

CITY OF DEWITT  
COUNCIL MINUTES  
January 23, 2023

A special meeting of the DeWitt City Council was held on January 23, 2023. Mayor Steve Hasenmiller presiding. Council Members present Smith, Chrones, Ketelsen, Goldensoph, Marcus on zoom. The City council meeting will also be open to the public electronically, to join zoom meeting:

<https://us02web.zoom.us/j/89445918632?pwd=dk05S1RrMmJwb1ZMWENON2pSUzhlQT09>

Meeting ID: 894 4591 8632      Passcode: 120249

**Budget Workshop.** As discussed last week, water revenues are down. To cover larger cost maintenance items and capital purchases, the City should generate approximately \$80,000 year excluding those items. FY24 has none of those types of items included. Steve prepared spreadsheets with 5 different sample rate increases. These show the additional revenue that would be generated and the impact on various users at different usage levels. After some discussion, council agreed to increase over the next 2 budget years. Sample C is the proposal favored which calls for rate increases in each of the 5 billing tiers of 3%, 4%, 6%, 7% and 7% which is estimated to generate a little over \$38,000 in revenue. Sewer budget was discussed next. The City is required to show revenue of 110% of the annual debt payment (\$211,117.50). The RAS maintenance at \$55,000 can be decreased to \$15,000 if done internally instead of hiring it out. The bar screen and painting clarifier for \$40,000 will be paid out of the sewer equipment reserve instead of operations. After some discussion, council agreed to increase sewer rates by 3%. Council also asked about what was necessary to try to bring the current year into compliance with the debt requirement. Deanna stated that with excluding capital expenses of \$162,736, holding other expenses to at or below budget that aren't already over, and putting rate increase into effect quickly, the net income should be sufficient in the current year. The sewer rate increase will be on next regular council agenda. Capital projects budgets were discussed next. Property owners owe for sidewalks/driveways on the 2022 street project, South 6<sup>th</sup> Avenue project, and the 10<sup>th</sup> Street project. Projects budgeted include: 1) completion of pickleball project, 2) completion of fire station expansion, 3) North 6<sup>th</sup> Avenue/Northridge Road, 4) Iowa Mutual Lofts grant. 5) planning for public works facility, 6) trail extension project, 7) Twisted Paddle Brewery grant, 8) last year of library project donations, and 9) 2022 owner occupied housing grant. Debt service budget was discussed next. The state worksheet was included with next year's debt payments due and the year each debt issue is scheduled to be paid off. This shows keeping the rate as it has been for the past 4 years. The library project vote informed taxpayers that the City's debt service levy would be increased by \$.19 for 5 years. Next year (FY24) is year 5 of 5. Therefore the next budget after that will include a debt service levy decrease of \$.19/\$1,000. It was noted that less is levied for debt service payments than is paid from TIF and sewer revenue. Deanna stated a new bill is proposed at the state level that could reduce the taxable valuations already given to us for the budget we are currently working on. She is hoping to provide some estimates next week. Special revenue funds budgets were discussed next. Road use budget includes street maintenance, traffic safety and snow expenses. Matt has requested an additional full-time street employee as stated last week but the number for that is not included. It would impact road use, local option tax and storm water budgets. Includes is \$10,000 for a potential traffic study on 6<sup>th</sup> Avenue. The snow budget is kept high in

case of a bad winter. Road use revenue estimates have been adjusted for new census figures. Part of the general fund employee benefits are taxed for in the trust and agency levy. Municipal Fire and Police Pension (411) expense is expected to be higher both because of higher wages but also due to lump sum that the City will need to pay upon Grant's return from military service. The City is not proposing to use the emergency levy that could provide \$72,202 in revenue. Local option tax fund contains the rest of the street expenses. This includes revenues and expenses from city and private sidewalk repairs/replacements. Included is \$50,000 for 5<sup>th</sup> Avenue parking lot, new \$3,738 for ECIA grant match for traffic safety study, tire machine, plasma table, increased credit card fees, and sealant for downtown light poles. Local option tax revenue is now paid on actual collections versus the state estimates like before. TIF budget includes funds for amending the urban renewal plan and estimated rebates for next year. The TIF reserve will increase for Diamond Rock LMI but housing projects will be done from the federal grant budgeted in capital projects. SSMID budget includes increased costs for plants and plant maintenance and fund for the downtown improvement grants. No changes were proposed at this time. Council asked to see some examples of the impact the new assessment values would have on homeowners. General fund was discussed next. Police department is asking for an additional full-time officer but this cost is not included in the prepared budget. Police budget includes a request for new TMI maintenance contract, increased costs for both the body camera and license plate reader systems, and a new car. Fire budget includes a new part-time janitorial position, a new annual stipend for firefighters, 5 year hydro testing, tool kits, exercise equipment and rescue jacks. Ambulance contract remains the same. Building permit revenues are budgeted to decrease as the last couple of years we have had some large permits and don't expect that next year. It is expected to update to the 2021 code and update fees which will help offset increased credit card fees as the new system encourages online application and payment. Animal control revenues and expenses have very little change from the current year. The compost budget includes addition of security cameras and annual grinding expense. The library has asked the County for an increase in funding. They will meet on Friday. The library is requesting to increase the child librarian hours by 7 hours/week and to change a part-time employee to full-time. These costs are not included in the numbers presented. Library budget includes changes to several contracts, moving some dollars from printed to electronic materials. Also included is \$2,000 to begin equipment replacement so that all doesn't need replaced at the same time. Library open access revenue has increased due to serving customers from outside of our area. Next week we will continue general fund budget discussion.

Chronos moved to adjourn 7:57 p.m.

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Steve Hasenmiller, Mayor

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Deanna Rekemeyer, acting City Clerk