

NEWTON SPECIAL MEETING CITY COUNCIL MEETING MINUTES
JULY 20, 2026, 5:15 PM

Call to Order

1. Roll Call

The City Council of Newton, Iowa met in special session at 5:15 P.M. on the above date in the Council Chambers at 101 West 4th Street South. Mayor Ervin presided. Present Council Members: Mills, Roth, Dalton, Hallam, Simbro, Holschuh. Absent: None.

Discussion

2. Council Discussion — Franchise Fee

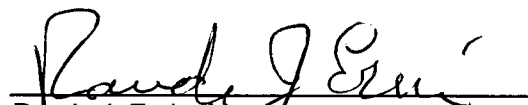
The City Council held a special workshop to discuss the potential implementation of municipal franchise fees and to review the financial considerations associated with the program. Staff provided an overview of how franchise fees are assessed and how the revenues could be utilized to support essential municipal services. Council discussed the impact of franchise fees on residential, commercial, and nonprofit utility customers, including the varying effects across customer classes. Members also discussed the importance of conducting a comprehensive financial review after three years to evaluate the City's fiscal needs, the effectiveness of the program, and whether any adjustments would be appropriate.

Council further discussed several ongoing changes in state funding that will affect municipal finances in the coming years, including the phased elimination of the state's property tax backfill, modifications to the Homestead Credit, and proposed limitations on the use of Tax Increment Financing (TIF) for economic development purposes. Members noted that these changes are expected to reduce traditional revenue sources available to cities while increasing the need to identify sustainable funding options. Council emphasized that any franchise fee revenues would be dedicated to maintaining services and infrastructure that residents expect and rely upon, helping ensure the City can continue to provide public safety, parks, and other essential services despite evolving state funding policies. No formal action was taken during the workshop.

Adjourn

Moved by Dalton, seconded by Mills to adjourn the meeting at 5:50 P.M. Motion unanimously carried by voice vote.


Katrina Davis, City Clerk


Randy J. Ervin, Mayor

