



City Council Budget Workshop

**November 3, 2025 - 6:00 PM or
Immediately Following the City Council Meeting**

City Hall - Council Chambers
101 W 4th St S
Newton, IA 50208

Call to Order

1. Roll Call

Presentation

2. Review of Comp Plan – Erin Chambers, Community Development Director
3. City Council Goals – Katrina Davis, Administrative Services Manager
4. Review of Proposed Budget Schedule – Candace Streeter, Senior Financial Analyst
5. Review of Ending Fund Balance FY25/26 Year Projections – Candace Streeter, Senior Financial Analyst
6. Partner Funding for FY27 / 28E Agreements – Candace Streeter, Senior Financial Analyst

Mayor/Council Comments

7. Council Member Input - Questions and Comments for Staff

Adjourn

The City of Newton is pleased to provide reasonable accommodations, in compliance with the Americans with Disabilities Act, for those individuals or groups who require assistance to be able to participate in the public meeting. Should special accommodations be required, please contact the City Clerk's Office at least 48 hours in advance of the meeting, at 641-792-2787 to arrange for accommodations to be provided.

Find us online: www.newtongov.org

November 3, 2025 Budget Workshop

Comprehensive Plan

- *Envision Newton 2042* Adopted 2022
- Basis for Land-use decisions
- Long-term Vision for the Community
- Four Strategic Objectives

Vision & Strategic Objectives

VISION:

NEWTON, A GROWING CENTRAL-IOWA COMMUNITY, INVITES VISITORS, BUSINESSES, AND RESIDENTS TO EXPERIENCE OUR AUTHENTIC, SMALL-TOWN CHARM AND BIG CITY AMENITIES.

2022 STRATEGIC OBJECTIVES:



Establish Newton as a compelling destination by integrating attractions, business types, and services that provide engaging experiences for both residents and visitors.



Focus economic development efforts on population and business growth by simultaneously supporting existing employers while attracting new employers and supporting citizens working remotely.



Elevate Newton's curb appeal, with a focus on primary corridors, through improvements to both public and private spaces.



Maintain Newton's existing infrastructure system while also enhancing or expanding the system to support a high quality of life and community growth.

2025 – 2027 Elected Official Goals

General Fund Non-Street Projects (PB) = 2025 Park Board Goal

1. Sidewalk on N. 15th Ave. W. from Union Drive to 1st St. N. (\$150,000)
2. Union Cemetery Street Repair Project (\$180,000)
3. Cardinal Pond Improvements, Phase 2 (\$50,000) (PB)
4. Joint Fire/Police Training & Storage Facility, Phase 2 (\$100,000)
5. Inclusive Playground Equipment (\$300,000) (PB)
6. New Skate Park at Aurora (\$1,000,000 Grants and GF) (PB)

#1. Sidewalk on N 15th Ave W from Union Dr to 1st St N \$150,000



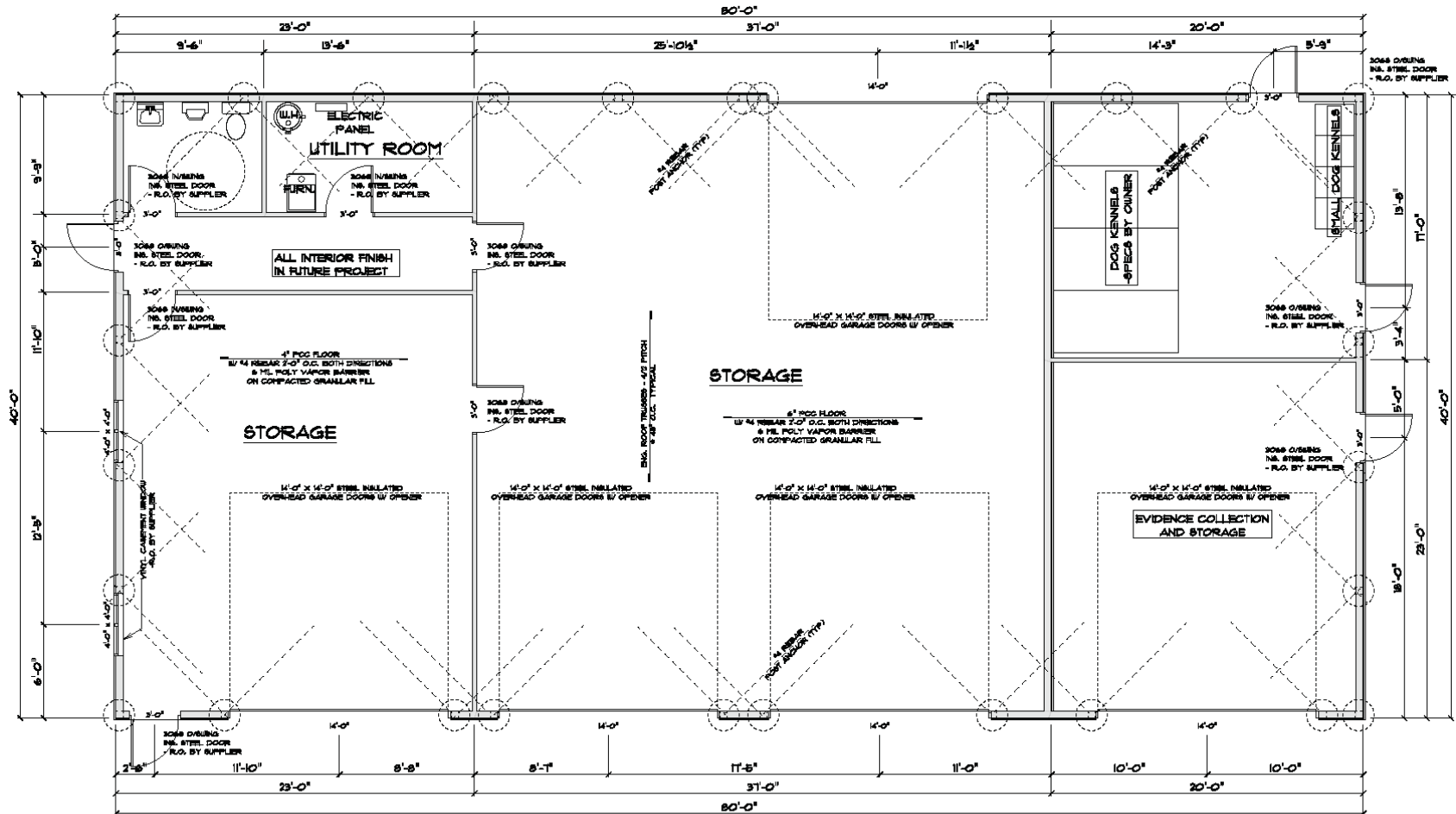
#2. Union Cemetery Street Repair Project \$180,000



#3. Cardinal Pond Improvements, Phase 2 \$50,000



#4. Police/Fire Joint Training and Storage Facility Phase 2\$100,000



MAIN FLOOR PLAN
SCALE: 1/4" = 1'-0"

#5. Inclusive Playground Equipment \$300,000



#6. New Skate Park at Aurora \$1,000,000 Grants & GF



Committed/Approved by Consent for FY27 - GF

- Annexation Planning – In-house plan by Community Development Staff
- Feasibility Study on Solar Installations at City Hall or other City-owned properties – CD Staff
- Skid Loader Brush Mower (\$10,000)
- Park Shelter & Restroom Updates (\$10,000)
- Fire Station Remodeling (\$15,000)
- Tree & Stump Removal (\$15,000)
- Hike and Bike Trail Repairs (\$15,000)
- Library Emergency Response Planning and Upgrades (\$20,000)
- 72-inch Zero-Turn Mower for Parks (\$25,000)
- Airport Interior Remodel (\$36,000)
- Small crew cab truck - Parks (\$40,000)
- Fire Equipment – Misc. (\$47,000)
- D&D Funding (\$50,000)
- 96-inch Toro Zero-Turn Mower for Parks (\$55,000)
- 1-Ton Dump Truck for Parks (\$77,000)
- Police Equipment/Technology – Body Cams, \$50,000, License Plate Reader (LPR) Cameras, \$48,000 (up from \$30,000 last year), ballistic vests \$24,000, tasers \$10,000, in-car computers - \$10,000. (\$142,000)
- Police Dept. Vehicles (\$145,000)
- New Ladder Truck (\$2,070,000)

Subtotal = \$2,772,000

Committed/Approved by Consent for FY27 – Non-GF

- Trailer – Downtown Groundskeeper (\$8,000 NC URA TIF)
- Historic Downtown Street Sign Markers (\$12,000, Historic Funds)
- Water Treatment Plant Security Fence Project (\$145,000, Water)
- 100-200 blocks of N. 4th Ave. W. HMA overlay and intersection improvements (\$150,000 RUT)
- Clearwell Baffle Installation (\$212,000, Water SRF)
- Purchase of Smart Meters (\$300,000, Water)
- 100 block of W. 3rd St. N. & ½ 100 block of W. 4th St. N. Streetscape Reconstruction (\$400,000, leftover funds from N. 2nd Ave. E. project)
- Water Distribution Main Improvements (\$500,000, Water)
- City-Wide Hot Mix Asphalt Resurfacing including two blocks on E. 4th St. S. (\$500,000, RUT)
- Downtown Restroom (\$125,000, NC URA TIF + \$125,000 Donation)
- WPC Plant Boilers Replacement Project (\$630,000, WPC)
- Arbor Estates Phase 3 - N. 9th Ave. E. Extension (\$707,792 = \$74,522 TIF Funds + \$320,000 Union Dr. leftover funds + 313,270 TIF Bonding)
- 1st Ave. E. & E. 12th St. Stormwater Improvements Project, Phase 2 (\$1,200,000, 1st Ave. E. TIF Funds)
- Replacement of Four Alluvial Wells (\$2,800,000, Water SRF)

FY26 End of Fund Balance-Approved by Consent

- Parade Barricades (\$16,710)
- Tennis/Pickleball Parking (\$75,000)
- City Facilities Security Camera System (\$103,789 GF plus approx. \$20,184 in enterprise funds) (PB)
- Tennis Court Project – Over Budget (\$60,569)

Subtotal = \$256,068

Review of Proposed FY27 Budget Schedule

November 3, 2025

- Review of Comp Plan
- Review Council Goals
- Review Budget Schedule
- Review of Ending Fund Balance FY25/26 Year Projections
- FY27 Partner Funding / 28E Agreements

November 17, 2025

- FY25 Charts & Information
- FY27 Employee Compensation Costs
- FY27 Budget Information

December 1, 2025

- Executive Team Presentations
- Debt Service Fund
- FY27 Budget Information

Annual City Council Tours December 4, 5, 12

Review of Proposed FY27 Budget Schedule

December 15, 2025

- Capital Improvement Projects
- Executive Team Presentations
- FY27 Budget Information

January 5, 2026

- Initial General Fund Estimate
- Special Revenue Funds
- Tax Increment Financing

January 19, 2026

- Council comments on General Fund Revenue Estimate
- General Fund non-salary Expenditures Proposal
- Non-salary Expenditures for all other funds Proposal
- Council comments on Employee Compensation Proposal

February 2, 2026

- Final review of Budget by City Council

February 16, 2026

- If needed Budget work session with City Administrator & City Council

Review of Proposed FY27 Budget Schedule

March 2, 2026

- Set a Public Hearing on the Max Levy Proposal (Regular Meeting)

March 5, 2026

- Taxpayer Statement Information deadline to County Auditor

March 25, 2026 *Special Meeting*

- Hold Public Hearing on Max Levy Proposal (Separate meeting 5:30pm)

March 25, 2026 *Special Meeting*

- Council receives and adopts final proposed budget and Sets Public Hearing on final budget (6:00pm)

March 31, 2026

- Notice of Adoption of Final budget published in the Newton Daily News

April 6, 2026

- Budget hearing and Adoption of Final budget

April 30, 2026

- Budget must be Certified to the County Auditor

Review of Ending General Fund Balance on 6-30-25

The General Fund ending balance on 6-30-25 was \$3,638,992 with \$139,469 in designated funds for an undesignated fund balance of **\$3,499,523**

-During the FY26 Budget process, the projected number was **\$2,963,449**

-Below are the some of the major differences from projections:

1. Increase in Interest Revenue	\$ 53,768	(Increased Interest Rates)
2. Increased Building Permits	\$162,073	(Arbor Estates/Legacy Plaza)
3. Grants/One Time Reimbursements	\$148,090	(Police & Fire Dept)
4. GEMT Revenues	\$ 40,611	(Staff/Billing Company)
5. Additional Hotel/Motel Tax	\$ 26,000	(Add'l Hotel/Motel Decreases GF Ex)
6. P & Z – Less 1 Employee	\$ 42,684	(Less 1 Employee–Partial Year)
7. Finance – Audit Expenses	\$ 10,014	(FY24 paid in this current FY)
8. Engineering – Less 1 Employee	\$ 37,729	(Less 1 Employee–Partial Year)
9. City Center	\$ 22,006	(Low Maintenance Costs)

ACTUAL 6/30/2025

FY25 General Fund Revenues: \$10,796,338

FY25 General Fund Expenditures: \$10,152,683

FY25 GF Ending Balance: \$ 3,646,992

Designated Funds: \$ (139,469)

Ending Undesignated Balance: \$ 3,507,523

34.55% of Expenditures

FY26 Budget

General Fund Revenues \$9,389,349

General Fund Expenditures: \$9,663,883

Additional GF Expenditures:

- Parade Barricades \$ 16,710
- Tennis Court/Lighting Project \$ 106,127
- Tennis/Pickleball Parking \$ 75,000
- City Security Camera System \$ 103,789

Ending General fund Balance \$ 3,070,832

Designated funds: \$ (139,469)

Ending Undesignated Balance: \$2,931,363

29.46% of Expenditures

These projections are the best estimate from the Finance staff at this time and change continually.

The snapshot of the City's General Fund on June 30, 2025 is encouraging but likely constraints on property taxes will require the city to find new sources of revenue in order to provide service at today's levels.

Some possible new sources of revenue could be instituting a franchise fee from 1% to 5% on utility bills. Additionally, all Departments are looking at any fees that could be increased for FY27.

FY27 Partner Funding / 28E Agreements

- City Council should start considering Partner Funding for FY27 and how that fits into FY27 and beyond budgets
- The City of Newton currently has sixty 28E Agreements which are all listed on our City website in the transparency section. The City has zero financial responsibility with these agreements.

<https://www.newtongov.org/840/Transparency-Center>

Outside Agency Funding Proposal For FY27

Agency	FY25 Actual	FY26 Actual	FY27 Proposed
Newton Development Corporation Hotel/Motel Tax and TIF's	\$77,000	\$77,000	\$77,000
Newton Housing Dev Corporation Fairmeadows N TIF	\$40,000	\$40,000	\$40,000
Newton Main Street North Central TIF	\$40,000	\$40,000	\$40,000
Heart of Iowa Regional Transport Local Option Tax	\$35,251	\$35,251	\$35,251
Newton YMCA Local Option Tax	\$18,000	\$ 18,000	\$18,000
Retired & Senior Volunteer Program Local Option Tax	\$5,000	\$ 5,000	\$5,000
United Way of Jasper County Local Option Tax	\$15,000	\$15,000	\$15,000
Des Moines International Airport General Fund	\$15,760	\$15,760	\$15,760

All budget workshop presentations will be posted to the City of Newton's website under the Transparency page after the workshop.

Questions or Comments?