of the Property is necessary in the interest of the public health, safety or welfare of the residents of the City.

Section 4. It is hereby determined by this City Council as follows:

- A. The Plan conforms to the general plan of the municipality as a whole;
- B. Proposed development in the Urban Renewal Area is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and local community objectives; and
- C. It is not anticipated that families will be displaced as a result of the City's undertakings under the Plan. Should such issues arise with future projects, then the City will ensure that a feasible method exists to carry out any relocations without undue hardship to the displaced and into safe, decent, affordable and sanitary housing.

Section 5. The Plan for the Urban Renewal Area is made a part hereof and is hereby in all respects approved in the form presented to this City Council, and the proposed projects described in the Plan are hereby in all respects approved.

Section 6. All resolutions or parts thereof in conflict herewith are hereby repealed, to the extent of such conflict.

Passed and approved February 3, 2025.

---

Mayor

Attest:

---

City Clerk



EXHIBIT A  
LEGAL DESCRIPTION  
2025 WEBSTER CITY HOUSING URBAN RENEWAL AREA

Parcel Letter "K" as recorded in Document 2017 389, Slide 57A, Page 12 of the Hamilton County, Iowa, Recorder's Office, located in the SW ¼ of the SE ¼ of Section Two, Township 88 North, Range 26, West of the 5<sup>th</sup> P.M., Webster City, Hamilton County, Iowa, except Parcel "A" of Parcel Letter "K" as recorded in Document 2018 66, Slide 57A, Page 16 of the Hamilton County, Iowa, Recorder's Office, Webster City, Hamilton County, Iowa.

ORDINANCE NO. [REDACTED]

An Ordinance Providing for the Division of Taxes Levied on Taxable Property in the 2025 Webster City Housing Urban Renewal Area, Pursuant to Section 403.19 of the Code of Iowa

BE IT ENACTED by the members of the City Council of the City of Webster City, Iowa:

Section 1. Purpose. The purpose of this ordinance is to provide for the division of taxes levied on the taxable property in the 2025 Webster City Housing Urban Renewal Area, each year by and for the benefit of the state, city, county, school districts or other taxing districts after the effective date of this ordinance in order to create a special fund to pay the principal of and interest on loans, moneys advanced to or indebtedness, including bonds proposed to be issued by the City to finance projects in such area.

Section 2. Definitions. For use within this ordinance the following terms shall have the following meanings:

“City” shall mean the City of Webster City, Iowa.

“County” shall mean Hamilton County, Iowa.

“Urban Renewal Area” shall mean the real property situated in the 2025 Webster City Housing Urban Renewal Area, more particularly described as follows, such property having been identified in the Urban Renewal Plan approved by the City Council by resolution adopted on February 3, 2025:

Parcel Letter “K” as recorded in Document 2017 389, Slide 57A, Page 12 of the Hamilton County, Iowa, Recorder’s Office, located in the SW ¼ of the SE ¼ of Section Two, Township 88 North, Range 26, West of the 5<sup>th</sup> P.M., Webster City, Hamilton County, Iowa, except Parcel “A” of Parcel Letter “K” as recorded in Document 2018 66, Slide 57A, Page 16 of the Hamilton County, Iowa, Recorder’s Office, Webster City, Hamilton County, Iowa.

Section 3. Provisions for Division of Taxes Levied on Taxable Property in the Urban Renewal Area. After the effective date of this ordinance, the taxes levied on the taxable property in the Urban Renewal Area each year by and for the benefit of the State of Iowa, the City, the County and any school district or other taxing district in which the Urban Renewal Area is located, shall be divided as follows:

(a) that portion of the taxes which would be produced by the rate at which the tax is levied each year by or for each of the taxing districts upon the total sum of the assessed value of the taxable property in the Urban Renewal Area, as shown on the assessment roll as of January 1 of the calendar year preceding the first calendar year in which the City certifies to the County Auditor the amount of loans, advances, indebtedness, or bonds payable from the special fund referred to in paragraph (b) below, shall be allocated to and when collected be paid into the fund for the respective taxing district as taxes by or for said taxing district into which all other

property taxes are paid. For the purpose of allocating taxes levied by or for any taxing district which did not include the territory in the Urban Renewal Area on the effective date of this ordinance, but to which the territory has been annexed or otherwise included after the effective date, the assessment roll applicable to property in the annexed territory as of January 1 of the calendar year preceding the effective date of the ordinance which amends the plan for the Urban Renewal Area to include the annexed area, shall be used in determining the assessed valuation of the taxable property in the annexed area.

(b) that portion of the taxes each year in excess of such amounts shall be allocated to and when collected be paid into a special fund of the City to pay the principal of and interest on loans, moneys advanced to or indebtedness, whether funded, refunded, assumed or otherwise, including bonds issued under the authority of Section 403.9(1), of the Code of Iowa, incurred by the City to finance or refinance, in whole or in part, projects in the Urban Renewal Area, and to provide assistance for low and moderate-income family housing as provided in Section 403.22, except that taxes for the regular and voter-approved physical plant and equipment levy of a school district imposed pursuant to Section 298.2 of the Code of Iowa, taxes for the instructional support levy program of a school district imposed pursuant to Section 257.19 of the Code of Iowa, and taxes for the payment of bonds and interest of each taxing district shall be collected against all taxable property within the taxing district without limitation by the provisions of this ordinance. Unless and until the total assessed valuation of the taxable property in the Urban Renewal Area exceeds the total assessed value of the taxable property in such area as shown by the assessment roll referred to in subsection (a) of this section, all of the taxes levied and collected upon the taxable property in the Urban Renewal Area shall be paid into the funds for the respective taxing districts as taxes by or for said taxing districts in the same manner as all other property taxes. When such loans, advances, indebtedness, and bonds, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the Urban Renewal Area shall be paid into the funds for the respective taxing districts in the same manner as taxes on all other property.

(c) the portion of taxes mentioned in subsection (b) of this section and the special fund into which that portion shall be paid may be irrevocably pledged by the City for the payment of the principal and interest on loans, advances, bonds issued under the authority of Section 403.9(1) of the Code of Iowa, or indebtedness incurred by the City to finance or refinance in whole or in part projects in the Urban Renewal Area.

(d) as used in this section, the word "taxes" includes, but is not limited to, all levies on an ad valorem basis upon land or real property.

Section 4. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 5. Saving Clause. If any section, provision, or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 6. Effective Date. This ordinance shall be effective after its final passage, approval and publication as provided by law.

Passed and approved by the City Council of the City of Webster City, Iowa, on February 3, 2025.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

RESOLUTION NO. [REDACTED]

Resolution Setting a Date of Meeting at which it is Proposed to Approve a Development Agreement with Wilson Estates LLC, Including Annual Appropriation Tax Increment Payments

WHEREAS, the City of Webster City, Iowa (the “City”), pursuant to and in strict compliance with all laws applicable to the City, and in particular the provisions of Chapter 403 of the Code of Iowa, has adopted an Urban Renewal Plan for the 2025 Webster City Housing Urban Renewal Area (the “Urban Renewal Area”); and

WHEREAS, this City Council has adopted an ordinance providing for the division of taxes levied on taxable property in the Urban Renewal Area pursuant to Section 403.19 of the Code of Iowa and establishing the fund referred to in Subsection 2 of Section 403.19 of the Code of Iowa, which fund and the portion of taxes referred to in that subsection may be irrevocably pledged by the City for the payment of the principal of and interest on indebtedness incurred under the authority of Section 403.9 of the Code of Iowa to finance or refinance in whole or in part projects in the Urban Renewal Area; and

WHEREAS, the City proposes to enter into a certain development agreement (the “Development Agreement”) with Wilson Estates LLC (the “Developer”) in connection with the construction of public infrastructure necessary for the development of a residential subdivision in the Urban Renewal Area; and

WHEREAS, the Development Agreement would provide financial incentives to the Developer in the form of annual appropriation incremental property tax payments to the Developer in an amount not to exceed \$4,550,000 under the authority of Section 403.9(1) of the Code of Iowa; and

WHEREAS, it is necessary to set a date for a public hearing on the Development Agreement, pursuant to Section 403.9 of the Code of Iowa;

NOW THEREFORE, IT IS RESOLVED by the City Council of the City of Webster City, Iowa, as follows:

Section 1. This City Council shall meet on February 17, 2025, at 6:05 p.m., at the Council Chambers in City Hall, in the City, at which time and place proceedings will be instituted and action taken to approve the Development Agreement.

Section 2. The City Clerk is hereby directed to give notice of the proposed action, the time when and place where said meeting will be held, by publication at least once not less than four days and not more than twenty days before the date of said meeting in a legal newspaper of general circulation in the City. Said notice shall be in substantially the following form:

NOTICE OF MEETING FOR APPROVAL OF DEVELOPMENT AGREEMENT WITH WILSON ESTATES LLC AND AUTHORIZATION OF ANNUAL APPROPRIATION TAX INCREMENT PAYMENTS

The City Council of the City of Webster City, Iowa, will meet at the Council Chambers in City Hall, on February 17, 2025, at 6:05 p.m., at which time and place proceedings will be instituted and action taken to approve a Development Agreement between the City and Wilson Estates LLC (the “Developer”), in connection with the construction of public infrastructure necessary for the development of a residential subdivision in the 2025 Webster City Housing Urban Renewal Area (the “Urban Renewal Area”), which Agreement provides for certain financial incentives in the form of incremental property tax payments (the “Payments”) to the Developer in a total amount not exceeding \$4,550,000 as authorized by Section 403.9 of the Code of Iowa.

The commitment of the City to make the Payments to the Developer under the Development Agreement will not be a general obligation of the City, but such Payments will be payable solely and only from incremental property tax revenues generated within the 2025 Webster City Housing Urban Renewal Area. Some or all of the Payments under the Development Agreement may be made subject to annual appropriation by the City Council.

At the meeting, the City Council will receive oral or written objections from any resident or property owner of the City. Thereafter, the Council may, at the meeting or at an adjournment thereof, take additional action to approve the Development Agreement or may abandon the proposal.

This notice is given by order of the City Council of Webster City, Iowa, in accordance with Section 403.9 of the Code of Iowa.

John Harrenstein  
City Clerk

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

Section 4. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved February 3, 2025.

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John Hawkins, Mayor

Attest:

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Sherry Simmons, Deputy City Clerk

## DEVELOPMENT AGREEMENT

This Agreement is entered into between the City of Webster City, Iowa (the “City”) and Wilson Estates LLC (the “Developer”) as of the 3rd day of February, 2025 (the “Commencement Date”).

WHEREAS, the City has established the 2025 Webster City Housing Urban Renewal Area (the “Urban Renewal Area”) and has adopted a tax increment ordinance for the Urban Renewal Area; and

WHEREAS, the Developer owns certain property in the Urban Renewal Area, the legal description of which is set out in Exhibit A hereto (the “Property”); and

WHEREAS, the Developer has undertaken the development of a residential subdivision (the “Housing Project”) on the Property and the construction of certain public infrastructure improvements in connection therewith (the “Infrastructure Project”); and

WHEREAS, the Developer has requested that the City provide financial assistance in the form of an economic development grant (the “Grant”) and incremental property tax payments to be used by the Developer in paying the costs of constructing the Infrastructure Project; and

WHEREAS, the Iowa Urban Renewal law requires that any project related to housing which receives tax increment financing assistance must also generate funds to be used to provide assistance related to housing for low and moderate income families; and

WHEREAS, Chapter 15A of the Code of Iowa authorizes cities to provide grants, loans, guarantees, tax incentives and other financial assistance to or for the benefit of private persons;

NOW THEREFORE, the parties hereto agree as follows:

**A. Developer’s Covenants:**

**1. Housing Project Construction and Subdivision.** The Developer agrees to cause the construction of the Housing Project on the Property in accordance with the preliminary plat to be approved Planning Commission, City Council, and City Engineer by August 31st of 2025 and set forth on Exhibit B hereto. Prior to beginning construction of the Housing Project, the Developer will subdivide the Property in accordance with applicable ordinances and regulations.

**2. Infrastructure Project Construction and Costs.** The Developer agrees to cause the construction of the Infrastructure Project in accordance with the timeline and specifications set forth on Exhibit C hereto. Prior to constructing the Infrastructure Project, the Developer will submit copies of all engineering documents related to the proposed Infrastructure Project to the City. The City may request reasonable changes in such documents to ensure compliance with any applicable ordinances or regulations.

The City shall retain all rights to inspect the Infrastructure Project for quality of work and full compliance with City Code. Nothing in this subsection shall be interpreted as limiting the



City's rights to not accept the work if the Infrastructure Project is not completed to the satisfaction of the City.

Upon completion of the Infrastructure Project, provided that (i) such improvements are of the type ordinarily dedicated to the City in connection with housing development projects; (ii) the City confirms to the Developer in writing that such completed improvements meet City requirements; and (iii) the City accepts such Infrastructure Project in accordance with State law, the Developer will provide the City with either a deed or permanent easement to the improvements and related right-of-way comprising the Infrastructure Project, which shall thereafter be maintained by the City.

**3. Infrastructure Project Costs Documentation.** Upon completion of the Infrastructure Project, the Developer agrees to provide documentation (the "Costs Documentation") detailing the costs (the "Infrastructure Costs") incurred in the completion thereof. Such Infrastructure Costs may include all infrastructure-related land acquisition costs, all costs of designing and constructing the Infrastructure Project and of landscaping and grading all land for the Infrastructure Project, interest expense and other costs of financing the Infrastructure Project, and other reasonably related costs of carrying out the Infrastructure Project, including legal fees as provided for in this Agreement. The Infrastructure Costs shall not include such costs as are incurred in the completion of the Housing Project.

The Costs Documentation will be accompanied by invoices, and such other documentation as is reasonably requested by the City, confirming that the Infrastructure Costs detailed in such Costs Documentation were in fact incurred in the installation of the Infrastructure Project and that such costs are of an amount reasonably to have been expected with respect to such installation. The Developer will include a cover page in the form attached hereto as Exhibit D with its submittal of the Costs Documentation.

**4. Developer's Certifications – Payment Phases; Base Valuation.** The Developer shall have the right to divide the taxable parcels comprising the Property into no more than three (3) phases (the "Payment Phases" and, individually, each a "Payment Phase") for purposes of calculating and administering the Payments (as hereinafter defined). The Developer agrees to provide a certification (each a "Triggering Certification") to the City of its intent to begin the process of dividing Incremental Property Tax Revenues (as hereinafter defined) from each Payment Phase. Each Triggering Certification shall be made by no later than October 15 of the year immediately preceding the fiscal year in which the Developer intends for the Payments (as hereinafter defined) to begin for each Payment Phase. The Developer hereby acknowledges that the submission of the initial Worksheet (as defined in Section A.5 of this Agreement) for any particular Payment Phase will satisfy the requirements of this Section A.4. The Developer agrees that the initial Triggering Certification shall be made no later than October 15, 2027.

The Developer agrees that the taxable base valuation (the "Base Valuation") of the Property for purposes of calculating Incremental Property Tax Revenues under Section 403.19 of the Code of Iowa and this Agreement shall be the taxable valuation of the Property shown on the property tax rolls of Hamilton County as of January 1 of the year prior to the year in which the Triggering Certification for the first Payment Phase is filed with the City. The Base Valuation shall be apportioned to the Property included in each Payment Phase on a pro rata basis, and the

apportioned Base Valuation for each such Payment Phase shall be recorded in Section 3 of the Worksheet for each Payment Phase.

**5. Property Tax Payment Certification.** The Developer agrees to certify to the City by no later than October 15 of each year during the Term (as hereinafter defined), commencing in the fiscal year in which the Triggering Certification is made for the first Payment Phase, an amount (each, the “Developer’s Estimate”) equal to the estimated Incremental Property Tax Revenues anticipated to be paid in the fiscal year immediately following such certification with respect to the taxable valuation of each of the then-certified Payment Phases of the Property. However, the Developer shall only have the right to include incremental valuation from a particular Payment Phase in the Developer’s Estimate for a period not in excess of fifteen (15) years.

In submitting each such Developer’s Estimate for each Payment Phase, the Developer will complete and submit the worksheet (the “Worksheet”) attached hereto as Exhibit E. A separate Worksheet must be submitted for each Phase. Each Developer’s Estimate shall be divided into two figures: (1) 41.72% shall be designated as the “LMI Amount” (see Section B.5 below); and (2) 58.28% shall be designated as the “Projected Payment Amount.” The City reserves the right to review and request revisions to each such Developer’s Estimate to ensure the accuracy of the figures submitted.

For purposes of this Agreement, Incremental Property Tax Revenues are calculated by: (1) determining the consolidated property tax levy (City, school, etc.) then in effect with respect to taxation of the Property; (2) subtracting (a) the debt service levies of all taxing jurisdictions, (b) the school district instructional support and physical plant and equipment levies and (c) any other levies which may be exempted from such calculation by action of the Iowa General Assembly; (3) multiplying the resulting modified consolidated levy rate times any incremental growth in the taxable valuation of the relevant Payment Phase of the Property, as shown on the property tax rolls of Hamilton County, above and beyond the Base Valuation of the lots included with each such Payment Phase; and (4) deducting any property tax credits which shall be available with respect to the incremental valuation of the Property.

Upon request, the City staff shall provide reasonable assistance to the Developer in completing the Worksheet(s) required under this Section A.5.

**6. Events of Default.**

a. Events of Default. The following shall be “Events of Default” under this Agreement, and the term “Event of Default” shall mean, whenever it is used in this Agreement (unless otherwise provided), any one or more of the following events:

- (i) Failure by the Developer to cause the construction of the Housing Project pursuant to the terms and conditions of this Agreement.
- (ii) Failure by the Developer to complete construction of the Infrastructure Project pursuant to the terms and conditions of this Agreement.

- (iii) Failure by the Developer to comply with Sections A.3, A.4 and A.5 of this Agreement.
- (iv) Failure by the Developer to observe or perform any other material covenant on its part, to be observed or performed hereunder.

b. Notice and Remedies. Whenever any Event of Default described in this Agreement occurs, the City shall provide written notice to the Developer describing the cause of the default and the steps that must be taken by the Developer in order to cure the default. The Developer shall have thirty (30) days after receipt of the notice to cure the default or to provide assurances satisfactory to the City that the default will be cured as soon as reasonably possible. If the Developer fails to cure the default or provide assurances, the City shall then have the right to:

- (i) Pursue any action available to it, at law or in equity, in order to enforce the terms of this Agreement.
- (ii) Withhold the Grant provided for under Section B.2 of this Agreement.
- (iii) Withhold the Payments under Section B.3 of this Agreement, such right being additional to the right of annual appropriation as set forth in Section B.4 below.
- (iv) Terminate this Agreement.

7. Legal and Administrative Costs. The Developer hereby acknowledges that the City will cover the initial payment of legal fees and administrative costs (the “Actual Admin Costs”) incurred by the City in connection with the drafting, negotiation and authorization of this Agreement, including the establishment of the Urban Renewal Area. Furthermore, the Developer agrees that the City shall withhold an amount (the “Admin Withholding Amount”) equal to the lesser of (1) \$15,000 or (2) the Actual Admin Costs from the Incremental Property Tax Revenues received by the City before making any Payments to the Developer, as hereinafter set forth in order to recover some or all of the Actual Admin Costs.

**B. City’s Covenants:**

1. Review of Costs Documentation. The City staff will review the Costs Documentation upon receipt from the Developer. If the City determines the costs set forth in the Costs Documentation are costs reasonably incurred in the construction of the Infrastructure Project, the City shall record a summary of the date, amount and nature of the costs (the “Accepted Infrastructure Costs”) on the Summary of Accepted Infrastructure Costs attached hereto as Exhibit F, and such summary shall be the official record of the Accepted Infrastructure Costs for purposes of tallying the Maximum Economic Development Grant Total (as defined in Section B.2 of this Agreement) and the Maximum Tax Increment Financing Payments (as defined in Section B.3 of this Agreement). In the event that the Accepted Infrastructure Costs reflected in the Costs Documentation exceed \$1,200,000, such remaining Accepted Infrastructure Costs (the “Remaining Accepted Infrastructure Costs”) shall be used in tallying the Maximum Payment Total, as defined in Section B.2 and B.3 of this Agreement.

If the City determines the Infrastructure Costs set forth in the Costs Documentation are not costs reasonably incurred in the construction of the Infrastructure Project, the City shall so notify the Developer within fifteen (15) days of such determination in order to allow an opportunity for the Developer to cure the noted deficiencies.

**2. Economic Development Grant.** The City hereby agrees to make the Grant to the Developer in an amount (the “Maximum Grant Total”) equal to the lesser of 20% of (i) the Demonstrated Infrastructure Costs (as accepted by the City); or (ii) \$1,200,000 within one hundred twenty (120) days of the receipt of a satisfactory submittal by the Developer of the Costs Documentation.

**3. Tax Increment Payments.** In recognition of the Developer’s obligations set out above, the City agrees to make semiannual economic development tax increment payments (the “Payments” and, individually, each a “Payment”) to the Developer during the Term (as hereinafter defined) pursuant to Chapters 15A and 403 of the Code of Iowa, provided however that the aggregate, total amount of the Payments (the “Maximum Payment Total”) shall not exceed the lesser of (i) the Remaining Accepted Infrastructure Costs, or (ii) \$4,550,000. The Payments shall be funded from the incremental valuation of any given Payment Phase for a period not in excess of fifteen (15) years after the certification of such Phase. All Payments under this Agreement shall be subject to annual appropriation by the City Council, as provided hereunder.

The Payments shall not constitute general obligations of the City but shall be made solely and only from Incremental Property Tax Revenues received by the City from the Hamilton County Treasurer and attributable to the taxable valuation of the Property.

Prior to funding any Payments under this Agreement, the City will first withhold from the Incremental Property Tax Revenues an amount equal to the Admin Withholding Amount. Once an amount equal to the Admin Withholding Amount has been withheld by the City, the Payments shall be made as hereinafter set forth.

The Payments with respect to each Payment Phase will be made on December 1 and June 1 of each fiscal year following an affirmative appropriation decision as provided for under Section B.4 below, beginning on December 1 of the fiscal year immediately succeeding the year in which the Triggering Certification is made for each Payment Phase, and continuing for a period of a total of fifteen (15) fiscal years, provided, however, that no Payments will be made after the sooner of (i) the date on which the aggregate sum of Payments made hereunder equals the Maximum Payment Total; or (ii) June 1, 2048.

For example, assuming the Triggering Certification for the first Payment Phase is made by October 15, 2027, and all appropriation determinations are approved affirmatively by the City Council under Section B.4 below, Payments for the first Payment Phase will be made on each December 1 and June 1, beginning December 1, 2028, and continuing through and including the sooner of June 1, 2043, or the date on which the aggregate sum of Payments made hereunder equals the Maximum Payment Total.

**4. Annual Appropriation.** The Payments shall be subject to annual appropriation by the City Council. Prior to December 1 of each year during the Term, beginning in the fiscal year in which the Triggering Certification is filed for the first Payment Phase, the City Council of the City shall consider the question of obligating for appropriation to the funding of the Payments due in the following fiscal year, an amount (the “Appropriated Amount”) of Incremental Property Tax Revenues to be collected in the following fiscal year equal to or less than the Projected Payment Amount reflected in the most recently submitted Developer’s Estimate.

In any given fiscal year, if the City Council determines to not obligate the then-considered Appropriated Amount, then the City will be under no obligation to fund the Payments scheduled to become due in the following fiscal year, and the Developer will have no rights whatsoever to compel the City to make such Payments, to seek damages relative thereto or to compel the funding of such Payments in future fiscal years. A determination by the City Council to not obligate funds for any particular fiscal year’s Payments shall not render this Agreement null and void, and the Developer shall make the next succeeding submission of the Developer’s Estimate as called for in Section A.5 above, provided however that no Payment shall be made under this Agreement after June 1, 2048.

**5. Payment Amounts.** The aggregate Payments to be made in a fiscal year shall not exceed an amount equal to the corresponding Appropriated Amount (for example, for the Payments due on December 1, 2028, and June 1, 2029, the aggregate maximum amount of such Payments would be determined by the Appropriated Amount approved for certification by December 1, 2027). Furthermore, the amount of each Payment shall not exceed the amount of Incremental Property Tax Revenues (excluding allocations of “back-fill” or “make-up” payments from the State of Iowa for property tax credits or roll-back) actually received by the City from the Hamilton County Treasurer and attributable to the taxable incremental valuation of the Property in the six (6) months immediately preceding each Payment due date minus the then-effective LMI Amount as set forth in Sections A.5 above and B.6 below.

**6. Low and Moderate Income Set Aside.** On each Payment date, the City shall retain from then-accumulated Incremental Property Tax Revenues received with respect to the Property an amount equal to such accumulated Incremental Property Tax Revenues multiplied by the minimum percentage required by Section 403.22 of the Code of Iowa. As of the date of this Agreement, the applicable minimum percentage is 41.72%. At such time that the City has retained Incremental Property Tax Revenues equal to 41.72% of the Maximum Payment Total, the City shall no longer be required to retain the LMI Amount from the Incremental Property Tax Revenues before making the Payments to the Developer.

The Incremental Property Tax Revenues retained shall be used by the City in the provision of assistance to low and moderate income families, pursuant to Section 403.22 of the Code of Iowa. The Developer may apply to the City for all or a portion of the funds set aside for assistance to low and moderate income families, provided the Developer can document to the satisfaction of the City that housing units which are located on the Property are occupied or reserved to be occupied by families which meet the required income limits of state law. The City reserves the right to allocate funds retained under this Section B.6 in any lawful manner of its choosing.

7. **Certification of Payment Obligation.** In any given fiscal year, if the City Council determines to obligate the then-considered Appropriated Amount, as set forth in Section B.4 above, then the City Clerk will certify by December 1 of each such year to the Hamilton County Auditor (for purposes of Section 403.19 of the Code of Iowa) an amount equal to the most recently obligated Appropriated Amount for the funding of the Payments, plus the corresponding LMI Amount due in the next succeeding fiscal year.

C. **Administrative Provisions:**

1. **Assignment.** Neither party shall have the right to cause the Agreement to be amended, assigned, assumed, sold or otherwise transferred without the prior written consent of the other party. However, the City hereby gives its permission that the Developer's rights to receive the economic development tax increment payments hereunder may be assigned by the Developer to a private lender, as security on a credit facility taken in connection with the Housing Project and/or the Infrastructure Project, without further action on the part of the City. This Agreement is personal to the Developer and shall not run with the Property.

2. **Successors.** This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

3. **Term.** The term (the "Term") of this Agreement shall commence on the Commencement Date and end on the date on which the last Payment is made by the City to the Developer under Section B.3 above.

4. **Choice of Law.** This Agreement shall be deemed to be a contract made under the laws of the State of Iowa and for all purposes shall be governed by and construed in accordance with the laws of the State of Iowa.

5. **Notices.** Except as otherwise expressly provided in this Agreement, a notice or other communication under the Agreement, by either the City or the Developer to the other, shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and:

a) In the case of the Developer, is addressed to or delivered personally to \_\_\_\_\_.

b) In the case of City, is addressed to or delivered personally to City Manager, City of Webster City, City Hall, 400 Second Street, PO Box 217 Webster City, IA 50595.

c) The City or the Developer may, upon written notice to the other, change the address to which such notices and demands are made.

The City and the Developer have caused this Agreement to be signed in their names and on their behalf by their duly authorized officers, all as of the day and date written above.

CITY OF WEBSTER CITY, IOWA

By: \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

WILSON ESTATES LLC

By: \_\_\_\_\_

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

Parcel Letter "K" as recorded in Document 2017 389, Slide 57A, Page 12 of the Hamilton County, Iowa, Recorder's Office, located in the SW ¼ of the SE ¼ of Section Two, Township 88 North, Range 26, West of the 5<sup>th</sup> P.M., Webster City, Hamilton County, Iowa, except Parcel "A" of Parcel Letter "K" as recorded in Document 2018 66, Slide 57A, Page 16 of the Hamilton County, Iowa, Recorder's Office, Webster City, Hamilton County, Iowa.



**EXHIBIT B**  
**PRELIMINARY PLAT FOR HOUSING PROJECT**

(To be submitted and approved by City Engineer, Planning Commission, and City Council. The Developer has indicated initial submittals will be made to the City Engineer by February 21, 2025 and the current objective is to have the City Council consider the Site Plan and Preliminary Plat at the last meeting in March of 2025)

**EXHIBIT C**

**TIMELINE AND SPECIFICATIONS OF INFRASTRUCTURE PROJECT**

(To be submitted and approved by City Council no later than August 2025.)  
(The Developer has indicated the Infrastructure Project will commence no later than the August of 2026 and be completed by August of 2027.)

**EXHIBIT D**  
**FORM OF COVER PAGE FOR INFRASTRUCTURE PROJECT COSTS  
DOCUMENTATION**

Date submitted: \_\_\_\_\_

Submitted by: \_\_\_\_\_

Contact information: \_\_\_\_\_

Index of Invoices/Statements Attached to substantive request:

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I, the undersigned hereby certify that the costs shown on the documents referred in the index above are legitimate costs reasonably incurred in the undertaking of the Infrastructure Project.

WILSON ESTATES LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

Reviewed and accepted by the City of Webster City, Iowa this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_

City Clerk





**RESOLUTION NO. 2025 - xxx**

**RESOLUTION ACCEPTING PERMANENT AND TEMPORARY EASEMENT AGREEMENT  
FROM THE OWNERS OF PROPERTY - KENDRA K. CHIZEK AND ZACHARY S. CHIZEK**

**WHEREAS**, the Sanitary Sewer Main construction, reconstruction, repair, replacement, enlarging, inspecting, and maintaining by the City is necessary of the easement area; and

**WHEREAS**, for the construction and maintenance of the City's Sanitary Sewer Main and related appurtenances the following easement is required:

**the easement granted by**

Kendra K. Chizek and Zachary S. Chizek

Property Area attached as Attachment A

**NOW, THEREFORE, IT IS RESOLVED** by the City Council of the City of Webster City, Iowa, as follows:

**SECTION 1:** That Council accepts the aforementioned permanent and temporary easement to continue with the City's Sanitary Sewer Main and related appurtenances.

**SECTION 2:** That said permanent and temporary easement is hereby approved upon being executed by both parties.

Passed and adopted this 3<sup>rd</sup> day of February, 2025.

---

John Hawkins, Mayor

ATTEST:

---

John Harrenstein, City Clerk

## ATTACHMENT A

### **Permanent Easement Area:**

A SANITARY SEWER EASEMENT BEING 20 FEET IN WIDTH IN THE SOUTHEAST QUARTER, AND BEING PART OF PARCEL R, AND ALSO PART OF PARCEL H OF LOT 1 IN WALL CREEK FIRST ADDITION TO WEBSTER CITY, BEING A PART OF SECTION 2, TOWNSHIP 88 NORTH, RANGE 26 WEST OF THE 5TH P.M., HAMILTON COUNTY, IOWA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE WEST 20 FEET OF THE NORTH 20 FEET OF PARCEL R OF THE SOUTHEAST QUARTER OF SAID SECTION 2, ALSO THE WEST 20 FEET OF PARCEL H OF LOT 1 OF WALL CREEK FIRST ADDITION TO WEBSTER CITY.

THE ABOVE DESCRIBED LAND CONTAINS 2,931 SQUARE FEET TOTAL AND IS SUBJECT TO ALL EASEMENTS EXPRESSED OR IMPLIED.

### **Temporary Easement Area:**

A 20 FOOT TEMPORARY SANITARY SEWER CONSTRUCTION EASEMENT LYING DIRECTLY EAST AND SOUTH OF THE ABOVE DESCRIBED PERMANENT SANITARY SEWER EASEMENT.

---

Preparer/Return to: Doug Herman, Lynch Dallas, P.C., 526 Second Ave. S.E., P.O. Box 2457  
Cedar Rapids, Iowa 52406 Phone: 319.365.9101 Email: dherman@lynchdallas.com

**PERMANENT and TEMPORARY EASEMENT AGREEMENT  
SANITARY SEWER**

**WHEREAS**, the undersigned, Kendra K. Chizek and Zachary S. Chizek, a married couple, hereinafter referred to as "Grantor", in consideration of the sum of one dollar (\$1.00) and other good and valuable consideration from the City of Webster City, Iowa, an Iowa municipal corporation, hereinafter referred to as "Grantee or City", the receipt and sufficiency of which is hereby acknowledged, do hereby sell, grant and convey unto the Grantee, both permanent and temporary easements under, through, over and/or across that portion of Grantor's property described below, hereinafter referred to as "Permanent Easement Area" and "Temporary Easement Area" and jointly as "Easement Areas", for the purposes and subject to the terms and provisions set forth herein:

**Permanent Easement Area:**

A SANITARY SEWER EASEMENT BEING 20 FEET IN WIDTH IN THE SOUTHEAST QUARTER, AND BEING PART OF PARCEL R, AND ALSO PART OF PARCEL H OF LOT 1 IN WALL CREEK FIRST ADDITION TO WEBSTER CITY, BEING A PART OF SECTION 2, TOWNSHIP 88 NORTH, RANGE 26 WEST OF THE 5TH P.M., HAMILTON COUNTY, IOWA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE WEST 20 FEET OF THE NORTH 20 FEET OF PARCEL R OF THE SOUTHEAST QUARTER OF SAID SECTION 2, ALSO THE WEST 20 FEET OF PARCEL H OF LOT 1 OF WALL CREEK FIRST ADDITION TO WEBSTER CITY.

THE ABOVE DESCRIBED LAND CONTAINS 2,931 SQUARE FEET TOTAL AND IS SUBJECT TO ALL EASEMENTS EXPRESSED OR IMPLIED.

**Temporary Easement Area:**

A 20 FOOT TEMPORARY SANITARY SEWER CONSTRUCTION EASEMENT LYING DIRECTLY EAST AND SOUTH OF THE ABOVE DESCRIBED PERMANENT SANITARY SEWER EASEMENT.



The above-described Permanent Easement Area and Temporary Easement Area, the “Easement Areas”, are being granted by Grantor to Grantee to allow for the construction, reconstruction, repair, replacement, enlarging, inspecting and maintaining, by the City, of the following described public infrastructure:

**Sanitary Sewer Main and related Appurtenances**

The Easements described above shall be subject to the following terms and conditions:

1. Erection and Placement of Structures, Obstructions, Plantings or Materials Prohibited. Grantor shall not erect nor permit the erection of any fence or other structure under, over, on, through and/or across or within the Permanent Easement Area nor shall Grantor cause or permit any other obstruction, planting or material to be placed under, over, on, through and/or across or within the Permanent Easement Area without obtaining the prior written consent of the City. These provisions shall not apply to the Temporary Easement Area. Grantee is responsible for locating all existing utilities within the Easement Areas and coordinating with the appropriate parties as necessary to ensure the continued safe and efficient operation of such utilities at all times hereunder.
2. Structures, Obstructions, Plantings or other Materials. The Grantee, its successors and assigns, shall have the right to remove any obstruction which might endanger or interfere with the Project, including safety or efficiency of the Project, including, but not limited to, the right to cut or remove trees, shrubs, weeds, and debris located on, in, or encroaching upon the Easement Areas. Grantee is responsible for locating all existing utilities within the Easement Areas and coordinating with the appropriate parties as necessary to ensure the continued safe and efficient operation of such utilities at all times hereunder.
3. Limitations on Use. Grantor reserves all rights attendant to its ownership of the Easement Areas, including but not limited to the use and enjoyment of the Easement Areas for all purposes not inconsistent with the terms and conditions of this Agreement.
4. Change of Grade Prohibited. Grantor shall not change nor permit any change in the grade, elevation or contour of any part of the Easement Areas without obtaining the prior written consent of the City during the effective period of either Easement. The City shall have the right to restore any changes in grade, elevation or contour without prior written consent of the Grantor, at Grantor’s expense.
5. Right of Access. The City shall have all rights of ingress and egress reasonably necessary for the use and enjoyment of the Easement Areas, including but not limited to, the right to remove any unauthorized fences, structures, obstruction, planting or material placed or erected under, over, on, through, across or within the Easement Areas during the effective period of the respective easements.
6. Property to be Restored. The City shall restore the Easement Areas after exercising its rights hereunder, provided, however, that the City’s duty of restoration shall be limited to grading, seeding, and mulching to ensure that the grass and/or sod removed while exercising its rights hereunder is fully re-established to a conditions that is equal or better than the condition existing prior to disturbance. In addition, the City shall survey and replace all current property line stakes and/or markers removed and/or moved at any time by the City or its contractors, whether above

ground or below ground. The City shall have no obligation to restore any structures, trees or shrubs. The City shall not be responsible for damage or destruction to any improvements located within the Easement Areas by Grantor, or Grantor's successors and/or assigns, during the effective periods of the Easements.

7. Construction. Words and phrases herein, including acknowledgement hereof, shall be construed as in the singular or plural number, and as masculine, feminine, or neuter gender according to the context. The captions preceding the Sections are inserted only as a matter of convenience and for reference purposes and should not be considered substantive or relied upon in interpreting any provision of this Agreement. This Agreement shall be considered to have been jointly drafted by the Parties.
8. Captions. The captions preceding the Sections of this Agreement are inserted only as a matter of convenience and for reference purposes and should not be considered substantive or relied upon in interpreting any provision hereof.
9. Indemnification and Hold Harmless. Grantee shall indemnify and hold Grantor harmless from any and all claims for injuries, damages, expenses and/or liabilities arising from such indemnifying party's acts or omissions (and those of its employees, contractors, consultants, subcontractors, subconsultants, materialmen and suppliers) in the use of the Easement Areas. This indemnification and hold harmless shall include, but is not limited to, reasonable legal fees and costs of defense incurred by the indemnified party.
10. Permanent Easement Runs with Land. The Permanent Easement shall be deemed perpetual and shall run with the land, binding on Grantor and on Grantor's heirs, successors and assigns.
11. Temporary Easement Term. The Temporary Easement shall continue from the approval of this Easement Agreement throughout the Sanitary Sewer installation project and shall terminate upon the City of Webster City acceptance of the Sanitary Sewer infrastructure improvements or by December 31, 2027, whichever is sooner.
12. Amendment, Modification and Waiver. Changes, amendments, modifications, or waivers of any condition, provision, or term in this Agreement shall not be valid or of any effect unless made in writing, signed by Parties and/or their successors and assigns, and specifying with particularity the extent and nature of such amendment, modification, or waiver.
13. Governing Law / Jurisdiction. This Agreement shall be governed by Iowa law with jurisdiction in the Hamilton County District Court.
14. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any prior agreements or discussions between the parties, which are merged herewith, with respect to the subject matter hereof.
15. No Other Representations. The Parties represent and warrant that no promise, inducement or agreement not expressed in this Agreement, oral or written, express or implied, has been made and that all terms of this Agreement are contractual and not a mere recital.
16. Enforceability / Approval by City Council. This Easement shall not be binding until it has received the final approval and acceptance by the City Council by Resolution which approval and acceptance shall be noted on this Easement by the City Clerk.
17. Acknowledgement. The Parties, by signing this Agreement, acknowledge having carefully read the same, having had an opportunity to consult with counsel concerning the legal effect of this

Agreement and its various terms and conditions, and have signed the Agreement voluntarily and without duress or coercion.

18. Ownership. The Grantor further acknowledges, and covenant with the Grantee, that Grantor holds title to the Easement Areas by title in fee simple; that it has good and lawful authority to sell and convey the same; that the property on which the Easement Areas is located is free and clear of all liens and encumbrances whatsoever; that Grantor covenants to warrant and defend the Easement Areas from and against the lawful claims of any and all persons and entities. Each of the undersigned hereby relinquishes all rights of dower, homestead and distributive share, if any, in and to the interests conveyed by this easement.

IN WITNESS WHEREOF, we have hereunto affixed our hands this 28 day of January 2025.

GRANTOR:

  
Kendra K. Chizek

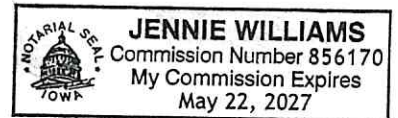
  
Zachary S. Chizek

STATE OF IOWA            )  
                                  )§  
COUNTY OF HAMILTON    )

On this 28<sup>th</sup> day of January, 2025, before me, a Notary Public in and for said county, personally appeared Kendra K. Chizek and Zachary S. Chizek, a married couple, known to me to be the identical persons named herein, who swore and affirmed that the contents of the above and foregoing Easement Agreement were true and correct as they verily believed, and that they executed the same as an expression of their voluntary act and deed.

  
Notary Public in and for the State of Iowa

**ACCEPTANCE BY CITY**



STATE OF IOWA            )  
                                  )§  
COUNTY OF HAMILTON    )

I, \_\_\_\_\_, City Clerk of the City of Webster City, Iowa, do hereby certify that the within and foregoing Easement Agreement was duly approved and accepted by the City Council of said City by Resolution No. \_\_\_\_\_, passed on the \_\_\_ day of \_\_\_\_\_, 2025, and this certificate is made pursuant to authority contained in said Resolution.

Signed this \_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
City Clerk of the City of Webster City, Iowa

**INDEX LEGEND**

**SURVEYOR'S NAME / RETURN TO:**

BRIAN FOLTZ  
SNYDER & ASSOCIATES, INC.  
911 CENTRAL AVENUE  
FORT DODGE, IOWA 50501  
515-573-2030  
BFOLTZ@SNYDER-ASSOCIATES.COM

**SERVICE PROVIDED BY:**

SNYDER & ASSOCIATES, INC.

**SURVEY LOCATED:**

PART OF WALL CREEK 1ST ADD. AND THE  
SE 1/4 OF 2-88-26, WEBSTER CITY  
HAMILTON COUNTY, IOWA

**REQUESTED BY:**

WEBSTER CITY

**PERMANENT EASEMENT**

**PERMANENT EASEMENT LEGAL DESCRIPTIONS**

A SANITARY SEWER EASEMENT BEING 20 FEET IN WIDTH IN THE SOUTHEAST QUARTER, AND BEING PART OF PARCEL R, AND ALSO PART OF PARCEL H OF LOT 1 IN WALL CREEK FIRST ADDITION TO WEBSTER CITY, BEING A PART OF SECTION 2, TOWNSHIP 88 NORTH, RANGE 26 WEST OF THE 5TH P.M., HAMILTON COUNTY, IOWA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE WEST 20 FEET OF THE NORTH 20 FEET OF PARCEL R OF THE SOUTHEAST QUARTER OF SAID SECTION 2, ALSO THE WEST 20 FEET OF PARCEL H OF LOT 1 OF WALL CREEK FIRST ADDITION TO WEBSTER CITY.

THE ABOVE DESCRIBED LAND CONTAINS 2,178 SQUARE FEET TOTAL AND IS SUBJECT TO ALL EASEMENTS EXPRESSED OR IMPLIED.

**DATE OF SURVEY**

DECEMBER 18, 2024

**OWNER**

PARCEL H & PARCEL R - ZACHARY S. & KENDRA K. CHIZEK

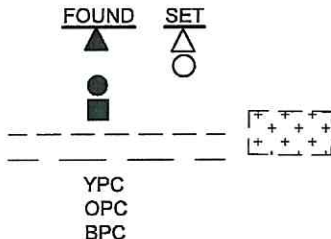
**BASIS OF BEARING**

1aRTN DERIVED USING NAD 83, IOWA REGIONAL COORDINATE SYSTEM ZONE 4- THE SOUTH LINE OF PETERSON'S 1ST ADDITION, LOT 1 IS ASSUMED TO BEAR N 89°40'32" E.

**LEGEND**

**FEATURES**

- Section Corner
- 1/2" Rebar, OPC #25513
- 1/2" Pipe, YPC Unreadable
- 5/8" Rebar
- Permanent Easement Line
- Temporary Easement Line
- Yellow Plastic Cap
- Orange Plastic Cap
- Blue Plastic Cap



I hereby certify that this land surveying document was prepared and the related survey work was performed by me or under my direct personal supervision and that I am a duly licensed Professional Land Surveyor under the laws of the State of Iowa.

*Brian L. Foltz* 1/21/25  
Date  
Brian L. Foltz, PLS

License Number 25513

My License Renewal Date is December 31, 2026

Pages or sheets covered by this seal: 3

**SANITARY SEWER EASEMENT IN THE SE 1/4 OF SECTION 2, T88N, R26W, WEBSTER CITY, HAMILTON CO.**

SHEET 1 OF 3

PN: 124.0071.01

T-R-S:88N-26W-02

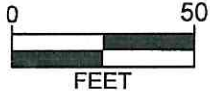
DATE: 12/18/24

PM/TECH: BLF

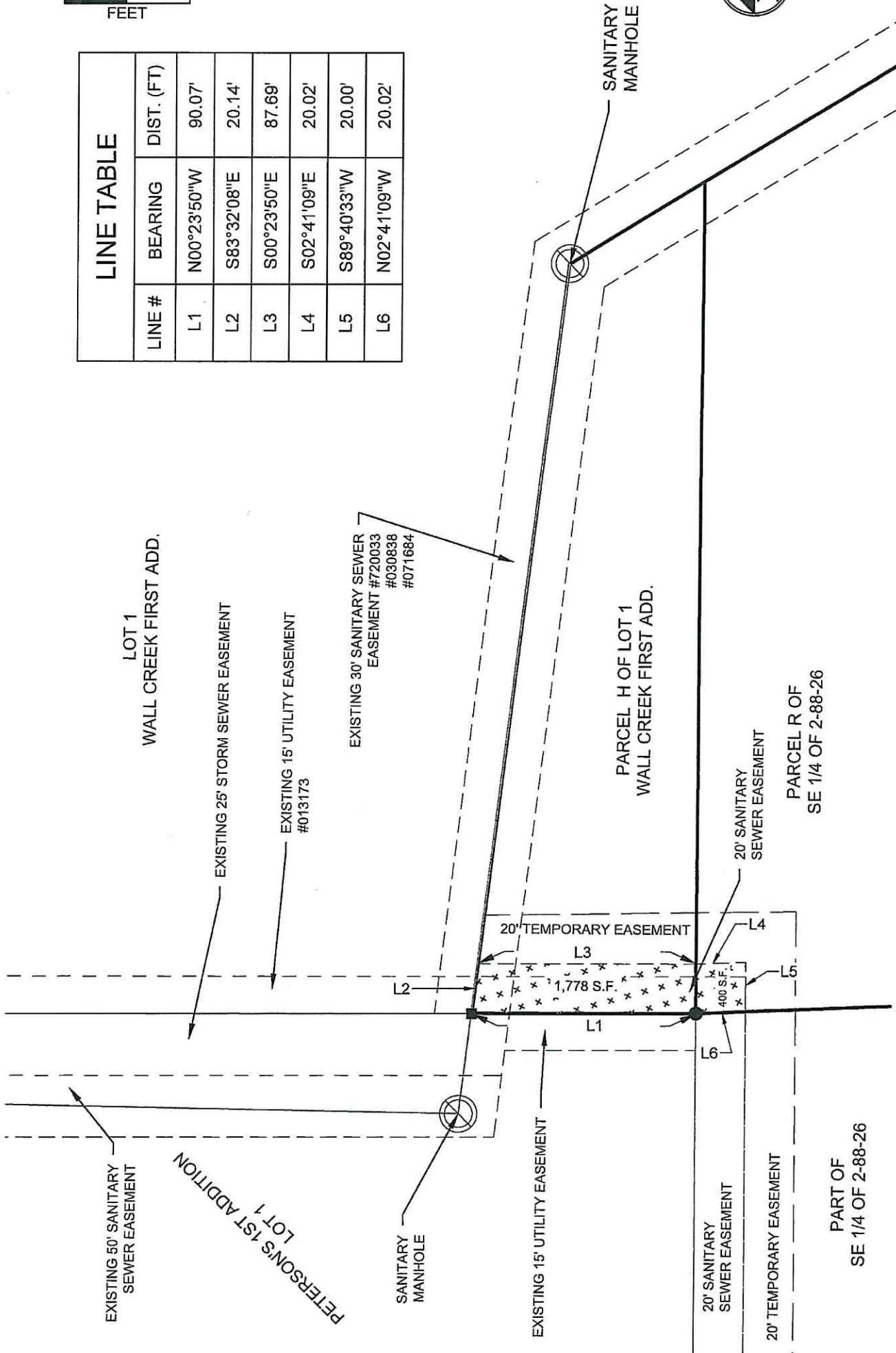


911 CENTRAL AVENUE  
FORT DODGE, IA 50501 (515) 573-2030

# PERMANENT EASEMENT



LINE TABLE		
LINE #	BEARING	DIST. (FT)
L1	N00°23'50"W	90.07'
L2	S83°32'08"E	20.14'
L3	S00°23'50"E	87.69'
L4	S02°41'09"E	20.02'
L5	S89°40'33"W	20.00'
L6	N02°41'09"W	20.02'



**SANITARY SEWER EASEMENT IN THE SE 1/4 OF SECTION 2, T88N, R26W, WEBSTER CITY, HAMILTON CO.**

SHEET 2 OF 3

PN: 124.0071.01

T-R-S:88N-26W-05

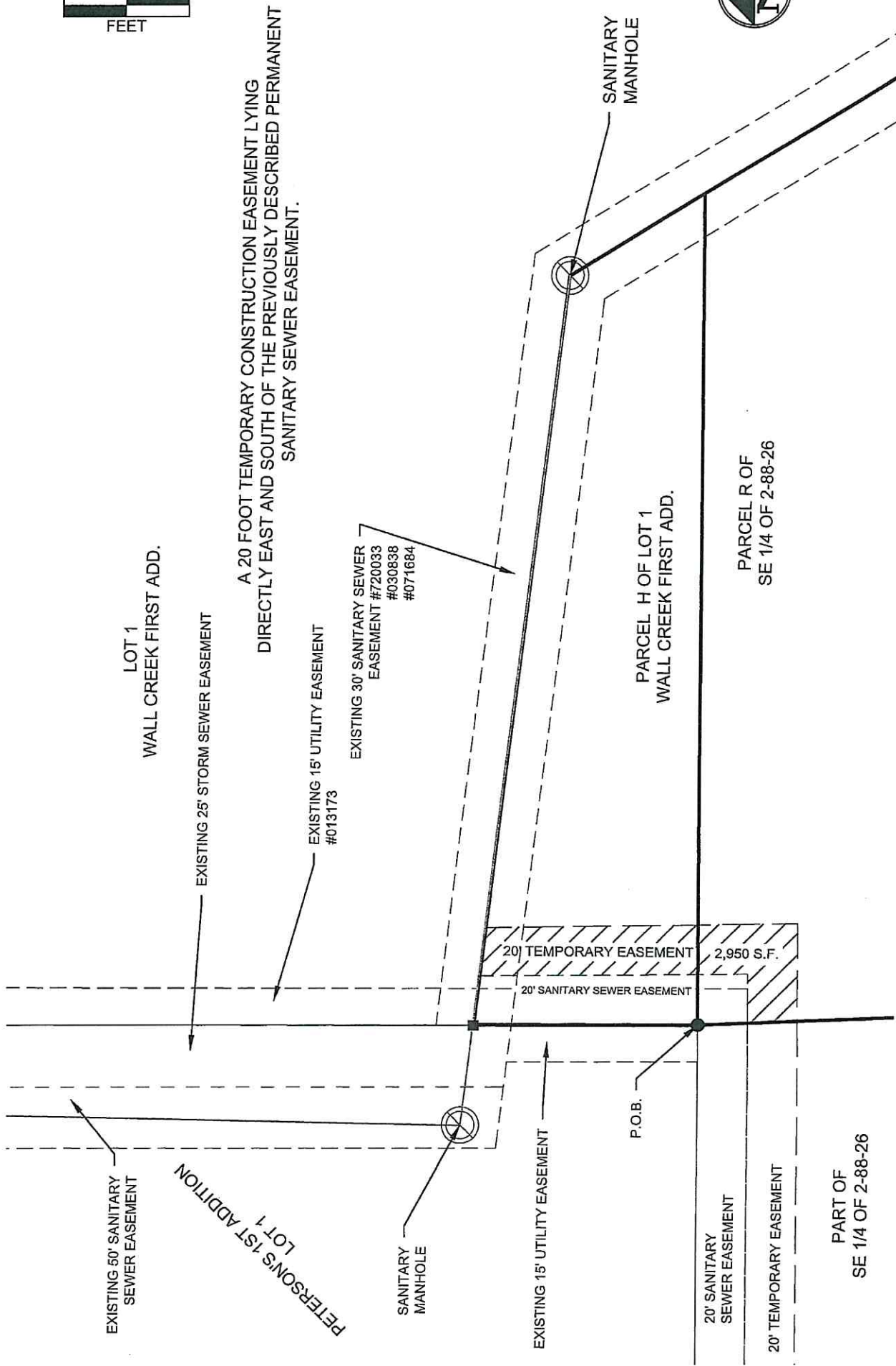
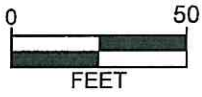
DATE: 12/18/24

PM/TECH: BLF



911 CENTRAL AVENUE  
FORT DODGE, IA 50501 (515) 573-2030

# TEMPORARY EASEMENT



**SANITARY SEWER EASEMENT IN THE SE 1/4 OF SECTION 2, T88N, R26W, WEBSTER CITY, HAMILTON CO.**

SHEET 3 OF 3

PN: 124.0071.01

T-R-S:88N-26W-05

DATE: 12/18/24

PM/TECH: BLF



911 CENTRAL AVENUE  
FORT DODGE, IA 50501 (515) 573-2030

## AGENDA STATEMENT

**TO:** Mayor and City Council  
**FROM:** John D. Harrenstein, City Manager  
**DATE:** January 31, 2025  
**RE:** Accepting and Approving the Final Plat of Lynx Development in Webster City, Iowa.

---

**SUMMARY:** The City Council of Webster City is responsible for adopting Final Plats for developments within its zoning and subdivision authority. A final plat has been recommended for Lynx Development and is recommended for approval.

**PREVIOUS COUNCIL ACTION:** The City Council adopted resolution 2020-083 related to the Final Plat for Lynx Development in 2020. The resolution included five conditions listed in the background information for this agenda statement.

**BACKGROUND/DISCUSSION:** Since the time of adoption of the final plat, the infrastructure has not been dedicated to the city, the roads of the development were not opened, and no additional development has taken place as a result of a dispute between the developer and the city over various matters. City staff met with the developer last week in an attempt to resolve the matters that are in dispute. Based on that meeting, the action of the developer to open the roads of the development this week, and a legal and engineering review, staff is comfortable moving forward with adoption of the plat. Below is discussion of the conditions of the plat at the time of approval of the resolution in 2020 and current recommendations related to the conditions.

- 1. \$50,000 performance bond or a check to be deposited in escrow account:* The developer does not currently hold any performance bond on the site and will likely be unable to obtain one as a result of the length of time the infrastructure has already been installed. Engineering review indicates some heaving in the storm water portion of the sewer as well as some cracking in the sewer pipes, but at these times the issues do not present a public safety threat to the public. The developer will not deposit a \$50,000 check in an escrow account. Staff's recommendation is to resolve this matter during a renegotiated TIF agreement or accept the condition of the infrastructure as something the city will need to address within the next five to fifteen years.
- 2. Signed easement with Bob Van Diest:* The development includes an easement over property currently owned by Mr. Van Diest.
- 3. Acknowledgement from IDOT of participation in water issues:* Unnecessary at this time. Will be resolved with future development on the parcel to the south.
- 4. Fully executed Storm Water Management Facility, Maintenance Covenant & Permanent Easement Agreement:* The developer is not dedicating the storm water ponds to the city and will be responsible for maintenance and upkeep of the infrastructure (excluding pipes accepted by the city for conveyance).
- 5. Compliant test results as per City Engineer:* The City Engineer will be onsite at the meeting to discuss a review of the infrastructure and answer any questions the City Council may have related to this matter. Recent examinations confirm the existing infrastructure is of no threat to the safety of the public and can be maintained in a fashion similar to all other city streets.

**FINANCIAL IMPLICATIONS:** The financial implications of adopting the plat are similar to those associated with the city accepting infrastructure for new development. In this case, the issues are well known to the city and can be managed within the current capital and operating budgets of the city. The developer negotiated a 2.0-million-dollar TIF agreement with the city prior to proceeding with the development and has not been provided with a payment to date. Accepting the infrastructure will likely result in re-activation (certification) of the TIF agreement so the developer may be compensated for documented costs associated with the development that are now deeded to the city as part of the plat.

**RECOMMENDATION:** Staff recommends approval of the final plat with Lynx Development.



**RESOLUTION NO. 2025 – \_\_\_\_\_**

**RESOLUTION TO ACCEPT AND APPROVE THE FINAL PLAT AND OFFER OF DEDICATION OF LYNX DEVELOPMENT IN WEBSTER CITY, IOWA,**

**WHEREAS**, Kenyon Hill Ridge, LLC, 4123 NW 95<sup>th</sup> Place, Polk City, Iowa 50226, previously filed the Final Plat of Lynx Development in Webster City, Iowa, on or about February 9, 2020, said plat being of the following described real estate, to-wit:

County Auditor’s Parcel Letter “Q” as surveyed in County Recorder’s Survey Cabinet 118A, Page 16, located in the Fractional Northwest Quarter (FrNW1/4) of Section Seven (7), Township Eighty-eight (88) North, Range Twenty-five (25) West of the 5<sup>th</sup> P.M., being within the City of Webster City, Hamilton County, Iowa, containing 19.33 acres total subject to easements.

**WHEREAS**, the City Council for the City of Webster City, Iowa, previously approved the Final Plat of Lynx Development in Webster City, Iowa, by Resolution No. 2020-083 on February 20, 2020, subject to and contingent upon the City receiving five (5) separated outlined outstanding items.

**WHEREAS**, after further review of the remaining outstanding items, the City Council for the City of Webster City, Iowa, has agreed to approve the Final Plat of Lynx Development in Webster City, Iowa.

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Webster City, Iowa, that the previously approved Resolution No. 2020-083 is herein rescinded.

**NOW THEREFORE BE IT FURTHER RESOLVED** by the City Council of the City of Webster City, Iowa, that the Final Plat of Lynx Development in Webster City, Iowa, is hereby approved and the Offer of Dedication from Kenyon Hill Ridge, LLC, for streets and utilities is accepted.

Passed and adopted this 3<sup>rd</sup> day of February, 2025.

**CITY OF WEBSTER CITY, IOWA**

\_\_\_\_\_  
John Hawkins, Mayor

**ATTEST:**

\_\_\_\_\_  
John Harrenstein, City Clerk

**RESOLUTION NO. 2020 - 083**

**ACCEPTING AND APPROVING THE FINAL PLAT OF  
LYNX DEVELOPMENT IN WEBSTER CITY, IOWA.**

**WHEREAS**, Kenyon Hill Ridge, LLC, 4123 NW 95<sup>th</sup> Place, Polk City, Iowa 50226, has filed the Final Plat of Lynx Development in Webster City, Iowa, on or about January 13, 2020, *final* version on April 9, 2020, said plat being of the following described real estate, to-wit:

County Auditor's Parcel Letter "Q" as surveyed in County Recorder's Survey Cabinet 118A, Page 16, located in the Fractional Northwest Quarter (FrNW1/4) of Section Seven (7), Township Eighty-eight (88) North, Range Twenty-five (25) West of the 5<sup>th</sup> P.M., being within the City of Webster City, Hamilton County, Iowa, containing 19.33 acres total subject to easements.

**WHEREAS**, said Plat has heretofore been presented to the City Planning & Zoning Commission and recommended for approval by the City Planning & Zoning Commission on January 13, 2020, subject to and contingent upon the City receiving the following:

- 1) \$50,000 performance bond or a check to be deposited in escrow account;
- 2) Signed easement with Bob Van Diest;
- 3) Acknowledgement from IDOT of participation in water issues;
- 4) Fully executed Storm Water Management Facility, Maintenance Covenant & Permanent Easement Agreement; and,
- 5) Compliant test results as per City Engineer.


**WHEREAS**, with these recommendations noted, said plat now appears to be in proper form and said plat should be approved.

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Webster City, Iowa, that the Final Plat of Lynx Development in Webster City, Iowa, is hereby approved noting the above contingencies. Said completion of all infrastructure repairs shall be completed in one (1) year from this approval. Upon satisfactory completion of all infrastructure and improvements, the City may accept a 5-year Maintenance Bond and the Offer of Dedication from Kenyon Hill Ridge, LLC, for streets and utilities.

Passed and adopted this 20th day of April, 2020.

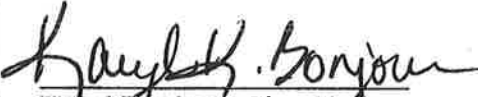
(seal)

**CITY OF WEBSTER CITY, IOWA**



John Hawkins, Mayor

**ATTEST:**

  
Karyl Bonjour, City Clerk





**Curve Table**

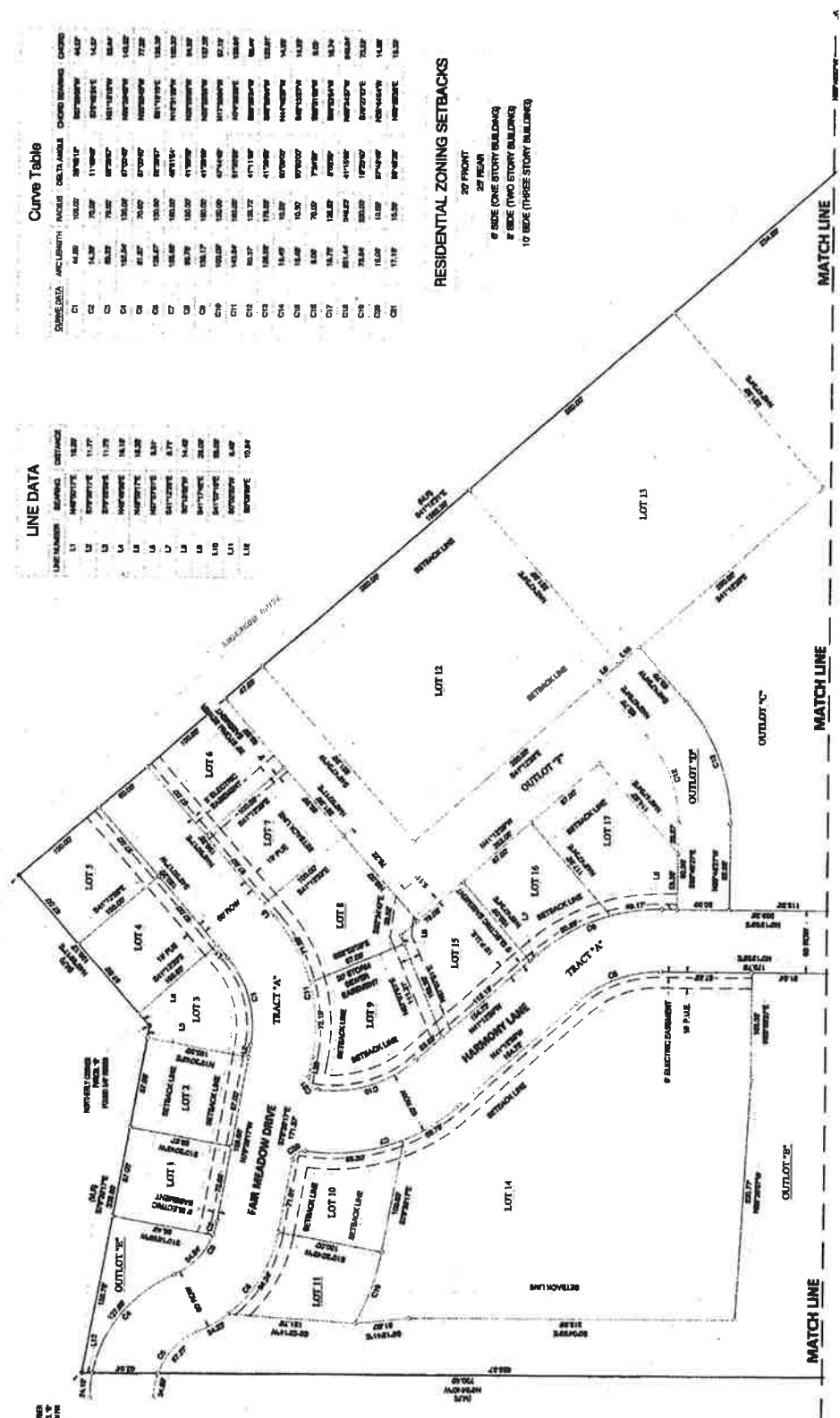
CURVE DATA	ACCELERATION	ANGLE	DELTA ANGLE	CHORD BEARING	CHORD
C1	04.80	104.02	87°48'14"	S 79°30'00" W	44.37
C2	14.30	73.00	11°30'00"	S 79°30'00" W	14.37
C3	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C4	14.30	73.00	87°30'00"	S 79°30'00" W	14.37
C5	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C6	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C7	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C8	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C9	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C10	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C11	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C12	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C13	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C14	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C15	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C16	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C17	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C18	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C19	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C20	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C21	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C22	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C23	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C24	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C25	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C26	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C27	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C28	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C29	04.30	73.00	87°30'00"	S 79°30'00" W	14.37
C30	04.30	73.00	87°30'00"	S 79°30'00" W	14.37

**LINE DATA**

LINE NUMBER	BEARING	DISTANCE
L1	S 79°30'00" W	14.37
L2	S 79°30'00" W	14.37
L3	S 79°30'00" W	14.37
L4	S 79°30'00" W	14.37
L5	S 79°30'00" W	14.37
L6	S 79°30'00" W	14.37
L7	S 79°30'00" W	14.37
L8	S 79°30'00" W	14.37
L9	S 79°30'00" W	14.37
L10	S 79°30'00" W	14.37
L11	S 79°30'00" W	14.37
L12	S 79°30'00" W	14.37

**RESIDENTIAL ZONING SETBACKS**

20' FRONT  
 20' REAR  
 8' SIDE (ONE STORY BUILDING)  
 8' SIDE (TWO STORY BUILDING)  
 10' SIDE (THREE STORY BUILDING)



**CGA**

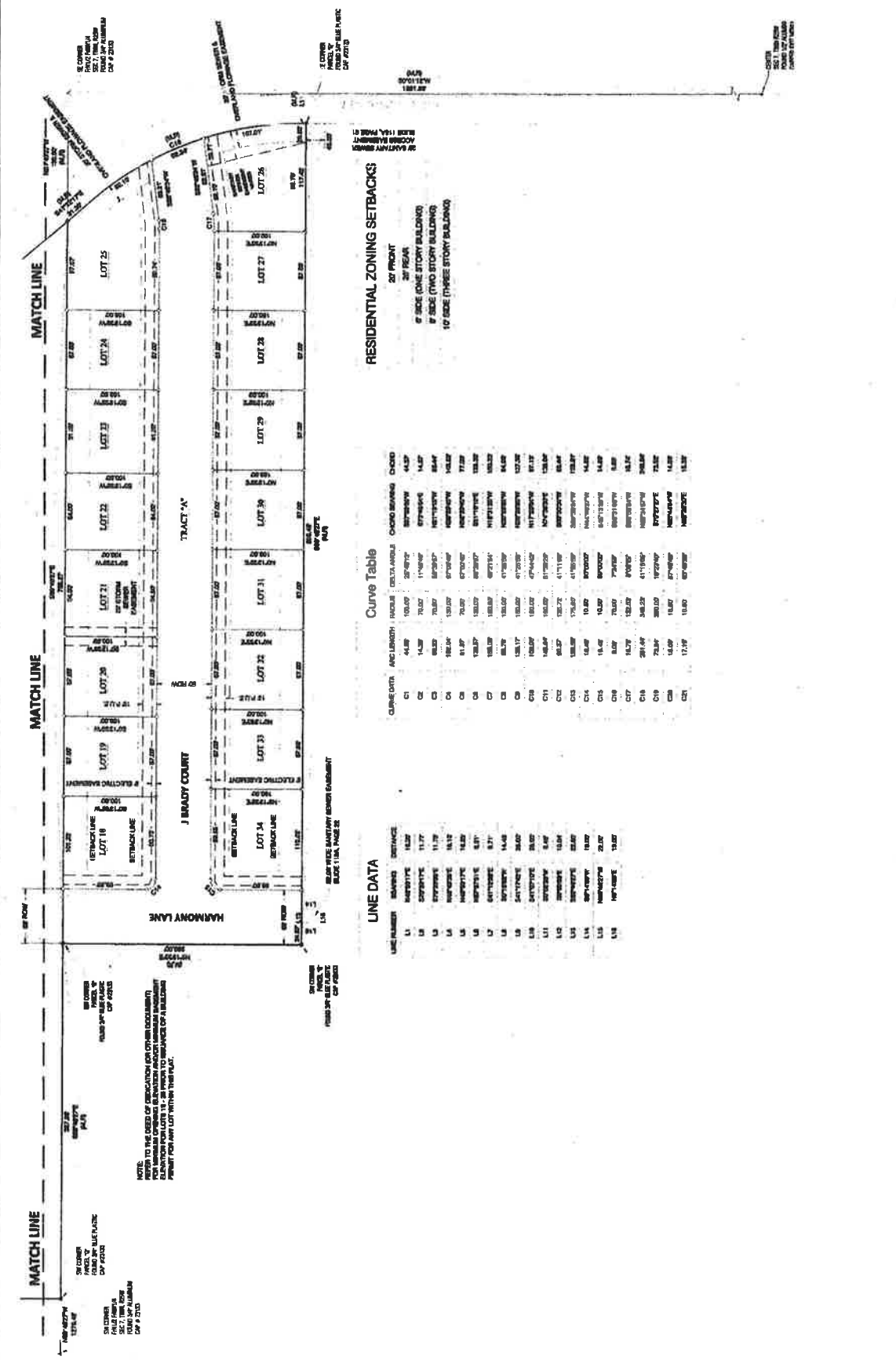
**LYNX DEVELOPMENT**  
WEBSTER CITY, IOWA

**FINAL PLAT**

DATE: 10/15/2014  
 DRAWN: J. H. HARRIS  
 CHECKED: J. H. HARRIS  
 APPROVED: J. H. HARRIS

SCALE: 1" = 20'

2 OF 2



**RESIDENTIAL ZONING SETBACKS:**  
 20' FRONT  
 20' REAR  
 0' SIDE (ONE STORY BUILDING)  
 5' SIDE (TWO STORY BUILDING)  
 10' SIDE (THREE STORY BUILDING)

**Curve Table**

CURVE DATA	ANGLE (DEGREES)	CHORD (FEET)	CHORD BEARING	CHORD
C1	4.88	100.00	27°42'22"	14.57
C2	14.39	70.00	17°48'00"	14.57
C3	83.39	87.00	87°30'00"	86.64
C4	182.34	130.00	87°30'00"	130.00
C5	81.87	70.00	87°30'00"	71.28
C6	138.37	130.00	87°30'00"	130.32
C7	183.39	130.00	87°30'00"	130.32
C8	183.39	130.00	87°30'00"	130.32
C9	183.39	130.00	87°30'00"	130.32
C10	183.39	130.00	87°30'00"	130.32
C11	183.39	130.00	87°30'00"	130.32
C12	183.39	130.00	87°30'00"	130.32
C13	183.39	130.00	87°30'00"	130.32
C14	183.39	130.00	87°30'00"	130.32
C15	183.39	130.00	87°30'00"	130.32
C16	183.39	130.00	87°30'00"	130.32
C17	183.39	130.00	87°30'00"	130.32
C18	183.39	130.00	87°30'00"	130.32
C19	183.39	130.00	87°30'00"	130.32
C20	183.39	130.00	87°30'00"	130.32
C21	183.39	130.00	87°30'00"	130.32

**LINE DATA**

LINE NUMBER	BEARING	DISTANCE
L1	N89°21'15"E	13.07
L2	S89°21'15"E	11.77
L3	N89°21'15"E	11.77
L4	N89°21'15"E	11.77
L5	N89°21'15"E	11.77
L6	N89°21'15"E	11.77
L7	N89°21'15"E	11.77
L8	N89°21'15"E	11.77
L9	N89°21'15"E	11.77
L10	N89°21'15"E	11.77
L11	N89°21'15"E	11.77
L12	N89°21'15"E	11.77
L13	N89°21'15"E	11.77
L14	N89°21'15"E	11.77
L15	N89°21'15"E	11.77
L16	N89°21'15"E	11.77

NOTES:  
 REFER TO THE DEED OF DEDICATION FOR OTHER RECORDMENTS.  
 ALL DIMENSIONS ARE TO THE CENTER OF THE LOT.  
 DIMENSIONS FOR LOTS 11 - 34 ARE TO THE BALANCE OF A BOUNDARY  
 PERMIT FOR ANY LOT WITHIN THIS PLAT.

**FINAL PLAT**

**LYNX DEVELOPMENT**  
WEBSTER CITY, IOWA

DATE: 11/15/23  
 CHECKED: [Signature]  
 APPROVED: [Signature]

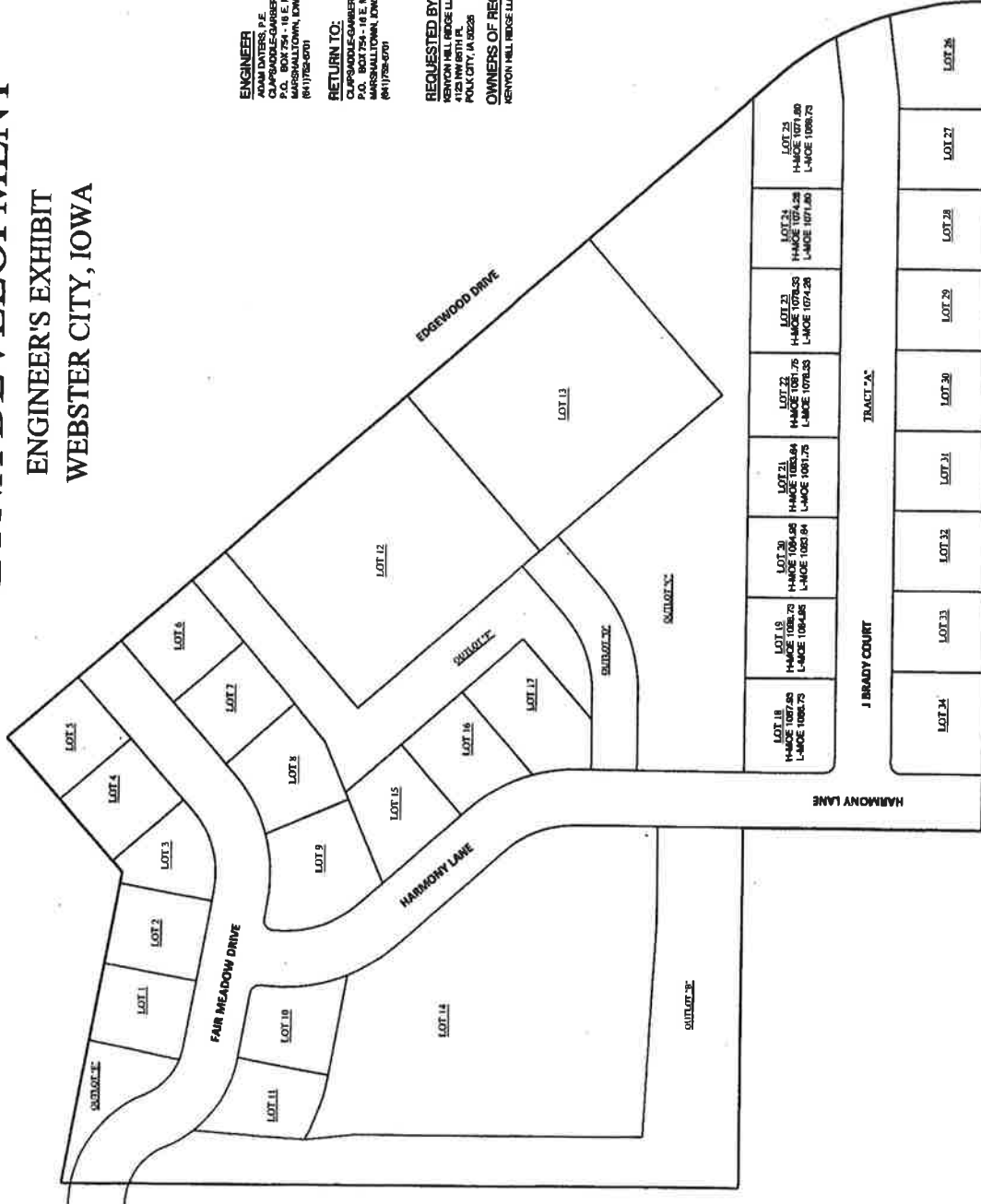
DRAWING SCALE: 1" = 40'

PROJECT NO: 230115

# LYNX DEVELOPMENT

## ENGINEER'S EXHIBIT

### WEBSTER CITY, IOWA



**ENGINEER**  
 ADAM DANTERS, P.E.  
 CLAYTON/LEGARBER ASSOCIATES  
 P.O. BOX 794 - 18 E. MAIN STREET  
 MARSHALLTOWN, IOWA 50158  
 (641)728-0701

**RETURN TO:**  
 CLAYTON/LEGARBER ASSOCIATES  
 P.O. BOX 794 - 18 E. MAIN STREET  
 MARSHALLTOWN, IOWA 50158  
 (641)728-0701

**REQUESTED BY:**  
 KENYON HILL REDE LLC  
 412 HWY 60TH PL  
 POLK CITY, IA 50226

**OWNERS OF RECORD**  
 KENYON HILL REDE LLC

**LOCATION**  
 LOCATED IN THE FRACTIONAL NORTHWEST QUARTER (BNW1/4) OF SECTION SEVEN (7), TOWNSHIP EIGHTY-SEVEN AND NORTH, RANGE TWENTY-NINE (29) WEST OF THE 5TH P.M. (BEM) WITHIN THE CITY OF WEBSTER CITY, HAMILTON COUNTY, IOWA.

**NOTE**

1. REFER TO RECORDED FINAL PLAN FOR SURVEY INFORMATION.
2. H-AGE = HIGH SIDE MINIMUM OPENING ELEVATION
3. L-AGE = LOW SIDE MINIMUM OPENING ELEVATION
4. HOMEOWNER SHALL MAINTAINING ADEQUATE POSITIVE DRAINAGE AWAY FROM BUILDINGS. PROPERTIES SHALL NOT NEGATIVELY IMPACT NEIGHBORING PROPERTIES WHILE MAINTAINING POSITIVE DRAINAGE AWAY FROM BUILDING.

I hereby certify that the engineering document was prepared by me or under my direct personal supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Iowa.

*Adam Danters*  
 Signature  
 04-09-2020  
 Date

Adam Danters, P.E.  
 Iowa License Number 19579  
 My license renewed date is December 31, 2026

Plans or sheets covered by this seal: THIS SHEET

PROJECT NO.		5683	
SHEET NO.		1 OF 1	
<b>LYNX DEVELOPMENT</b> WEBSTER CITY, IOWA			
DATE:	DATE:	DATE:	DATE:
DESIGNED BY:	CHECKED BY:	APPROVED BY:	DATE:
SCALE:	DATE:	DATE:	DATE:

Workforce Housing Investment Tax Credit

Certificate Number: 792020004200

Contract Number: 20-WHTIP-042

Taxpayer Name  
Kenyon Hill Ridge, LLC

Name of Housing Project  
Walnut Ridge Apartments

Address  
33450 Berns Shore Drive

City and County  
Webster City, Hamilton

City Adel State Iowa Zip 50003

Project Completion Date  
04/29/2020

Taxpayer Identification Number  
47-1576077

Tax Type of Taxpayer  
LLC

Amount of Investment Tax Credit  
\$678,000

Date Certificate Issued  
July 11, 2022

Can be Claimed in Tax Years Beginning On or After  
January 1, 2022

Workforce Housing - Transfer Request

Iowa Economic Development Authority

Name of Transferee (If multiple, attach separate sheets)

Name  
Deborah V. Durham

Address

Title  
Director

City State Zip

Signature  
Rick Peterson

Taxpayer Identification Number

Date  
07/11/22

Tax Type of Transferee

Transfer Request - Consideration Information  
Was any consideration provided in exchange for the Investment Tax Credit:  Yes  No

Amount of Tax Credit Being Transferred

If yes, describe consideration and provide its value:

Tax Year Ending Date of Transferee

Cash \$

Date of Transfer

Discharge of Debt \$

Signature of Transferor\*

Other: Describe \$

Tax Credit Certificate Claim Instructions

This tax credit certificate must be included with the tax return on which the first claim is made for this Workforce Housing Investment Tax Credit. Complete the IA 148 Tax Credits Schedule Part I using the tax credit code 27, this certificate number, and the amount of the tax credit. Any credit in excess of tax liability may be carried forward to apply against tax liability for the next 5 years or until used, whichever is earlier. If the recipient of this Workforce Housing Investment Tax Credit is an S corporation, LLC, or partnership, it is your responsibility to ensure that your members have these instructions to properly claim their credits.

Transfer Instructions: This tax credit can be transferred to another taxpayer. Within 90 days of transfer, this original tax credit certificate must be submitted to the Iowa Department of Revenue with the transfer section completed including the transferee's name, address, tax identification number, the amount of tax credit that should be transferred, and the transferor's signature. The Department will issue a transferred tax credit certificate to the transferee and mail it to the address provided within 30 days.

\* I attest that the information regarding the consideration provided in exchange for the tax credit which is the subject of this transfer is true to the best of my knowledge.



Workforce Housing Investment Tax Credit

Certificate Number: 792023032000

Contract Number: 20-WHTIP-043

Taxpayer Name  
DHQ Investments, LLC  
Address  
106 SW Linden St. Suite 1B  
City Ankeny State Iowa Zip 50023  
Taxpayer Identification Number  
811545264  
Amount of Investment Tax Credit  
\$690,000  
Can be Claimed in Tax Years Beginning On or After  
January 1, 2022

Name of Housing Project  
Sunrise Village  
City and County  
Webster City, Hamilton  
Project Completion Date  
02/17/2022  
Tax Type of Taxpayer  
LLC  
Date Certificate Issued  
March 20, 2023

Iowa Economic Development Authority  
Name  
Deborah V. Durham  
Title  
Director  
Signature  
*Rick Peterson*  
Date  
March 21, 2023

Workforce Housing - Transfer Request  
Name of Transferee (If multiple, attach separate sheets)  
Address  
City State Zip  
Taxpayer Identification Number  
Tax Type of Transferee  
Amount of Tax Credit Being Transferred  
Tax Year Ending Date of Transferee  
Date of Transfer  
Signature of Transferor\*

Transfer Request - Consideration Information  
Was any consideration provided in exchange for the Investment  
Tax Credit:      Yes      No  
If yes, describe consideration and provide its value:  
Cash \$  
Discharge of Debt \$  
Other: Describe \$

Tax Credit Certificate Claim Instructions

This tax credit certificate must be included with the tax return on which the first claim is made for this Workforce Housing Investment Tax Credit. Complete the IA 148 Tax Credits Schedule Part I using the tax credit code 27, this certificate number, and the amount of the tax credit. Any credit in excess of tax liability may be carried forward to apply against tax liability for the next 5 years or until used, whichever is earlier. If the recipient of this Workforce Housing Investment Tax Credit is an S corporation, LLC, or partnership, it is your responsibility to ensure that your members have these instructions to properly claim their credits.

Transfer Instructions: This tax credit can be transferred to another taxpayer. Within 90 days of transfer, this original tax credit certificate must be submitted to the Iowa Department of Revenue with the transfer section completed including the transferee's name, address, tax identification number, the amount of tax credit that should be transferred, and the transferor's signature. The Department will issue a transferred tax credit certificate to the transferee and mail it to the address provided within 30 days.

\* I attest that the information regarding the consideration provided in exchange for the tax credit which is the subject of this transfer is true to the best of my knowledge.

RESOLUTION NO. 2017 - 180

Sent  
w  
12-18-17

**RESOLUTION OF SUPPORT AND COMMITMENT OF FUNDS FOR  
KENYON HILL RIDGE, LLC, URBANDALE, IOWA**

**WHEREAS**, Kenyon Hill Ridge, LLC, desires to construct an apartment complex consisting of 30 apartment units in Webster City; and,


**WHEREAS**, Kenyon Hill Ridge, LLC intends to apply for Iowa Workforce Development Tax Credits; and,

**WHEREAS**, the City of Webster City is required by Workforce Development to provide a resolution to show their support for this project committing a local match of \$1,000 per unit should the developer be awarded the Iowa Workforce Development Tax Credits.

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Webster City, Iowa, that the City of Webster City will contribute \$1,000 per unit for the construction of 30 apartment units should the developer, Kenyon Hill Ridge, LLC, be the recipient of Iowa Workforce Development Tax Credits.

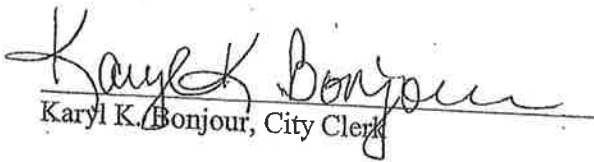
Passed and adopted this 18th day of December, 2017.

**CITY OF WEBSTER CITY, IOWA**



John Hawkins, Mayor

**ATTEST:**



Karyl K. Bonjour, City Clerk

## MEMORANDUM

**TO:** City Manager  
Mayor and City Council

**FROM:** Planning Director

**DATE:** December 13, 2017

**RE:** Resolutions of Support and Commitment of Funds for Apartment Projects

---

**SUMMARY:** The City of Webster City is being required by Iowa Workforce Development to adopt two Resolutions of Support committing funds for two apartment complex projects, one having independent living units and the other having market rate apartment units, both by the same developer, but under different LLC's.

**PREVIOUS COUNCIL ACTION:** N/A

**BACKGROUND/DISCUSSION:** The City has been working with a developer from Urbandale, Iowa for several weeks. He has entered into a contract with Bob Van Diest, the owner of the land east of the Van Diest Medical Center. The north 10 acres will be used for the first phase which will at this time encompass a 30-unit apartment complex and a 32 unit independent living complex.

The developer will be applying for the Iowa Workforce Development Tax Credits which requires that the City approves two resolutions of support, one for each project, committing to a local match of \$1,000 per unit.

**FINANCIAL IMPLICATIONS:** Should the developer be the recipient of the Iowa Workforce Development Tax Credits, the City's local match would total \$62,000.00.

**RECOMMENDATION:** Approve both resolutions of support and commitment of funds.

**CITY MANAGER COMMENTS:** If the development moves forward it would address a need for apartment housing and housing options for older residents in the community.

**RESOLUTION NO. 2017 - 179**

**RESOLUTION OF SUPPORT AND COMMITMENT OF FUNDS FOR  
GREEN STREAM HOMES OF IOWA, LLC, URBANDALE, IOWA**

**WHEREAS**, Green Stream Homes of Iowa, LLC, desires to construct a complex containing 32 independent living units in Webster City; and,

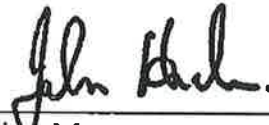
**WHEREAS**, Green Stream Homes of Iowa, LLC intends to apply for Iowa Workforce Development Tax Credits; and,

**WHEREAS**, the City of Webster City is required by Workforce Development to provide a resolution to show their support for this project committing a local match of \$1,000 per unit should the developer be awarded the Iowa Workforce Development Tax Credits.

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Webster City, Iowa, that the City of Webster City will contribute \$1,000 per unit for the construction of 32 independent living units should the developer, Green Stream Homes of Iowa, LLC, be the recipient of Iowa Workforce Development Tax Credits.

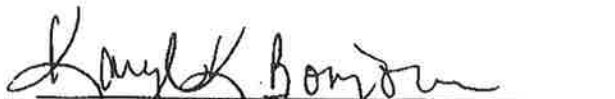
Passed and adopted this 18th day of December, 2017.

**CITY OF WEBSTER CITY, IOWA**



\_\_\_\_\_  
John Hawkins, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Karyl K. Bonjour, City Clerk

**City Council Meeting Minutes, December 18, 2017**

It was moved by Welch and seconded by Talbot that Ordinance No. 2017-1811, an ordinance amending the Code of Ordinances of the City of Webster City, Iowa, 1996 by amending Chapter 171, Title VI Hotel/Motel Tax be passed and adopted.

ROLL CALL: McKinney, Miller, Talbot, Welch and Hawkins voting aye.

7. It was moved by McKinney and seconded by Miller that the First Reading of a proposed Ordinance, an ordinance amending the Code of Ordinances of the City of Webster City, Iowa, 1996, by amending Paragraph 1, and Paragraph 3 to Chapter 69, Section 08, Pertaining to No Parking Zones be approved.

ROLL CALL: Miller, Talbot, Welch, Hawkins and McKinney voting aye.

Ken Wetzler, Public Works Director, provided a background on the changes.

8. It was moved by Welch and seconded by McKinney that Resolution No. 2017-178 authorizing the Mayor to execute an Election To Participate and Release Agreement pursuant to the consent order entered into by the Iowa Insurance Division and Mutual Med Insurance Services, LLC be passed and adopted.

ROLL CALL: Talbot, Welch, Hawkins, McKinney and Miller voting aye.

9. It was moved by Miller and seconded by Welch that Resolution No. 2017-179, a Resolution of support and commitment of funds for Green Stream Homes of Iowa, LLC, Urbandale, Iowa, be passed and adopted.

ROLL CALL: Welch, Hawkins, McKinney, Miller and Talbot voting aye.

10. It was moved by Miller and seconded by McKinney that Resolution No. 2017-180, a Resolution of support and commitment of funds for Kenyon Hill Ridge, LLC, Urbandale, Iowa, be passed and adopted.

ROLL CALL: Hawkins, McKinney, Miller, Talbot and Welch voting aye.

City Manager Ortiz-Hernandez explained the specifics of the above requests for support stating if developer receives Iowa Workforce Development Tax Credits, a commitment of \$1,000 per unit will be put toward the project by the City.

11. It was moved by Welch and seconded by Miller that Resolution No. 2017-181 authorizing the sale of real estate and approving execution of a Warranty Deed conveying City owned property in Brewer Creek Estates 3<sup>rd</sup> Addition, Webster City, to J. David and Annette K. Louk, be passed and adopted.

ROLL CALL: McKinney, Miller, Talbot, Welch, and Hawkins voting aye.

12. It was moved by McKinney and seconded by Welch that Resolution No. 2017-182 accepting work, reconciling bid tab and authorizing payment of \$16,670.90 for retainage to Wunsch Construction Inc., Greene, Iowa for completion of contract for the 2017 Water System Improvement Project be passed and adopted.

ROLL CALL: Miller, Talbot, Welch, Hawkins and McKinney voting aye.

13. It was moved by Miller and seconded by McKinney that Resolution No. 2017-183 establishing a nuisance at 615 E. Second Street and ordering the abatement thereof within thirty (30) days be passed and adopted.

ROLL CALL: Talbot, Welch, Hawkins, McKinney and Miller voting aye.

Tony Harlan, 615 E. 2<sup>nd</sup> Street, owner of the property, was present to discuss the property. With the approval of the above Resolution, Harlan will have thirty (30) days to address the property.

**RESOLUTION NO. 2019 - 186**

sent  
WJ  
11-4-19  
pg 2 of 4

**RESOLUTION OF SUPPORT AND COMMITMENT  
OF FUNDS FOR DHQ INVESTMENTS, LLC, POLK CITY, IOWA.**

**WHEREAS**, Green Stream Homes of Iowa, LLC, originally desired to construct a complex containing 32 independent living units in Webster City; and,

**WHEREAS**, Green Stream Homes of Iowa, LLC did apply for Iowa Workforce Development Tax Credits; and,

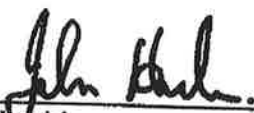
**WHEREAS**, an amendment with the State of Iowa has been made and finalized regarding Contract 20-WHTIP-043 Sunrise Village Independent Living Center Project by removing Green Stream Homes of Iowa, LLC, and amending it to add Dean and/or Holly Quirk of DHQ Investments, LLC, for the Iowa Economic Development Workforce Housing Tax Incentive Award; and,

**WHEREAS**, the City of Webster City is required by Workforce Development to provide a resolution to show their support for this project committing a local match of \$1,000 per unit should the developer be awarded the Iowa Workforce Development Tax Credits.

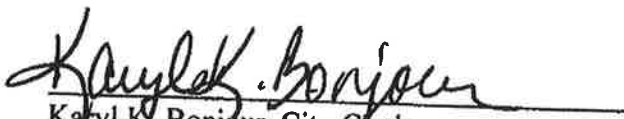
**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Webster City, Iowa, that the City of Webster City will contribute \$1,000 per unit for the construction of 32 independent living units should the developer, DHQ Investments, LLC, be the recipient of Iowa Workforce Development Tax Credits.

Passed and adopted this 4th day of November, 2019.

**CITY OF WEBSTER CITY, IOWA**

  
\_\_\_\_\_  
John Hawkins, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Karyl K. Bonjour, City Clerk

**RESOLUTION NO. 2017 - 179**

**RESOLUTION OF SUPPORT AND COMMITMENT OF FUNDS FOR  
GREEN STREAM HOMES OF IOWA, LLC, URBAN DALE, IOWA**

**WHEREAS**, Green Stream Homes of Iowa, LLC, desires to construct a complex containing 32 independent living units in Webster City; and,

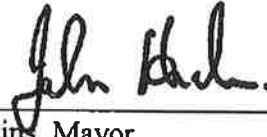
**WHEREAS**, Green Stream Homes of Iowa, LLC intends to apply for Iowa Workforce Development Tax Credits; and,

**WHEREAS**, the City of Webster City is required by Workforce Development to provide a resolution to show their support for this project committing a local match of \$1,000 per unit should the developer be awarded the Iowa Workforce Development Tax Credits.

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Webster City, Iowa, that the City of Webster City will contribute \$1,000 per unit for the construction of 32 independent living units should the developer, Green Stream Homes of Iowa, LLC, be the recipient of Iowa Workforce Development Tax Credits.

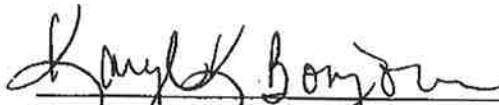
Passed and adopted this 18th day of December, 2017.

**CITY OF WEBSTER CITY, IOWA**



\_\_\_\_\_  
John Hawkins, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Karyl K. Bonjour, City Clerk

Karla Wetzler  
Planning Director  
City of Webster City  
400 2<sup>nd</sup> Street  
P.O. Box 217  
Webster City, Iowa 50595

October 25, 2019

Karla,

Here we are again. Thank you for your time in advance in this matter.

I would like to formally request to be placed on the City Council's agenda for the upcoming meeting. In regards, to our request that the 32 independent living units in the name of Green Stream Homes of Iowa, LLC resolution 2017-179 be added to the September 3<sup>rd</sup>, 2019 meeting asking for an amendment to change the contributions from Dave Walters of Green Stream Homes of Iowa, LLC 15602 Wilden Drive, Urbandale, Iowa 50323 to Dean and/or Holly Quirk of DHQ Investments, LLC of 41233 NW 95<sup>th</sup> Place, Polk City, Iowa 50226.

I hope to have the amendment and assumption paperwork for Resolution 2017-180 and the (2) Two-million-dollar TIF that we discussed in August hopefully transferred by the end of the year. I will keep you in my communications of this process.

As always it is a pleasure working with you and your associates.

Sincerely,



Michelle C. Blattel

Spring Lake Construction

106 SW Linden Street, Suite 1B

Ankeny, Iowa 50023

(515)505-0033





Michelle Michelle <springlakeconstructionmichelle@gmail.com>

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**Request for amendment 20WHTIP043**

---

Daniel Hansen <Daniel.Hansen@iowaeda.com>

Fri, Oct 25, 2019 at 8:47 AM

To: Michelle Michelle <springlakeconstructionmichelle@gmail.com>

Michelle,

The amendment process has been finalized. We will need the updated resolution from the city confirming approval of the change of ownership.

[Quoted text hidden]

**Amendment for State of Iowa - Iowa Economic Development Workforce Housing Tax Incentive Award and Contract (20-WHTIP-043) Sunrise Village Independent Living Center Project.**

Please amend 20-WHTIP-043 by removing Dave Walters of Green Stream Homes of Iowa, LLC, of 15602 Wilden Drive, Urbandale, Iowa 50322 and amend it to add Dean and/or Holly Quirk of DHQ Investments, LLC of 4123 NW 95<sup>th</sup> Place, Polk City, Iowa 50226.

Except as otherwise revised above, the terms, provisions, and conditions of the Workforce Housing Tax Incentive Award and Contract (20-WHTIP-043) unchanged and are in full force and effect:

DAVE WALTERS  
Print Name  
Dave Walters  
Green Stream Homes of Iowa, LLC

9-4-19  
Date

[Signature]  
Signature  
Dave Walters  
Green Stream Homes of Iowa, LLC

9-4-19  
Date

Dean Quirk  
Print Name  
Dean Quirk  
DHQ Investments, LLC

9/6/19  
Date

[Signature]  
Signature  
Dean Quirk  
DHQ Investments, LLC

9/5/19  
Date

Holly Quirk  
Print Name  
Holly Quirk  
DHQ Investments, LLC

9-5-19  
Date

[Signature]  
Signature  
Holly Quirk  
DHQ Investments, LLC

9-5-19  
Date

STATE OF Iowa  
COUNTY OF Polk } ss.

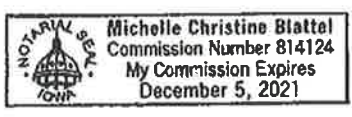
**NOTARIAL CERTIFICATE  
OF  
ACKNOWLEDGMENT**

On this 5 day of September, 2019, before me, Michelle Blattel,  
Printed Name of Notary Public  
the undersigned notary public, personally appeared Dave Walters, Dean and/or  
Holly Quirk  
Printed Name(s) of Signer(s)

- personally known to me - or -
- proved to me on the basis of satisfactory evidence
- form(s) of identification \_\_\_\_\_
- credible witness(es) \_\_\_\_\_

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same voluntarily for the purpose expressed therein.

WITNESS my hand and official seal.



Michelle Blattel  
Signature of Notary Public

(Seal)

**OPTIONAL INFORMATION**

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

**Description of Attached Document**

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of Amendment for Iowa Economic Development 20-WHTIP-043 containing 2 pages, and dated including ack.

The signer(s) capacity or authority is/are as:

- Individual(s)
- Attorney-in-Fact
- Corporate Officer(s) \_\_\_\_\_  
Titles)
- Guardian/Conservator
- Partner - Limited/General
- Trustee(s)
- Other: \_\_\_\_\_

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

**Notary Journal Entry**

The details surrounding this notarial event are described in my notary journal:

Volume One  
Page # 3 Entry/Row # 8

Notary Contact: 515-505-0033

**Other**

Additional Signer(s)     Signer(s) Thumbprint(s)



## MEMORANDUM

**TO:** City Manager  
Mayor and City Council

**FROM:** Planning Director

**DATE:** October 28, 2019

**RE:** Resolution of Support and Commitment of Funds for Independent Living Units

---

**SUMMARY:** The City of Webster City is required by Iowa Workforce Development to adopt a new Resolution of Support committing funds for 32 independent living units in the PUD along Edgewood Drive to DHQ Investments, LLC, the new owners.

**PREVIOUS COUNCIL ACTION:** Approved a resolution in 2017 to Green Stream Homes, LLC, for the same project.

**BACKGROUND/DISCUSSION:** The City originally approved Resolution No. 2017-179 which committed funds, as required by Workforce Development, to Green Stream Homes, LLC, for the construction of a complex containing 32 independent living units should they be awarded the Iowa Workforce Development Tax Credits. Presently, a change in ownership is taking place, and the State has finalized their amendment process. The State is now requesting that the City approve a new resolution showing that the developer is DHQ Investments, LLC and no longer Green Stream Homes, LLC.

**FINANCIAL IMPLICATIONS:** Should the developer be the recipient of the Iowa Workforce Development Tax Credits, the City's local match would total \$32,000.00, or \$1,000 per unit.

**RECOMMENDATION:** Approve the resolution of support and commitment of funds to DHQ Investments, LLC for the proposed 32 independent living units.

**CITY MANAGER COMMENTS:** I agree with the Planning Director's recommendation.

3. It was moved by Welch and seconded by McKinney that Resolution No. 2019-182 authorizing Cigarette/Tobacco/Nicotine/Vapor Permit – AA Tobacco Outlet, 641 Second Street (*change of ownership*) be passed and adopted.

ROLL CALL: Talbot, Welch, Hawkins, McKinney and Miller voting aye.

4. It was moved by Talbot and seconded by Welch that the issuance of Beer and Liquor Licenses by the Iowa Department of Commerce for the following be approved:

a. NEW Class C Beer Permit and Sunday Sales

AA Tobacco Outlet - 641 Second Street (*change of ownership*)

ROLL CALL: Welch, Hawkins, McKinney, Miller and Talbot voting aye.

City Clerk Karyl Bonjour provided an explanation for the two agenda items above, noting these are needing approval due to change of ownership of the business.

5. It was moved by Miller and seconded by McKinney that Resolution No. 2019-183 setting December 16, 2019 at 6:05 p.m. at Council Chambers in City Hall, Webster City, Iowa for a Public Hearing on proposed Plans, Specifications, Form of Contract and Estimate of Cost for the 2019 Building Demolition Project be passed and adopted.

ROLL CALL: Hawkins, McKinney, Miller, Talbot and Welch voting aye.

City Attorney Zach Chizek suggested adding the property at 940 Third Street to this project as the City was just awarded this property through court order this morning. However, if added, this property cannot be demolished until after December 4<sup>th</sup>, 2019. Council agreed that this property should be added to the Plans, Specifications, Form of Contract and Estimate of Cost for the 2019 Building Demolition Project.

6. It was moved by Talbot and seconded by Welch that request from Engineering Tech/Project Coordinator to seek bids for 2020 Line Clearance Tree Trimming and Removal Services Project be approved.

ROLL CALL: McKinney, Miller, Talbot, Welch and Hawkins voting aye.

Ken Wetzler, Public Works Director, informed Council that this Project would include Tree Removal along Second Street from Prospect Street to Beach Street.

7. It was moved by Miller and seconded by McKinney that Resolution No. 2019-184 accepting and approving the Dedication of Public Streets and Utilities in Brewer Creek Estates 5<sup>th</sup> Addition in Webster City, Iowa be passed and adopted.

ROLL CALL: Miller, Talbot, Welch, Hawkins and McKinney voting aye.

8. It was moved by Miller and seconded by Welch that Resolution No. 2019-185 accepting and approving the Dedication of Public Streets and Utilities in Brewer Creek Estates 6<sup>th</sup> Addition in Webster City, Iowa be passed and adopted.

ROLL CALL: Talbot, Welch, Hawkins, McKinney and Miller voting aye.

9. It was moved by McKinney and seconded by Miller that Resolution No. 2019-186 a Resolution of Support and Commitment of Funds for DHQ Investments, LLC, Polk City, Iowa be passed and adopted.

ROLL CALL: Welch, Hawkins, McKinney, Miller and Talbot voting aye.

10. It was moved by Welch and seconded by Miller that request from Street Department Supervisor to request bids for Tree Grinding Services at the Tree/Brush Drop-Off Site and approval to award the contract if the bids come in under the budgeted amount be approved.

ROLL CALL: Hawkins, McKinney, Miller, Talbot and Welch voting aye.

11. This item was removed from the Agenda.

**RESOLUTION NO. 2025 -**

**AUTHORIZING THE CITY MANAGER TO ENTER INTO AN  
INDUSTRIAL SEWER USER WASTEWATER SERVICES AGREEMENT  
BETWEEN THE CITY OF WEBSTER CITY  
AND WEBSTER CITY CUSTOM MEATS, INC.**

WHEREAS, the City of Webster City is completing the planning process for a new Wastewater Treatment Plant; and

WHEREAS, planning for the new Wastewater Treatment plant includes consideration of loads from significant industrial users and the local population; and

WHEREAS, Webster City Custom Meats and the City of Webster City desire to enter into a new agreement with Webster City Custom Meats for the purpose of regulating industrial discharge of Wastewater into Webster City's sanitary sewer system; and

WHEREAS, the City agrees to accept the discharge as described in said Agreement; and

WHEREAS, the City Council has reviewed said form of the new agreement.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Webster City, Iowa as follows:

Section 1: The City Manager is hereby authorized and directed to enter into an Industrial Sewer User Wastewater Services Agreement between the City of Webster City and Webster City Custom Meats, Inc. to discharge wastewater into the City's sanitary sewer system as proposed on February 3<sup>rd</sup>, 2025

Section 2: All resolutions or parts thereof as well as any prior Industrial Sewer Use agreements with Custom Meats are hereby repealed.

BE IT FURTHER RESOLVED that said agreement is hereby approved upon being executed by both parties.

Passed and adopted this 3<sup>rd</sup> day of February, 2025.

\_\_\_\_\_  
John Hawkins, Mayor

ATTEST:

\_\_\_\_\_  
John Harrenstein, City Clerk

**RESOLUTION NO. 2023 - 153**

**RESOLUTION AUTHORIZING THE CITY MANAGER TO CONTINUE NEGOTIATIONS WITH WEBSTER CITY CUSTOM MEATS TO FINALIZE A WASTEWATER SERVICES AGREEMENT AND AUTHORIZING THE MAYOR TO SIGN AND EXECUTE A WASTEWATER SERVICES AGREEMENT WHEN FINALIZED AND AUTHORIZING THE CITY MANAGER TO PROVIDE LETTERS OF SUPPORT TO WEBSTER CITY CUSTOM MEATS AS THEY PURSUE STATE AND FEDERAL INCENTIVE PROGRAMS**

**WHEREAS**, on April 05, 2005 the City approved an Iowa DNR Treatment Agreement with Webster City Custom Meats for wastewater services; and

**WHEREAS**, the Iowa Department of Natural Resources (DNR) regularly performs facility and operation inspections of the City's wastewater treatment plant to ensure compliance with National Pollutant Discharge Elimination System (NPDES) permit; and

**WHEREAS**, following facility and operations inspections in 2019 and 2023, the DNR issued a Notice of Violation to the City of Webster City for violations that included violations by significant industrial users (SIUs); and

**WHEREAS**, DNR has made multiple references that the City must, "enforce treatment agreement limits with Significant Industrial Users in accordance with Subrules 567 IAC 62.1(6) and 64.3 (1); and

**WHEREAS**, City has developed a service agreement for significant industrial users that is comprehensive of wastewater treatment services, sampling, monitoring, and dispute resolution that may arise over the life of the service; and

**WHEREAS**, said agreement shall be governed by and construed in accordance with the laws of the State of Iowa and local municipal code; and

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Webster City, Iowa as follows:

**SECTION 2:** Authorizes the City Manager to continue negotiations with Webster City Custom Meats to finalize a wastewater services agreement.

**SECTION 2:** Authorizes the Mayor to Sign and Execute a Wastewater Services Agreement with Webster City Custom Meats upon being finalized.

**SECTION 3:** Authorizes the City Manager to provide letters of support to Webster City Custom Meats as they pursue State and Federal incentive programs, contingent upon the wastewater services agreement being executed.

Passed and adopted this 21st day of August, 2023.

  
\_\_\_\_\_  
John Hawkins, Mayor

ATTEST:

  
Karyl K. Bonjour, City Clerk



**INDUSTRIAL SEWER USER  
WASTEWATER SERVICES  
AGREEMENT**

By and between

City of Webster City, Iowa

And

Webster City Custom Meats, Inc.

Effective date: 10/10/2023

Expiration date: 10/10/2025

8-21-23

**City Council Meeting Minutes, August 21, 2023**

b. It was moved by Hansen and seconded by McFarland that Request from St. Thomas Aquinas Parish for Street closing-Des Moines Street between Bank and Water Streets for a Car Show to be held Saturday, October 7, 2023 from 11:00 a.m. to 3:00 p.m. (closure from 10:00 a.m. to 3:00 p.m.) be approved.

ROLL CALL: McKinney, Welch, Hansen, Hawkins and McFarland voting aye.

c. It was moved by McFarland and seconded by McKinney that Resolution No. 2023-149 setting September 5, 2023 at 6:05 p.m. in Council Chambers at City Hall, Webster City, Iowa as the time and place for a Public Hearing on Proposal to Amend the Code of Ordinances of the City of Webster City, Iowa, 2019, by adding Section 50-120 entitled Solar Energy Systems to Chapter 50, Article III, Division 3, for the purpose of regulating the placement and use of Solar Energy Systems in the City's Zoning Districts be passed and adopted.

ROLL CALL: Welch, Hansen, Hawkins, McFarland and McKinney voting aye.

Ariel Bertran, Community Development Director, explained the need for the amendment to add this section to the current City Code of Ordinances.

d. It was moved by McKinney and seconded by Hansen that Resolution No. 2023-150 approving a Memorandum of Understanding between the Iowa Department of Revenue and the City of Webster City, Iowa for participation in the State Setoff Program be passed and adopted.

ROLL CALL: Hansen, Hawkins, McFarland, McKinney and Welch voting aye.

Finance Director Wolfram gave details of the Memorandum and some of the changes to be incurred.

e. It was moved by Welch and seconded by McFarland that Resolution No. 2023-151 supporting the installation of Art In Public Spaces in Downtown with a Financial Contribution and authorizing the Mayor to sign a Letter of Support for Arts R Alive's Grant Application to the Rural Enrichment Grant Administered by Iowa Economic Development Authority be passed and adopted.

ROLL CALL: Hawkins, McFarland, McKinney, Welch and Hansen voting aye.

Biridiana Bishop, Assistant City Manager, spoke to Council on this request for support. Anna Woodward, Chamber Director and Janet Adams, member of Arts R Alive were also present to provide details of the installation of Art in the Downtown area.

f. It was moved by McFarland and seconded by Hansen that Resolution No. 2023-152 authorizing the Mayor to Sign and Execute Oxbow Restoration Agreement with the Nature Conservancy for the Oxbow Restoration Project at Brewer Creek Park be passed and adopted.

ROLL CALL: McFarland, McKinney, Welch, Hansen and Hawkins voting aye.

Brian Stroner, Environmental/GIS/Safety Coordinator, provided specifics on the project. Karen Wilke, Associate Director of Freshwater of The Nature Conservancy was also present and provided additional details on the Oxbow Restoration.

g. It was moved by Hansen and seconded by McKinney that Resolution No. 2023-153 authorizing the City Manager to continue negotiations with Webster City Custom Meats to finalize a Wastewater Services Agreement and authorizing the Mayor to sign and execute a Wastewater Services Agreement when finalized and authorizing the City Manager to provide Letters of Support to Webster City Custom Meats as they pursue State and Federal Incentive Programs be passed and adopted.

ROLL CALL: McKinney, Welch, Hansen, Hawkins and McFarland voting aye.

Daniel Ortiz-Hernandez, City Manager, gave a background of the negotiations on this agreement and are working with the new owners to get finalized for execution by both parties.

h. It was moved by Welch and seconded by McFarland that Resolution No. 2023-154 transferring cash to provide funding for certain projects, repay internal loans, reconcile funds and TIF entries be passed and adopted.

ROLL CALL: Welch, Hansen, Hawkins, McFarland and McKinney voting aye.

Finance Director Wolfram explained the various reasons for the transfers.

**INDUSTRIAL SEWER USER  
WASTEWATER SERVICES  
AGREEMENT**

By and between

City of Webster City, Iowa

And

Webster City Custom Meats, Inc.

Effective date: 1/1/2025

Expiration date: 1/1/2030

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## PREAMBLE

This Industrial Sewer User Wastewater Services Agreement (this "Agreement") is entered into on January 1<sup>st</sup>, 2025 (the "Effective Date") by and between the CITY OF WEBSTER CITY (the "City") and Webster City Custom Meats, Inc. (the "Customer"). The City and the Customer may be referred to individually as a "Party" or collectively as "the Parties."

## RECITALS

**Whereas**, the City owns, operates, and maintains a sanitary sewage and stormwater drainage utility established pursuant to Iowa Code chapter 388 and governed by the City Code of Iowa; and

**Whereas**, the City's utility is a publicly owned treatment works ("POTW") which collects, conveys, treats, and discharges wastewater pursuant to National Pollutant Discharge Elimination System (NPDES) Permit #4063001, issued by the Iowa Department of Natural Resources ("IDNR") pursuant to the authority of section 402(b) of the Clean Water Act (33 U.S.C 1342(b)), Iowa Code section 455B.174, and 567 Iowa Administrative Code chapters 60 through 64; and

**Whereas**, the Customer is an industrial sewer user that has either been (1) designated as a Significant Industrial User by the IDNR pursuant to 567 Iowa Administrative Code chapter 60; or (2) determined to be an entity discharging an industrial waste of unusual strength or character appropriate for a special agreement, arrangement, or contract with the City pursuant to Sec. 48-286 of the City's Code of Ordinances ("the City Code"); and

**Whereas**, the City has determined that the Customer's industrial discharges have a reasonable potential to significantly affect the operation of the City's POTW or the City's compliance with its NPDES permit, including by requiring the addition of treatment capacity or other sewage system improvements; and

**Whereas**, the Customer's industrial discharges to the City's wastewater treatment system represent a type or quantity of use that is unusual and that requires the provision of treatment services on an individual contract basis; and

**Whereas**, the City and the Customer have determined that it is in the Parties' best interest for the City to provide industrial wastewater treatment services to the Customer, subject to the terms and conditions of this Agreement.

**Now, therefore**, in consideration of the recitals and the mutual promises set forth herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

## DEFINITIONS

For purposes of this Agreement and unless the context otherwise requires, the following terms have the following meanings, except that if a term defined here is differently defined in the City's Sewer Utility ordinance (Article IV of the City Code of Ordinances), then the definition in the ordinance shall control:

*Agreement* means this agreement, including any exhibits or amendments that may be attached to it or specifically incorporated by reference.

*BOD (BOD5 or biochemical oxygen demand)* means the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five days at 20 degrees Celsius, expressed in milligrams per liter or parts per million.

*Building drain* means that part of the lowest horizontal piping of a drainage system which receives the discharge from soil, waste, and other drainage pipes inside the walls of the building and conveys it to the building sewer, beginning five feet (1.5 meters) outside the inner face of the building wall.

*Building sewer* means the extension from the building drain to the public sewer or other place of disposal.

*Bypass* means the diversion of waste streams from any portion of a treatment facility or collection system. A bypass does not include internal operational waste stream diversions that are part of the design of the treatment facility, maintenance diversions where redundancy is provided, or diversions of wastewater from one point in a collection system to another point in a collection system..

*Capital cost payment* means an amount determined pursuant to this Agreement that the Customer must contribute toward sewage system improvements.

*CBOD* means carbonaceous five-day biochemical oxygen demand as measured by the test method set forth in the latest edition of Standard Methods for the Examination of Water and Wastewater.

*City* means the City of Webster City, including its sewer utility and sewage system.

*Combined sewer* means a sewer receiving both surface run-off and sewage.

*Contaminant* means a pollutant or other substance the emission or discharge of which is regulated by the federal government, the IDNR, or by the City and that is the subject of permit or other discharge limitation.

*Customer* means any person responsible for the production of domestic, commercial or industrial waste which is directly or indirectly discharged into the public sewage system. Customer includes an industrial user of the sewage system.

*Daily maximum* for mass discharge (in lbs/day) parameters means the maximum amount of a contaminant discharged in a 24-hour period as calculated using the concentration of the contaminant in a 24-hour flow proportional sample and the total 24-hour discharge volume.



*Daily maximum* concentration for FOG and for pH means the concentration of a grab sample collected at any time during a 24-hour period.

*FOG and Oil Grease* mean fats, oil, and grease as set forth in EPA Method 1664, Revision A (n-hexane extractable material).

*Effluent* means liquid waste, sewage, or other contaminants discharged into a sewage system.

*EPA* means the Environmental Protection Agency.

*Facility* means the site or location at which an industrial user discharges effluent into the sewage system.

*Garbage* means solid wastes from the domestic and commercial preparation, cooking, and dispensing of food, and from the handling, storage and sale of produce.

*IDNR* means the Iowa Department of Natural Resources.

*Industrial user* means an individual, partnership, business, corporation or entity who contributes wastewater in an amount or strength of which is greater than normal domestic sewage. Industrial user also includes a significant industrial user.

*Industrial wastes* means the liquid wastes from industrial manufacturing processes, trade, or business as distinct from sanitary sewage.

*Inspector* means the person duly authorized by the council to inspect and approve the installation of building sewers and their connections to the public sewage system; and to inspect such sewage as may be discharged therefrom.

*Laws* means all applicable federal, state, and local statutes, codes, rules, regulations, ordinances, agency policies, orders, and case law, all may be amended from time to time.

*MGD* means million gallons per day.

*mg/L* means milligrams per liter concentration.

*Monthly average* means the average of all monitoring data for a specific sewage parameter collected during a calendar month.

*Natural outlet* means any outlet into a watercourse, pond, ditch, lake, or other body of surface or groundwater.

*NPDES* means National Pollutant Discharge Elimination System.

*NPDES permit* means NPDES permit number #4063001 issued to the City pursuant to the authority of section 402(b) of the Clean Water Act (33 U.S.C. 1342(b)), Iowa Code section 455B.174, and rule 567-64.3 of the Iowa Administrative Code.

*Pass through* means the movement of an environmental pollutant that is not affected by the treatment technologies in place at the POTW which would cause the city to be in violation of its NPDES discharge permit.

*Permitted discharge* means all limitations on the amount and characteristics of the sewage that the Customer is allowed to discharge into the sewage system pursuant the Permitted Discharge section of this Agreement.

*pH* means the logarithm of the reciprocal of the weight of hydrogen ions in grams per liter of solution.

*POTW* means a publicly owned treatment works.

*Pretreatment* means the reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to or in lieu of discharging or otherwise introducing such pollutants into a POTW. The reduction or alteration may be obtained by physical, chemical, or biological processes, by process changes, or by other means, except as prohibited in 40 CFR 403.6(d).

*Pretreatment requirements* means any substantive or procedural requirement related to pretreatment, other than a national pretreatment standard, imposed on an industrial user.

*Pretreatment standard or national pretreatment standard* means any regulation containing pollutant discharge limits promulgated by EPA in accordance with Section 307(b) and (c) of the Act, which applies to industrial users. "Pretreatment standard" includes prohibitive discharge limits established pursuant to 40 CFR 403.5.

*Private sewer system* means a system which provides for the treatment or disposal of domestic sewage from four or fewer dwelling units or the equivalent of less than 16 individuals on a continuing basis.

*Properly shredded garbage* means the wastes from the preparation, cooking, and dispensing of food that have been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in public sewers, with no particle greater than one-half inch (1.27 centimeters) in any dimension.

*Public sewer* means a sewer in which all owners of abutting properties have equal rights and is controlled by public authority.

*Sanitary sewage* means sewage discharging from the sanitary conveniences of dwellings (including apartment houses and hotels), office buildings, factories or institutions, and free from stormwater, surface water, and industrial waste.

*Sanitary sewer* means a sewer which carries sewage and to which stormwater, surface, and groundwaters are not intentionally admitted.

*Severe property damage* means substantial physical damage to property, damage to the treatment facilities which causes them to become inoperable, or substantial and permanent loss of natural resources which can reasonably be expected to occur in the absence of a bypass. "Severe property damage" does not mean economic loss caused by delays in production.

*Sewage* means a combination of the water-carried wastes from residences, business buildings, institutions, and industrial establishments, together with such ground, surface, and stormwaters as may be present.

*Sewage treatment plant* means any arrangement of devices and structures used for treating sewage.

*Sewage works or sewage system* means all facilities for collecting, pumping, treating, and disposing of sewage.

*Sewage system improvements* means any and all repairs, upgrades, or enhancements that must be made to the capacity or treatment capabilities of the sewage system in order to serve the Customer's needs or to meet the regulatory requirements applicable to the POTW.

*Sewer* means a pipe or conduit for carrying sewage.

*Sewer rental or sewer service charges* means any and all charges, rates, fees, or rentals levied against and payable by customers, as consideration for the servicing of the customers by the sewage system.

*Significant industrial user* means the same as defined in 567 Iowa Administrative Code rule 60.2(455B) Definitions.

*Slug* means any discharge of a non-routine, episodic nature, including but not limited to an accidental spill or a non-customary batch discharge, which has a reasonable potential to cause Interference or Pass Through, or in any other way violate the POTW's regulations, local limits or Permit conditions..

*Storm drain or storm sewer* means a sewer which carries stormwater and surface waters and drainage but excludes sewage and industrial wastes, other than unpolluted cooling water.

*Standard methods* means the most current edition of *Standard Methods for the Examination of Water and Wastewater*, a work jointly published by the American Public Health Association, the American Water Works Association, and the Water Environment Federation.

*Superintendent* means the superintendent of sewage works or of water pollution control of the city or any authorized deputy, agent, or representative.

*Suspended solids* means solids that either float on the surface of, or are in suspension in water, sewage, or other liquids, and which are removable by laboratory filtering.

*TKN* means total Kjeldahl nitrogen as measured by the test method set forth in the latest edition of *Standard Methods for the Examination of Water and Wastewater*.

*TSS* means total suspended solids as measured by the test method set forth on the latest edition of *Standard Methods for the Examination of Water and Wastewater*.

*Upset* means an exceptional incident in which there is unintentional and temporary noncompliance with discharge limits because of factors beyond the reasonable control of the Customer. An upset does not include noncompliance to the extent caused by operational error, lack of preventative maintenance, or careless or improper operation.

*User* means any individual, partnership, corporation, or other organization or entity, public or private, that discharges sewage into the sewage system.

*Watercourse* means a channel in which a flow of water occurs, either continuously or intermittently.

## EFFECTIVE DATE AND TERM

### 1. Effective Date

This agreement shall become effective on January 1, 2025.

### 2. Term and Renewal

This agreement expires five (5) years after the effective date. The agreement may be renewed by mutual agreement of the parties for additional five (5) year terms. The parties will meet annually and at least thirty (30) days prior to the expiration of the Agreement to discuss the renewal of the Agreement. If both parties agree to renew this Agreement, a written amendment with the new renewal term shall be executed. If the parties fail to renew this Agreement, then this Agreement shall expire. If this Agreement expires, or is otherwise terminated, then the City shall not be required to treat the Customer's discharge, and the Customer shall immediately take all steps necessary to discontinue use of the City's sewage system.

### 3. Right to Terminate

Notwithstanding section 2 above, the City and the Customer shall have the right to terminate this Agreement as provided elsewhere in this Agreement.

## DISCHARGES AND TREATMENT

### 4. Permitted Discharge

The Customer shall not exceed the lesser of (1) the effluent limitations for wastewater parameters specified in an IDNR treatment agreement; or (2) the effluent limitations for wastewater parameters specified in the table below:

Wastewater Parameter	Daily Average Limit	Daily Maximum Limit
Flow (MGD)	0.04	0.08
BOD5 (lbs/day)	200	400
TSS (lbs/day)	80	100
TKN (lbs/day)	30	60
Phosphorus (lbs/day)*	-	-
FOG/Oil and Grease (mg/L)	100	125
pH Daily Minimum	6.0	
pH Daily Maximum	11.0	

\* The current phosphorus surcharge level shall be in accordance with the Webster City Code, no compliance limit in place. As the Nutrient Reduction Strategy is advanced, individual mass limitations for phosphorous may be established via an amendment to the Industrial Services User Wastewater Services Agreement.

### 5. Right to Discharge

The Customer shall have the right to discharge effluent to the sewage system provided that the amount and concentration do not exceed the Permitted Discharge. The Customer acknowledges and agrees that discharges in excess of the Permitted Discharge are grounds for default pursuant to this Agreement and/or a basis for administrative enforcement remedies as provided in Sec. 48-324 of the City's Code of Ordinances.

The Customer acknowledges and agrees that the right to discharge pursuant to this Agreement does not convey any property rights or other exclusive privileges on the Customer. The right to discharge also does not authorize the Customer to commit an injury to public or private property, nor any invasion of personal rights, nor to violate any federal, state, or local law, rule, regulation, or policy.

## **6. Obligation to Treat**

The City shall make all commercially reasonable efforts to continually receive and treat the Permitted Discharge without interruption to the Customer. Failure by the City, at any time, to be able to properly receive and/or treat the Permitted Discharge shall not make the City liable for any damages caused to the Customer's facilities, its production or operations, its employees, agents, or contractors, or any other person or entity claiming damages as a result of said failure.

## **7. Right to Reduce or Modify the Permitted Discharge**

The City and the Customer both acknowledge and agree that the City may reduce or modify the Customer's Permitted Discharge following a minimum of one meeting between the City and Customer, including adding additional wastewater parameters, under any of the following conditions:

- (1) Current or future loadings to the sewage system reach or exceed the POTW's rated design capacity or modifications or upgrades to the POTW or the sewage system otherwise necessitate modifications to the Permitted Discharge; or
- (2) A reduction or modification is necessary to maintain compliance with the City's NPDES permit; or
- (3) A reduction or modification is otherwise required by the EPA or the IDNR.

## **8. Notice of Modification and Amendment Required**

If the Customer's Permitted Discharge must be reduced or modified pursuant to the above, then the City shall provide the Customer written notice at least thirty (30) days in advance, and the parties shall amend this Agreement to reflect the new Permitted Discharge.

## **9. Right to Require Pretreatment**

If the Customer's operations or discharges are of such a nature, volume, frequency, or intensity, whether alone or in combination with other customers, that the City's ability to comply with its NPDES permit or to properly treat the effluent is negatively impacted, then the City shall have the right to impose on the Customer all reasonable pretreatment requirements pursuant to this Agreement. If the Customer installs or operates facilities or equipment for pretreatment to meet the Permitted Discharge limits of this Agreement, then such facilities shall be described in the attached Pretreatment Facilities Exhibit.

## **10. Notification of Enhanced Pretreatment**

If the Customer is required to implement pretreatment requirements pursuant to the above, then the City shall provide the Customer written notice at least thirty (30) days in advance, and the parties shall amend this Agreement as necessary to reflect the new pretreatment requirements.

## **11. Right of Entry to Inspect and Approve Facilities and Pretreatment Requirements**

The City shall have the right to enter the Customer's Wastewater Pretreatment facility unimpeded to inspect and approve the facility and all pretreatment requirements, at any time, including the type, amount, concentration, and frequency of any chemicals or other

substances added to the effluent or the discharge before, during, or after the pretreatment process. The parties shall confer prior to entry and agree upon the procedures required for inspection in order to maintain food safety and other applicable requirements. In entering and inspecting the Customer's facilities, the City shall have the right to document, record, and photograph the wastewater facilities to the extent necessary to verify compliance with the pretreatment requirements or this Agreement.

If the City approves the Customer's pretreatment requirements, the Customer shall not materially alter or deviate from the approved pretreatment requirements without providing the City notice and opportunity to inspect and approve the alterations or deviations. Additionally, once the City approves the Customer's pretreatment requirements, said pretreatment requirements shall be implemented and operational within one hundred eighty (180) days of said approval from the City, unless the City expressly waives this requirement in writing or an alternative schedule is cooperatively developed.

In the case of emergency maintenance, the Customer shall immediately notify the City of equipment shutdowns or deviations in the pretreatment process.

## **12. Notification of Certain Discharges**

In the case of any discharge, including, but not limited to, accidental discharges, discharges in excess of the Permitted Discharge, discharges of a nonroutine, episodic nature, a noncustomary batch discharge, a Slug Discharge or Slug Load, that might cause potential problems for or affect the treatment ability of the POTW or the sewage system, the Customer shall immediately notify the City of the incident. Such notification during normal business hours of Monday-Friday 7:00 a.m. to 4:00 p.m. shall initially be by calling 515-744-8742 by telephone and outside of normal business hours shall initially be by calling 515-832-9166 by telephone, but notification may later be provided by email.

The notification shall include the location of the discharge, the type of waste, the concentration and volume, if known, and the corrective actions taken by the Customer. Within five (5) days following such a discharge, the Customer shall, unless waived by the City in writing, submit a detailed written report describing the cause or causes of the discharge and the measures to be taken by the Customer to prevent similar future occurrences. The notification may vary from a simple one page memo to an extensive engineering report based on discharge circumstances.

Such notification shall not relieve the Customer of any expense, loss, damage, or other liability which might be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property. Such notification shall not relieve the Customer of any charges, fines, penalties, or other liability which may be imposed pursuant to this Agreement or pursuant to the City's Code of Ordinances.

## **13. Duty to Mitigate or Reduce Operations**

The Customer acknowledges and agrees that it has an affirmative duty to take any and all commercially reasonable measures to mitigate the impact to the sewage system and to the environment of an excess discharge or the impact of any other event of default under this Agreement that has, or would reasonably be expected to have, an impact on the sewage system or on the environment.

If the Customer knows, or reasonably should know, of a condition causing a reduction of efficiency in its treatment operations or of a failure of its treatment equipment, then the Customer shall cease or reduce operations or production activity as necessary until the condition or failure of equipment is remedied. Such a condition or failure includes, but is not limited to, a loss of electric or water service to the Customer's facility, and such a loss of electric or water service shall not constitute an event of force majeure under this Agreement.

The Customer shall have a duty to mitigate or to cease or reduce operations pursuant to this section regardless of whether the Customer would experience a discharge in excess of the Permitted Discharge.

#### **14. Dilution Prohibited**

Unless expressly authorized by the applicable pretreatment standard, the Customer shall not increase the use of potable water, processed water, or treated water, or in any other way attempt to dilute a discharge of effluent in order to meet the limits in the Permitted Discharge, or with the intent of avoiding or evading the limits in the Permitted Discharge or of any obligation of this Agreement.

#### **15. Bypasses Prohibited**

Bypasses from any portion of the Customer's treatment facility or sewer collection system are prohibited. However, the City shall not assess a civil penalty or an excess discharge penalty against the Customer for a bypass if the Customer complied with all of the following conditions:

- (1) The bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;
- (2) There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate backup equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; and
- (3) The Customer submitted a request for an anticipated bypass, or submitted a notification or report of unanticipated bypass or upset, as provided elsewhere in this Agreement.

#### **16. Request for Anticipated Bypass**

Except for bypasses that occur as a result of mechanical failure or acts beyond the control of the owner or operator of a waste disposal system (i.e., unanticipated bypasses), the Customer shall obtain written permission from the City prior to any discharge of sewage or wastes from a waste disposal system not authorized by the Permitted Discharge.

The City may approve an anticipated bypass after considering its adverse effects if the City determines that it will meet the conditions described in section 15 above.

The request for a bypass shall be submitted to the City at least ten days prior to the expected date of the event. The request shall be submitted in writing and shall include all



of the following:

- (1) The reason for the bypass;
- (2) The date and time the bypass will begin;
- (3) The expected duration of the bypass;
- (4) An estimate of the amount of untreated or partially treated sewage or wastewater that will be discharged;
- (5) The location of the bypass;
- (6) Any actions the Customer proposes to take to mitigate the effects of the bypass upon the POTW; and

#### **17. Notification of Unanticipated Bypasses or Upsets**

In the event that a bypass or upset occurs without prior notice having been provided pursuant to the above, or as a result of mechanical failure or acts beyond the control of the Customer, the Customer shall notify the City by telephone as soon as possible but not later than 24 hours after the onset or discovery.

The Customer shall also provide a written notification to the City within five (5) days of onset or discovery. Written notification of an unanticipated bypass shall be made in the manner provided elsewhere in this Agreement for written notices. The written notification shall include the following:

- (1) The reason for the bypass;
- (2) The date and time of onset or discovery of the bypass;
- (3) The duration of the bypass;
- (4) An estimate of the amount of untreated or partially treated wastewater that was discharged;
- (5) The location of the bypass;

#### **18. Upsets**

Nothing in this Agreement shall be construed to prevent the Customer from raising an affirmative defense regarding an upset or other discharge violation pursuant to Sec. 48-326 of the City's Code of Ordinances.

### **RATES, CHARGES, AND PENALTIES**

#### **19. Establishment of Just and Reasonable Rates and Sewer Service Charges**

The City shall by ordinance establish just, reasonable, and nondiscriminatory rates and sewer service charges that are based on the costs of receiving, collecting, and treating sewage and of operating, maintaining, and financing the sewage system.

Such rates and sewer service charges may include monthly fixed charges, monthly volumetric charges, penalties for excess discharges, or the payment of other direct or indirect costs relating to collecting, conveying, treating, or discharging the Customer's sewage or other effluent.

## **20. Cost of Service and Rate Review**

The City shall regularly assess the cost of providing sewer service and shall review its rates and sewer service charges at annually to ensure that the rates and sewer service charges reflect the current cost of providing service. In assessing the cost of providing sewer service, the City may, but is not required to, conduct a full cost-of-service and rate study. The City shall make a good faith effort to complete the review of its rates and sewer service charges before the annual meeting with the Customer to discuss the renewal of this Agreement, as provided elsewhere in this Agreement.

## **21. Rate Ordinance Incorporated by Reference**

The City's rates and sewer service charges, including the penalties for excess discharges, for industrial users that monitor the flow and concentration of effluent have been established by the City in Chapter 48, Article IV, Division 5, of the City's Code of Ordinances, as may be amended, revised or replaced from time to time, and those rates and charges, as amended, revised or replaced from time to time, are incorporated by reference into this Agreement to the extent they apply to the Customer.

## **22. Modification of Rates and Charges to Meet Regulatory Requirements**

The City and the Customer acknowledge that, from time to time, the IDNR or the EPA may implement new effluent controls or otherwise alter the discharge limits applicable to POTWs. These altered regulatory requirements may be more stringent than the controls and limits currently contained in the City's NPDES permit. The Customer acknowledges and agrees that the City shall have the right to modify the City's rates and sewer service charges applicable to Customer's rate classification, and to establish new rate classification(s) applicable to customer, as may be considered necessary and appropriate in the City's discretion, to recover any increased costs incurred to meet applicable regulatory requirements or for other reasons in accordance with applicable law. Such costs may include any or all of the following:

- (1) Additional capital costs for the construction, repair, or maintenance of sewage system improvements;
- (2) Additional or increased operations and maintenance costs;
- (3) Principal, interest, debt service reserve fund requirements, and other financing costs related to the issuance of bonds, notes, or other debt instruments;
- (4) Other direct and indirect costs of the City reasonably related to complying with the new regulatory requirements; and
- (5) All other costs which may lawfully be included in the City's rates and charges.

If it becomes necessary to modify the City's rates or sewer service charges applicable to Customer's rate classification to meet new regulatory requirements, the City will notify the Customer at least 180 days prior to the effective date of the modified rates or sewer service charges. Other changes to rates or sewer service charges shall be made in the manner provided by the City's Code of Ordinances and the Iowa Code.

## **23. Reimbursement of Certain Direct and Indirect Costs**

The Customer acknowledges that certain discharge events or occasional periods of intensive system use frequently cause operational issues such as blockages, lift station problems, or

higher treatment costs.

The Customer agrees to reimburse the City for all direct and indirect costs for such operational issues to the extent that the operational issues are attributable to the Customer's use of the sewage system.

If the City determines that it has incurred additional costs attributable to the Customer's use of the sewage system, then the City will invoice the Customer and provide a detailed description of the costs incurred.

To assist the Customer in managing unforeseen fluctuations in flow or loading, the City provides three (3) tolerances for instances where the Customer's effluent exceeds the agreed-upon limits. These tolerances apply when the effluent exceeds the permitted limits by no more than 1.5 times. If the effluent exceeds 1.5 times the allowed limit, the Customer will incur a fine in accordance with the City's Code of Ordinances. Upon the fourth exceedance, the City will assess the Customer's efforts to mitigate the issue before determining whether to issue a fine. For any subsequent (fifth) exceedance, a fine will be issued in accordance with the City's Code of Ordinances.

#### **24. Payment of Sewer Service Charges**

The Customer shall promptly pay all rates and sewer service charges when invoiced by the City. The Customer acknowledges and agrees that a failure to pay sewer service charges shall be grounds for an event of default under this Agreement.

### **MONITORING, SAMPLING, REPORTING, AND COMPLIANCE**

#### **25. Requirement to Provide Information**

Whenever there is a material change to any of the below information, or whenever the City reasonably requires it, the Customer shall provide the following information to the City:

(1) Identifying Information:

- a. The name and address of the facility, including the name of the operator and owner; and
- b. Contact information, description of activities, facilities, and plant production processes on the premises.

(2) Environmental Permits. A list of any state or federal environmental control permits held by or for the facility.

(3) Description of Operations:

- a. A brief description of the nature, and standard industrial classifications (SICs) of the operation carried out by the Customer. This description should include a schematic process diagram, which indicates points of discharge to the POTW from the regulated processes; and
- b. Types of wastes generated, and a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the POTW; and
- c. Proposed or actual hours of operation; and
- d. Site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation,

and all points of discharge.

- (4) Time and duration of discharges.
- (5) The location for monitoring all pollutants and wastewater parameters covered by the Customer's Permitted Discharge.
- (6) Flow Measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams.
- (7) Measurement of pollutants and wastewater parameters:
  - a. If applicable, the categorical Pretreatment Standards applicable to each regulated process and any new categorically regulated processes for existing sources.
  - b. The results of sampling and analysis identifying the nature and concentration, and/or mass, where required (by the Standard Methods or by the IDNR) of regulated pollutants and wastewater parameters in the discharge from each regulated process.
  - c. Instantaneous, Daily Maximum, and long-term average concentrations, or mass, as appropriate, shall be kept on file and reported to the City upon request.
  - d. The measurements shall be representative of daily operations and shall be analyzed in accordance with procedures set out elsewhere in this Agreement. The Customer shall submit all necessary documentation or other information regarding effluent, as required by the City, to enable the City to determine compliance with this Agreement.
  - e. The results of sampling for pollutants and wastewater parameters. All sampling shall be performed in accordance with procedures set out elsewhere in this Agreement.
- (8) Any other information that may reasonably be deemed necessary by the City to evaluate the Customer's use of the sewage system or the Customer's compliance with the requirements of this Agreement.

## **26. Installation and Maintenance of Monitoring and Sampling Equipment**

The Customer shall install at its own cost all equipment suitable for the monitoring and sampling of effluent that the Customer discharges to the City's sewage system and shall maintain the equipment in proper operating condition at all times.

The equipment shall include a monitoring station installed at a point that is near and prior to the point of discharge into the City's sewage system. The monitoring station shall be installed prior to operation of a new facility or production process.

The equipment may include manholes or such other system improvements as the City in its sole discretion deems necessary or useful to implement the monitoring and sampling requirements of this Agreement.

The Customer shall install a monitoring station located inside the Customer's facility that includes:

- (1) A flow meter with flow totalizer (. Totalized flow recording at set time of day

(corresponding with the time sampler switches sample bottles).

(2) A twenty-four (24) hour flow proportional, refrigerated composite sampler, two (2) sample bottles with automatic switch over at set time of day.

(3) Grab sample tap.

(4) unimpeded access by City staff for sample collection during the Customer's wastewater facility hours of operation.

If the City and the Customer agree to use the current monitoring and sampling equipment, then The City agrees to waive the applicability of this Section provided that Customer maintains full compliance with the Permitted Discharge requirements of this Agreement. If Customer fails to maintain compliance with the Permitted Discharge requirements of this Agreement, then Customer agrees that this Section shall apply and agrees to comply fully with its requirements. Customer shall follow all IDNR guidelines with respect to optimal sample representation. Customer also specifically agrees to promptly notify the City of any changes in the monitoring or sampling procedures agreed to by the Parties in exchange for a waiver of the requirements of this Section.

## **27. Right of Entry and Inspection of Equipment**

The Customer shall allow the City, and its employees and agents, to enter the Customer's wastewater pretreatment facility unimpeded at any time, for purposes of inspecting, observing, testing and approving the monitoring stations and the sampling equipment before the Customer commences the discharge of effluent into the sewage system and at such other times as the City may reasonably require.

## **28. Regular Monitoring and Sampling Required**

The City shall monitor and sample the effluent discharged into the City's sewage system at least once per calendar week, or at the frequency specified by the IDNR, whichever is more frequent. The City may collect samples more frequently than the minimum specified above when it determines that additional samples are necessary to represent the actual discharges of effluent.

For each wastewater parameter in the Permitted Discharge, the City shall collect 24-hour proportional composite samples that are representative of the actual discharges of effluent during the monitoring period. The City shall collect grab samples for the analysis of FOG and pH. The City shall collect grab samples that are representative of actual discharges during the monitoring period.

The samples shall be collected in a manner that represents the ratio of production days and non-production days in a typical month. For example, if the Customer typically operates the facility five (5) days a week at full production levels and two (2) days a week at non-production (or low flow days), then 2/7th or 29% of the samples shall be collected on non-production days. If the City collects four (4) samples in a month, then one (1) of those samples shall be from a non-production day.

The City and the Customer shall agree in advance on the ratio of production and non-production days, and both the City and the Customer must agree before changing the

representative ratio of production and non-production days.

### **29. Laboratory Testing of Samples**

The City shall have all effluent samples collected tested and analyzed by a laboratory certified by the State of Iowa, except those parameters that must be analyzed immediately on site. The City may maintain a laboratory at the City's sewage treatment facility or may retain an independent laboratory to conduct the tests. The City shall deliver the samples to the laboratory for analysis and provide reports of the results to the Customer within 24 hours of receipt from the laboratory, unless the laboratory sends the results directly to the Customer. The Customer shall be responsible for the costs of testing the samples pursuant to this agreement.

### **30. Splitting of Samples**

The Customer may split any of the samples collected during the monitoring and sampling of discharges. Such samples shall be split at the time of collection and by the person collecting them. The Customer may have the split samples tested at a laboratory selected by the Customer, but the costs of conducting such tests shall be paid by the Customer.

### **31. Grab Samples in Lieu of Composite Samples**

If the flow is insufficient to collect daily proportional composite samples as provided above, the City may collect, or may require the Customer to collect, a grab sample from the discharge end of the treatment system or another appropriate sampling location near and prior to the point of discharge to the City's sewage system. The City and the Customer shall coordinate delivery of the sample to the lab for analysis. The grab samples should be collected from the Customer's final outfall pipe to the City's system, or another appropriate sampling location, and only be taken during extenuating circumstances.

The City shall collect grab samples for the analysis of FOG and pH. The City shall collect grab samples that are representative of actual discharges during the monitoring period.

### **32. Calculation of Monthly Average Mass Discharges**

The Customer and the City agree that for monitoring and compliance purposes, the monthly average mass discharges shall be calculated as the average of the mass discharges recorded for every day that a sample was collected and analyzed.

### **33. Monthly Reporting of Sampling Results and Verification of Compliance**

On a monthly basis, the Customer shall report to the City the daily flow as covered by the Customer's Permitted Discharge. The Customer shall submit the report to the City by the 7<sup>th</sup> day of the month following the monitoring period. Failure to submit the report by 12:00 p.m. CST on the 15<sup>th</sup> day of the month following the monitoring period constitutes a material violation and will result in an administrative penalty of \$250 per calendar day that the information is not received.

The City shall review the reports on a monthly basis and shall verify the Customer's compliance with this Agreement and with each wastewater parameter covered by the Permitted Discharge.

### **34. Estimation of Flow Volume and Wastewater Parameters**

If for any reason the Customer's actual monitoring and sampling data is not available, or because of a cessation of operations, then for both compliance and billing purposes, the City may estimate the Customer's flow volume and discharges for the month.

The City shall estimate the monthly flow volume in the following manner:

- (1) By determining the Customer's total wastewater discharge volume from the most recent month where actual measurements are available or
- (2) By determining the Customer's total water use volume from the most recent month where actual measurements are available. Customer will combine totalized flows from the water meters supplying the Customer.
- (3) Then by deducting the water meters supplying domestic water use or industrial cooling or boiler feed water from the monthly summary.

The City shall estimate the other wastewater parameters in the Permitted Discharge by using historical discharge data from whichever prior month is the most similar to the monthly flow volume estimated above.

The Customer acknowledges that the above method of estimating flow volume and wastewater parameters may result in estimates that are in excess of the limits in the Permitted Discharge and hereby agrees that such estimates will be used even if they are in excess of the Permitted Discharge.

### **35. Disputes Over Sampling**

If a dispute arises over the monitoring and sampling of discharges, including the methods of sampling or the results of the laboratory tests, the City and the Customer shall make a good faith effort to resolve the dispute. The parties may take additional samples and conduct additional tests at the laboratory, or they may agree to jointly retain an independent professional engineer to assist in resolving the issues. The parties shall both agree on the selection of the professional engineer and shall share equally in the costs. The parties shall not unreasonably withhold their agreement to the selection of the professional engineer.

## DEFAULT AND TERMINATION

### 36. Duty to Comply

The Customer acknowledges and agrees that it has a duty to comply with the obligations in this Agreement and that a failure to comply with this Agreement may be grounds for default of the Agreement, termination of the Agreement, or the initiation of any of the administrative enforcement remedies provided in Sec. 48-324 of the City's Code of Ordinances.

### 37. Material Violations and Initiation of Enforcement Remedies

If the City determines that the Customer has violated or is violating any of the wastewater parameters in the Permitted Discharge, or any term of this Agreement, in a material way, the City may initiate the administrative enforcement remedies provided in Sec. 48-324 of the City's Code of Ordinances.

The City may determine that a material violation of this Agreement has occurred regardless of whether the EPA or DNR determines there is an excess discharge. A material violation that results in the initiation of administrative enforcement remedies shall also constitute an event of default under this Agreement.

### 38. Events of Default

The parties agree that an event of default under this Agreement shall include but not be limited to the following:

- (1) A material violation of a wastewater parameter in the Permitted Discharge;
- (2) A failure to comply with federal, state, or local environmental laws, rules, regulations, or policies, including a failure to comply with the bypass requirements of the IDNR or of this Agreement;
- (3) A failure to comply with any sewer utility provision in Chapter 48, Article IV, or any other applicable provision of the City's Code of Ordinances, including zoning or building code violations;
- (4) A failure to pay any of the rates or sewer service charges established by this Agreement or in the City's Code of Ordinances;
- (5) A failure to make any capital cost payment required pursuant to this Agreement;
- (6) A failure to reimburse for any direct or indirect costs assessed pursuant to this Agreement;
- (7) A failure to implement or comply with any pretreatment requirements imposed pursuant to this Agreement or a refusal to allow the inspection of such equipment as provided herein;
- (8) A failure to install or properly maintain monitoring and sampling equipment or a refusal to allow the inspection of such equipment as provided herein;
- (9) A failure to monitor or sample effluent or to submit sampling data or monthly reports;
- (10) A failure to provide any of the information required under this Agreement
- (11) A material misrepresentation of the results of the monitoring and sampling or of any of the information required to be provided under this Agreement;



- (12) A failure to provide notice of potential problems as provided in this Agreement;
- (13) A failure to provide notice of a change in conditions as provided in this Agreement;
- (14) An attempt to sell, assign, transfer, or convey this Agreement, or any of the rights, benefits, costs, or obligations contained in this Agreement, to any other party without prior written consent;
- (15) Any other breach, failure to perform, or any material noncompliance with the terms and conditions of this Agreement, as determined by the City in its sole discretion.

#### **39. Notice of Default and Opportunity to Cure**

If either party determines that the other party has defaulted or otherwise failed to perform an obligation under this Agreement, the non-defaulting party may declare that an event of default has occurred and give notice to the defaulting party.

A notice of default shall conform to the notice provisions of this Agreement and shall specify the action required of the defaulting party to correct the default. The defaulting party shall have thirty (30) days from the date of its receipt of the notice of default to correct the default.

If at the end of the thirty (30) day period the default has not been corrected, the non-defaulting party may terminate this Agreement. A non-defaulting party terminating this Agreement after a failure to cure a default shall be entitled to recover from the defaulting party any and all losses or damages suffered as a result of the default.

#### **40. Damages**

The Customer is liable to the City for all actual and direct damages caused by the Customer's default of this Agreement. The City shall have the right to recover the costs associated with the default, less any expenses or costs avoided by the Customer's default.

#### **41. Mutual Termination**

This Agreement may be terminated by mutual agreement of the parties, at any time, in writing and executed by both parties.

#### **42. Termination Without Cause**

The Customer may terminate this Agreement for any reason by providing the City written notice at least sixty (60) days prior to the intended termination date, provided the Customer is compliant with all financial obligations incurred under this Agreement or due and owing under the City's Code of Ordinances, including all rates or charges for sewer service, direct or indirect costs, capital cost payments, penalties for excess discharge, and any and all amounts due and owing for civil penalties or municipal infractions.

#### **43. Effect of Termination or Expiration**

In the event of termination or expiration for any reason, both parties shall be relieved of all further obligations or duties beyond the date of termination unless otherwise specifically provided in this Agreement, but neither party shall be relieved of its duties and obligations under the Agreement through the date of termination. If the Agreement is terminated or

expires for any reason, then the Customer shall immediately take all steps necessary to discontinue use of the City's sewage system.

## **COMMUNICATIONS, NOTIFICATIONS, AND DISPUTES**

### **44. Regular Meetings**

The City and the Customer shall meet at least once each year, for as long as this Agreement is in effect, at a date and time agreeable to both parties. At such meetings the parties shall discuss any issues related to this Agreement that have arisen since the last meeting. The City shall provide the Customer any relevant information regarding the costs of providing service or the results of any recent reviews of rates and sewer service charges.

### **45. Notice of Changed Conditions**

If the Customer experiences, or intends to make, a material change in production or operations that could affect the Customer's ability to comply with the Permitted Discharge limits or any of the monitoring, sampling, testing, reporting, or financial requirements of this Agreement, then the customer shall notify the City as soon as possible.

If the City experiences, or is required by regulation to make, a material change in sewage treatment operations or capacity that could affect the City's cost of providing service or its rates, then the City shall notify the Customer as soon as possible.

If either party notifies the other party of a change in conditions under this section, then both parties shall meet in good faith to discuss amendments to this Agreement. This requirement to discuss amendments shall not relieve the City or the Customer of any obligations to meet or comply with the regulatory requirements applicable to public utilities or to POTWs.

### **46. Alternative Dispute Resolution Prohibited**

The City and the Customer agree that this Agreement is primarily intended (1) to implement the federal and state regulatory requirements of the Clean Water Act and (2) to ensure that the City is providing cost-based sewer utility service to all customers, as required by Iowa law. As such, both parties agree that the Customer is subject to the administrative enforcement remedies of the City's Code of Ordinances as well as other federal, state, and local laws, rules, regulations, and policies. The parties therefore agree that alternative dispute resolution processes, such as mediation and arbitration, are not an appropriate forum to resolve disputes arising under this Agreement.

### **47. Notices**

Any notice required or permitted to be delivered pursuant to this Agreement shall be in writing and shall be deemed delivered: (a) upon delivery if delivered in person; (b) after three (3) business days, if deposited in the United States mail, registered or certified mail, return receipt requested, and postage prepaid; (c) upon transmission, if sent via email, with; or (d) after one (1) business day if deposited with a national overnight courier.

Whenever notice is provided under this Agreement, and no matter how it is delivered, the notice shall be addressed to the following:

If to the City:

John Harrenstein

City Manager

400 Second Street

PO Box 217

Webster City, IA 50595

If to the Customer:

Aaron Irlbeck

Senior Vice President – Campus Operations

Webster City Custom Meats, Inc.

1611 East 2<sup>nd</sup> Street

Webster City, Iowa 50595

#### MISCELLANEOUS PROVISIONS

##### **48. Governing Law and Conflicts**

This Agreement shall be governed by and enforced in accordance with the laws of the State of Iowa. If any provision of this Agreement conflicts with a provision of the City Code of Ordinances pertaining to the subject matter of this Agreement, then the terms of this Agreement shall prevail.

##### **49. Force Majeure.**

Each party shall be excused from performance under this Agreement and shall have no liability to the other party for any period during which the party is prevented from performing any of its obligations, in whole or in part, as a result of delays caused by the other party, by an act of God, war, civil disturbance, court order, third party performance or nonperformance, strikes, work stoppages or other cause beyond its reasonable control.

Any nonperformance due to the foregoing shall not be a default under, or grounds for termination of, this Agreement. Notwithstanding the foregoing, if any of the above-enumerated circumstances prevent, hinder or delay performance of either party's obligations hereunder for more than thirty (30) calendar days, the party not prevented from performing may, at its option, terminate this Agreement without liability or penalty as of a date specified by such party in a written notice of termination to the other party as provided in this Agreement.

**50. Indemnification.**

The Customer shall, to the extent permitted by law, indemnify, defend, and hold the City harmless against all claims, demands, damage, injury, loss, expense, or regulatory fines or fees incurred by the City arising out of (i) the City's collection and delivery of the Customer's sewage to the City's sewage system; (ii) the failure of the Customer's effluent to meet the Permitted Discharge and the applicable wastewater parameter limits, (iii) the negligence of the Customer, or its employees, agents, or contractors; (iv) a breach of this Agreement by the Customer; or (v) a violation of federal, state, or local law, rule, regulation, or policy by the Customer.

The City shall, to the extent permitted by law, indemnify, defend, and hold the Customer harmless against all claims, demands, damage, injury, loss, and expense incurred by the Customer to the extent directly related to (i) the negligence of the City, or its employees, agents, or contractors; (ii) a material breach of this Agreement by the City; or (iii) a violation of federal, state, or local law, rule, regulation, or policy by the City.

**51. Survival of Obligations**

Termination of this Agreement for any reason shall not release either party from any liability, including the billing or reimbursement of services, the payment of capital costs, or the posting of a bond, as provided in the Agreement, that accrued on or before the date of termination, or that may thereafter arise with respect to any act or omission occurring on or before the date of termination, or from any obligation that is expressly stated in this Agreement to survive termination of this Agreement.

**52. Entire Agreement**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter described in this Agreement, and this Agreement shall supersede any prior agreements relating to the same subject matter.

**53. Amendments and Modifications**

No modification, amendment, or supplement to this Agreement shall be effective for any purpose unless agreed to in writing and signed by the parties.

**54. Severability**

If any provision of this Agreement is found by any court of competent jurisdiction to be invalid or unenforceable, the invalidity of such a provision shall not affect the other provisions of this Agreement, and all provisions not affected by such invalidity shall remain in full force and effect.

**55. Waivers**

No delay or omission on the part of either party to exercise or avail itself of any right, power or privilege that it has or may have under this Agreement shall operate as a waiver. Any waiver must be in writing and signed by the party granting such a waiver. The waiver by either party of a breach or default in any of the provisions of this Agreement by the other party shall not be construed as a waiver of any other breach or default.

**56. Authority to Perform**

The parties to this Agreement each warrant that they have the right, title, and authority to enter into this Agreement and to perform all obligations under this Agreement. Each party warrants that all necessary approvals to enter into the Agreement, and to fully perform under the Agreement, have been obtained.

**57. Consent Required for Assignment**

Neither party may sell, assign, transfer, or convey this Agreement, or any of the rights, benefits, costs, or obligations contained in this Agreement, to any other party without the prior written consent of the other party to this Agreement.

The Customer acknowledges and agrees that to sell, assign, transfer, or convey the whole, or any part, of its operations, production, or business interests in the facilities that are subject to this Agreement or to the limits covered in the Permitted Discharge, constitutes a change of conditions. Before closing such a transaction, the Customer shall notify the City of the transaction and the parties shall discuss in good faith any amendments to this Agreement that might be necessary as the result of such a transaction.

**58. Headings**

Headings contained in this Agreement are for convenience of reference only and shall not affect the meaning and interpretation of this Agreement.

**59. No Third-Party Rights**

This Agreement is not intended to, and shall not be construed to, benefit any person other than the parties to this Agreement, and only the parties to this Agreement shall exercise any of the rights contained in this Agreement.

**60. Counterparts**

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute the same instrument.

**61. Signatures**

IN WITNESS WHEREOF, this Agreement has been executed as of the date first above written.

FOR Webster City Custom Mgmt

  
\_\_\_\_\_

1-25-25  
\_\_\_\_\_

Name: Aaron Irbeck

Date

Title: Exp Mgr

FOR City of Webster City:

\_\_\_\_\_  
Name: John Harrenstein

\_\_\_\_\_  
Date

Title: City Manager

**EXHIBITS**

[INSERT IDNR TREATMENT AGREEMENT AND PRETREATMENT FACILITIES EXHIBIT]

MEMORANDUM

**TO:** Mayor and City Council

**FROM:** Brandon Bahrenfuss, Street Department Supervisor  
John Harrenstein, City Manager

**DATE:** February 3, 2025

**RE:** Adopt a Resolution Authorizing the Street Department Supervisor to Seek Bids and Proceed with the Lowest Bidder for Concrete Crushing in an Amount not to Exceed \$60,000.

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**SUMMARY:** On a routine basis, the Street Department has the stock pile of broken up concrete and asphalt located in the Street Department yard to be crushed. The crushed concrete and asphalt are recycled and used for city projects and Street Department operations.

**PREVIOUS COUNCIL ACTION:** City Council has seen this in the 2024-2025 Operations Budget. Street Department has earmarked \$60,000 for concrete crushing to be used towards Capital Improvement Projects as well as yearly operations projects.

**BACKGROUND/DISCUSSION:** Webster City has a concrete and asphalt disposal site on the far south end of the lot at 100 East Ohio Street. Citizens and contractors of Webster City are welcome to use the disposal site to get rid of any broken concrete or asphalt from sidewalk replacement, driveway removal, patio replacement, and parking lot and street repair. Staff requires no dirt or debris be mixed in with the concrete or asphalt when using the disposal site. The majority of the stockpile is accumulated from capital improvement projects and day to day operations. Concrete crushing/recycling has been implemented into the operations budget for the last 5-10 years and has saved the city thousands of dollars.

Once the broken-up concrete and asphalt has been crushed and stock piled, staff will separate the pile based on specific project quantities. The recycled product (1 ½ Roadstone) is to be used for City operations only. This service provides sub-base material for the majority of our capital improvement projects and day to day operations. The Street Department anticipates receiving roughly 6,000 tons of concrete and asphalt from contractors, homeowners, and Street Department staff by May 1, 2025. The awarded contractor will not begin crushing/recycling until May 1, 2025 to allow concrete and asphalt material to accumulate. Recycling excavated concrete is one of the most efficient and environmentally-friendly ways of handling waste concrete material. It reduces landfill space, helps conserve natural resources, and most importantly saves precious time and money.



Our request is to crush/recycle our concrete/asphalt pile into 1 ½ diameter rocks with a not to exceed amount of \$60,000. As the May 1<sup>st</sup> start date approaches, the total tonnage at the stock pile will increase due to projects getting started. The contractor will be required to crush the material into a modified sub-base meeting gradation in SUDAS Design Specifications and the Iowa DOT Gradation #14, Section 4123.01 and 4123.02. The City will allow up to 5% RAP in with the modified sub-base. Crushing/recycling concrete presents a cheaper option than purchasing the rock from the quarry and hauling it in.

Last year Mobile Crushing and Recycling Inc. received the bid at \$7.25 per ton. Martin Marietta's Rock Quarry 2024 price per ton for 1 ½ Roadstone is \$20.60.

**FINANCIAL IMPLICATIONS:** This will be absorbed through the 2024-2025 operations budget with a not to exceed of \$60,000.

**RECOMMENDATION:** Staff recommends the City Council adopt a resolution authorizing the Street Department Supervisor to seek bids and proceed with lowest bidder for concrete crushing in the amount not to exceed \$60,000.



**RESOLUTION NO. 2025- xxx**

**RESOLUTION AUTHORIZING THE STREET DEPARTMENT SUPERVISOR TO SEEK BIDS AND PROCEED WITH THE LOWEST BIDDER FOR CONCRETE CRUSHING**

**WHEREAS**, the City of Webster City is in need of 1 ½ inch roadstone sub-base material; and

**WHEREAS**, the City of Webster City will use the 1 ½ inch roadstone material as sub-base for CIP projects and Street Department daily operations; and

**WHEREAS**, the City of Webster City wishes to crush as much material as possible with a not to exceed amount of \$60,000; and

**WHEREAS**, the City of Webster City requires the contractor of choice to follow SUDAS Design Specifications and the Iowa DOT Gradation #14, Sections 4123.01 and 4123.02; and

**WHEREAS**, said procurement for services shall be governed by and construed in accordance with the laws of the State of Iowa and local municipal code; and

**NOW THEREFORE BE IT RESOLVED**, by the City Council of the City of Webster City, Iowa as follows:

**SECTION 1:** Authorizes the Street Department Supervisor to seek bids and proceed with the lowest bidder for concrete crushing, with a not to exceed amount of \$60,000.

Passed and adopted this 3rd day of February 3, 2025.

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John Hawkins, Mayor

ATTEST:

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Sherry Simmons, Deputy City Clerk



Concrete Crushing Bid Sheet for  
City of Webster City

The City of Webster City is taking bids for crushing of concrete and asphalt. In coordination with ongoing street projects and daily operations, we will need an approximate 6,000 Tons of crushed material to 1 1/2" granular sub-base meeting Modified Subbase gradation in SUDAS Design Specifications and the Iowa DOT Gradation #14, Sections 4123.01 and 4123.02. The City allows up to 5% RAP in the Modified Subbase. The City will be responsible for any testing to verify that aggregate meets the requirements.

- Aggregates to be nominal maximum size, commonly up to 1 1/2 inches. The percentage of fines (passing No. 200 sieve) in the subbase is limited to 10% for drainage and frost-susceptibility purposes.

The pile of concrete to be crushed is located at the Webster City Street Department located at 100 E. Ohio Street in Webster City, Iowa. We currently have 5,637 tons to be crushed but will be adding to the stock pile as spring construction begins. A majority of the concrete needing to be crushed is currently on site. The City currently has a "not to exceed" amount of \$60,000. Project cannot begin until May 5, 2025 and must be finished no later than June 30, 2025.

The City will be responsible for all expenses/monies occurred within the recycling process of materials mixed with the concrete.

Your submitted bid will need to include any and all costs to complete this project using your equipment and personnel with the following items being specifically addressed:

- Price per ton to crush the concrete including your method of weighing the actual product to be crushed.
- Cost per Ton for 1-1/2" Sub-base
- Mobilization/setup charges
- Pre-screening of dirt/steel removal charges
- Approximate date your company would begin this project
- Estimated length of time for the entire project to be completed

Please complete and submit the attached bid sheet by 4:00 P.M. on March 7, 2025 by one of the following ways: mail to:

City of Webster City  
ATTN: Dedra Nerland  
P.O. Box 217  
Webster City, IA 50595

Fax: 515-832-9153 or email [dnerland@webstercity.com](mailto:dnerland@webstercity.com)

We will plan to review the bids by close of business on 3/7/25.

Please call Brandon, Street Department Supervisor at 515-388-0132 to make an appointment to view the pile of concrete to be crushed.

· Price per ton to crush the concrete including your method of weighing the actual product to be crushed.

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· Cost per Ton for 1-1/2" Sub-base

---

· Mobilization/setup charges

---

· Pre-screening of dirt/steel removal charges

---

· Approximate date your company would begin this project

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· Estimated length of time for the entire project to be completed

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**Dust control is very important during this process and we value the safety and health of our citizens and neighbors. It is very important you take this into consideration while scheduling. Our Right of Way inspector has the right to shut down operations if dust becomes an issue with neighbors or the surrounding public. Due to the close proximity of the concrete pile and residential homes it is important the contractor and the city work collaboratively to complete this project.**

If any, please identify any additional expense that may be associated with this service

---

**Bids must be received prior to 4:00 P.M. on March 7, 2025**

Company Name

---

Bidder's signature

---

Contact Information

---

Address

---

City

---

State

---

Zip Code

---

Phone

---

Email

---

1620 Superior Street Unit 1  
Webster City, IA 50595  
(515) 832-2885  
(515) 832-2515 fax



## GROVES & CHIZEK LAW OFFICE

Zachary S. Chizek  
zach@groveslaw.net

Gary J. Groves  
gary@groveslaw.net

Raphael M. Montag  
raph@groveslaw.net

January 30, 2025

TO: Members of the City Council  
RE: Summary of Professional Services for January 2025.

Dear Council Members:

Outlined below is a summary of professional services I have provided for the City of Webster City as City Attorney for the month of January 2025. The main issues I addressed this past month were (a) preparation of deed transferring vacant lot on the corner of Des Moines and 2<sup>nd</sup> Street from LIFT-WC to the City of Webster City; (b) preparation of updated farm leases for the City-owned farm ground; and (c) preparation of resolution for City to accept final plat of Lynx Development.

In regards to the downtown vacant lot on the corner of Des Moines and 2<sup>nd</sup> Street, LIFT-WC acquired said lot from the Reveiz family and I prepared the necessary paperwork for LIFT-WC to subsequently transfer said real estate to the City to use as the City so wishes.

In regards to the City-owned farm ground, I prepared updated farm leases for said ground to the current tenants for the 2025 crop year. These leases were provided to the City for execution.

Finally, in regards to the Lynx Development, I prepared the resolution for the City to accept the final plat of said development and the dedication of the roads and infrastructure. This will go on the agenda for the Council to review and approve at a future meeting.

Respectfully submitted,

Zachary S. Chizek  
Attorney at Law