

**CITY OF STORM LAKE
REGULAR COUNCIL SESSION MEETING
CITY HALL - COUNCIL CHAMBERS
APRIL 6, 2026
5:00 PM**



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

AGENDA

Access to the official meeting can also be done through the following ways:

BY TELEPHONE

Dial: 1-312-626-6799 or toll-free 1-888 475-4499

Zoom Meeting ID: 933 2006 3301

BY COMPUTER:

<https://zoom.us/j/93320063301>

Open the Meeting

- **Call to Order**
- **Pledge of Allegiance**
- **Proclamation**

A. Consideration of Changes in Agenda and Setting the Agenda

B. Disclosure by City Council Members

C. Hear the Public

D. Consent Agenda

1. Consent Agenda

- a. Buy Local Information
- b. City Code Enforcement Summary
- c. Motion To Approve The Bridge Run 4 Our Future Event

E. Unfinished Business

F. New Business

- 1. Iowa Lakes Corridor Presentation
- 2. Motion To Approve Acknowledgment of FY2025 Independent Audit of the City of Storm Lake
- 3. Motion Setting Public Hearing on Fiscal Year 2026-2027 Budget
- 4. Public Hearing For A Proposed Rezoning of 211 E 13th Street
- 5. Ordinance No. 10-O-2025-2026 On A Proposed Rezoning of 211 E 13th Street - 1st Reading
- 6. Motion to Approve Informal Resolution With IPIB And Jacob Hall
- 7. Work Session - Truck Routes
- 8. City Council Requested Items / City Council Updates

G. Adjourn

Meeting Protocol

If you wish to speak today, please:

1. To speak on an agenda item, please approach the podium when that agenda item is called, and upon recognition by the Mayor, identify yourself by stating your name and address.
 2. If your issue is not a topic on the agenda, please approach the podium under the "Hear the Public" agenda item, and upon recognition by the Mayor, identify yourself by stating your name and address.
 3. Please keep your remarks to three (3) minutes or less.
 4. If you require accommodation for this meeting, including but not limited to translation services, hearing assistance, or accessibility, please contact the City Clerk at least four (4) hours prior to the start of the meeting.
- *If you have concerns about any of the items on the consent agenda, they may be separated from the consent agenda and voted on individually.
**Ordinances may be read at three consecutive meetings or readings may be waived and ordinances may be passed at only one or two meetings.

Find us on Facebook <https://www.facebook.com/cityofstormlake> Follow us on Twitter [@Storm_Lake](https://twitter.com/Storm_Lake) Find us on the Web at <http://www.stormlake.org>.

Staff Summary

4/6/2026

Agenda Item # D.1.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
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REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez, City Clerk

SUBJECT: **Consent Agenda**

BACKGROUND: The Consent Agenda Includes:

- List of Bills
- Approve King's Pointe And Sunrise Pointe Golf Course Disbursements
- Approve March 16, 2026, City Council Minutes
- Approve Renewal Liquor License For Mo's Tap
- Approve Bridge Run 4 Our Future
- Approve Buy Local Information
- Approve City Code Enforcement Update

FISCAL IMPACT: City Will Pay The Following Expenditures:

- List of Bills: \$ 1,146,602.23
- King's Pointe & Sunrise Pointe Golf Course Bills: \$362,032.88

RECOMMENDATION:

ATTACHMENTS:

1. 4/6/2026 City Claims Expense Report
2. 4/6/2026 King's Pointe Claims 3.13.2026 to 4.2.2026
3. 03/16/2026 City Council Minutes

Vendor Name	Vendor Number	Payable Description	Total Payments
BVC			
Buena Vista County Solid Waste	001035	4th Qtr FY2026 Assessment	96,662.46
Mike's Electronics Inc	001196	Tower 5 Temp Valve Wiring	1,827.59
Power Solutions, Inc	001465	1/26/2026 Water Loss - Electrical	1,084.00
Storm Lake Garage Door Service, LLC	002067	Program Remotes	86.00
		BVC Total:	99,660.05
Contract/Agreement			
Local Government Professionals Services	001346	Grant Writing Services - Well No 23	1,500.00
Midwestern Mechanical of Iowa, Inc	001819	1/23/26 Water Loss - Pipe & Sprinkler Head	1,218.25
SCE, LLC	001344	Water Leak - WWTP	32,744.95
Woodruff Construction, Inc	002132	Chatauqua Park Shelter - Storm Damage Rep	68,000.00
		Contract/Agreement Total:	103,463.20
Local			
A & A Automotive	001022	P15 - Tires	737.51
Alliant Energy	001173	Gas Services	8,031.96
Arnold Motor Supply, LLP	001007	Supply	317.00
Bomgaars Supply, Inc	001151	Supplies	1,390.18
Culligan Water Storm Lake	001071	Water Supplies	18.50
Dennis R Julius	001064	Alterations	28.00
Edwards Storm Lake	001114	03 Chevy - Program Radio	168.53
Fareway Stores, Inc	001535	Supplies	14.79
Grand Central Coffee Station	001499	SLU Coffee - Mayor's Open House	42.00
Hy-Vee, Inc	001152	Supplies	250.32
King's Pointe Resort	001110	2/28/2026 Cottage Epoxy Floorings, KP Furn	30,529.03
Larson Oil & Distributing Co, Inc	001178	Fuel / Oil	1,851.19
Loews Custom Carpets Inc	001412	10/9/2025 - Pipe Break - 3rd Floor Flooring	41,797.17
Long Lines	001077	Fax Line & Emergency Line Service	1,393.70
Marcus Lumber Company Corp	002011	Rebar	1,935.45
McCrea Eneterprises	001176	1/23/26 Water Loss - Paint Supplies	175.55
MidAmerican Energy Company	001074	91230-94002 Electric Services	57,923.25
North Lake Truck Repair	001177	Truck Repair	1,812.34
O'Reilly Automotive Inc	001108	Supplies	31.61
Paxtons Jewelry	001143	Engraving	11.75
Plumbing & Heating Wholesale, Inc	001126	Plumbing Parts	29.45
Quintone C Holmes	002750	3/6/2026 - 721 Michigan Street Sewer Back	550.00
Qwest Corporation	001070	Phone Service	385.42
Rebnord Technologies, Inc	001091	Toner	79.95
Rent-All, Inc	001210	1/23/26 Water Loss - Generator Rental	1,591.50
Smith Concrete Service Inc	001134	Concrete - Picnic Table Pads	2,468.40
Stanton Electric, Inc	001264	Electrical Work	596.38
Storm City Auto Parts, Inc	001501	Turbo	2,038.94
Storm Lake Hydraulics Co, Inc	001089	Press Seal Orings	111.81
Vetter Equipment	001098	Fitting	1.85
		Local Total:	156,313.53
Non-Local			
ABC Pest Control, Inc	001078	Pest Control Services	438.38
Ahlers & Cooney, P.C.	001023	Professional Services	12,494.30
Alpha Wireless Communications	001105	Pager Repair Kit	230.00
Auditor State of Iowa	001280	FY2025 Audit Filing Fee	850.00
Benjamin Thomas	002749	Door Locks/Knobs Replacement - WTP	2,573.39
Buena Vista County Auditor	001777	2025 Election Services	3,572.19

My Buy Local_v1

Vendor Name	Vendor Number	Payable Description	Total Payments
Builders Sharpening & Service LLC	001011	Bushings/Seals	232.60
Central Iowa Distributing, Inc	001026	Cleaning Supplies	40.00
Central Iowa Televising LLC	002049	FY 2026 Maintenance Contract Pymt #2	13,967.40
Central Service & Supply, Inc.	002751	Scout Park LS Supplies	790.00
Chem-Sult, Inc	001337	Sodium Chlorite	3,309.65
Collection Services Center	001039	Child Support payments	91.49
Con-Tech Manufacturing, Inc	002743	Meter - Minus Tax	275.66
Core & Main LP	002000	Supplies/Parts	4,639.13
Dale Vitito	001061	Uniforms	1,021.87
Denison Drywall Contracting, Inc	002198	1/26/2026 Water Loss - Restoration	17,768.00
Des Moines Area Community College	001740	Wastewater Training	350.00
Dorsey & Whitney LLP	001954	Tif Legal Services	79,079.44
EFTPS	001045	Federal withholding taxes	39,953.24
Empower/Mass Mutual	001047	457 plan withholding	575.00
Environmental Systems Research Institut	002095	ArcGIS Online Mobile Worker License	400.00
Fisher Scientific Company, LLC	001638	Hardness Indicator	330.01
Foundation Analytical Laboratory, Inc	001100	Testing Services	2,731.00
Hallett Materials	001428	Sand	653.09
Hawkins, Inc	001112	Chemicals	11,252.68
HD Supply, Inc	001336	Hydrant Setter	226.63
H-O-H Water Technology, Inc	001400	Chemicals	10,808.00
Hotsy Equipment Company	001577	Parts	150.33
IIA Lifting Service, Inc	002045	Boomtruck Inspection	852.61
Iowa Department of Agriculture & Land S	001526	FY2026 Meter Licenses	9.00
Iowa Department of Public Safety	001782	FY2026 3rd Quarter - 1/26-3/26	351.00
Iowa Lakes Regional Water	001073	Water Service	60.25
Iowa State University	001508	2026 ADA Ramp Training	260.00
IPERS / Iowa Public Employees	001042	IPERS withholdings	19,800.78
I-State Truck, Inc	001509	2027 Western Star 47x Truck Chasis	152,422.00
Joshua Beeck	002472	Window Cleaning Services	50.00
K & W Electric, Inc	001920	Replace LED Runway Lights - 6	5,604.28
Kasperbauer Cleaners, Inc	002435	Entrance Mat Services	89.56
Linde Inc	001111	Carbon Dioxide	6,063.97
Martin's Flag Company Co, Inc	001092	Flags	153.30
Midwest Fence & Gate Company	001604	Fence Repair - Tree	2,661.42
Mission Square/ ICMA Retirement Trust	001041	ICMA withholdings	1,210.00
Mississippi Lime Company	001095	Quicklime	33,698.74
Multi Service Technology Solutions Unc	002705	Filters	167.57
Muni Fire/Police Retire	001043	MFPRS withholdings	24,283.84
Municipal Supply, Inc	001391	Meters	16,899.50
Nebraska Child Support Payment Center	002590	Child Support payments	625.86
Petersen Manufacturing	001088	Memorial Benches	2,774.25
Pitney Bowes Inc	001181	Postage	1,500.00
PoliceApp.com, Inc	002299	Application Services	630.00
SGS, LLC	002126	Garbage Services	1,146.29
Siouxland Turf Products	001131	Garbage Can/ Ball Washer, Supplies	2,480.50
Staples, Inc	002735	Office Supplies	109.64
Treasurer State of Iowa	001046	State withholding taxes	5,733.71
Trevor Kruger	001067	Door, Garage Door Glass Replacement	4,500.00
VEIT, LLC	002734	Copier Maintenance Agreement	196.76
W. W. Grainger, Inc	001085	Filters	698.98
Winona Controls, Inc	002449	Unit Heater Malfunction	264.68
Ziegler, Inc	001097	Memorial Generator	1,449.10
		Non-Local Total:	495,551.07
Payroll/Refunds			
AFLAC	001038	Aflac withholdngs	757.09
Andrew Kutz	002668	2/21/26 FF1 Testing - Mileage	89.90
Chris Cole	001161	2026 Boot Replacement	150.00

My Buy Local_v1

Vendor Name

Mitchell Fritz

Vendor Number

002023

Payable Description

FY2026 - Boot Allowance

Total Payments

150.00

Payroll/Refunds Total: 1,146.99

Grand Total: 856,134.84

King's Pointe Resort

Claims Publication

From 3/13/2026 to 4/2/2026

Vendor	Description	Amount
Al Portable Toilets	Services	\$ 2,238.35
ACCO Unlimited	Supplies	\$ 1,399.00
Alliant Energy	Utilities	\$ 2,263.47
Amazon Capital Services	Supplies	\$ 1,886.48
Authnet Gateway	Services	\$ 30.00
Bomgaars	Supplies	\$ 955.76
Carey's Furniture	Supplies	\$ 656.38
Central Iowa Distributing	Supplies	\$ 348.00
City of Storm Lake	Utilities	\$34,702.00
Connoisseur Media	Advertising	\$ 1,500.00
Crescent Electric Supply	Supplies	\$ 610.98
Doll Distribution	Beverages	\$ 1,801.40
ECO LAB	Supplies	\$ 243.60
FM Controls, Inc	Services	\$ 1,450.00
Fullsteam	Services	\$ 7,360.84
Grainger	Supplies	\$ 364.00
Guest Supply	Supplies	\$ 4,894.27
Hard Tops of Iowa	Supplies	\$ 1,032.00
HyVee	Supplies	\$ 639.73
In Room Media Inc	Advertising	\$ 500.00
Johnson Brothers	Beverages	\$ 1,430.30
Julius Cleaners	Services	\$ 763.98
King's Pointe Resort	Services	\$ 435.84
King's Pointe Resort Payroll- 3	Payroll	\$88,814.62
King's Pointe Resort Payroll- 4	Payroll	\$90,421.34
Kwik Trip Inc	Supplies	\$ 1.58
Lamar Companies	Services	\$ 2,035.00
Long Lines	Utilities	\$ 765.88
Marcus Lumber Co	Supplies	\$ 918.38
Martin Brothers	Food	\$24,318.92
Mediacom	Utilities	\$ 472.90
Midwestern Mechanical	Services	\$ 1,154.86
Mitsubishi HC Capital America	Services	\$ 785.27
Mood Media	Services	\$ 274.98
Pepsi Beverage Co	Beverages	\$ 2,904.79
Pest Elimination Division	Services	\$ 621.87
Piper Mae Interior Design	Services	\$ 150.00
Plumbing & Heating Wholesale	Supplies	\$ 1,188.88
Power Solutions	Services	\$ 416.28
Quore Systems LLC	Services	\$ 299.25

Rolloff Dumpster Rental of Iowa	Services	\$ 1,374.00
S&L Hospitality	Agreement	\$11,155.80
S&L Hospitality	Services	\$22,110.64
SGS LLC dba Garbage Hauling	Utilities	\$ 63.00
Schumacher Elevator Services	Services	\$ 358.40
Shift 4	Services	\$ 1,939.00
Silverware POS	Services	\$ 1,054.52
Skold Speciality Contracting LI	Services	\$ 3,300.00
Storm Lake Ace Hardware	Supplies	\$ 798.65
Symmetry Energy Solutions	Utilities	\$13,285.19
Sysco Iowa Inc	Food	\$ 8,177.10
Verizon Wireless	Utilities	\$ 290.29
Vestis	Services	\$ 2,120.60
Visual Edge IT	Services	\$ 217.35
Vizergy	Services	\$ 1,356.45
Wilcor International Inc	Services	\$ 724.40
		<u>#####</u>

King's Pointe OWP

Claims Publication

From 3/13/2026 to 4/2/2026

Vendor	Description	Amount
Shift 4	Services	\$ 456.00
Storm Lake Ace Hardware	Supplies	\$ 2,239.72
		<u>\$ 2,695.72</u>

Sunrise Pointe Golf Course

Claims Publication

From 3/13/2026 to 4/2/2026

Vendor	Description	Amount
Alliant Energy	Utilities	\$ 647.70
Amazon Capital Services	Supplies	\$ 53.61
Crescent Electric Supply	Supplies	\$ 130.57
Doll Distribution	Beverages	\$ 1,160.25
ECO LAB	Supplies	\$ 133.87
Heartland Payment System	Services	\$ 253.50
Illinois Casualty Insurance	Insurance	\$ 1,000.00
Laurens House of Print	Supplies	\$ 1,035.35
Long Lines	Utilities	\$ 98.90
Pepsi Beverage Co	Beverages	\$ 942.76
Power Solutions	Services	\$ 300.00

S&L Hospitality	Agreement	\$ 1,556.29
Shift 4	Services	\$ 172.00
Sysco Iowa Inc	Food	\$ 475.79
		<u>\$ 7,960.59</u>

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

CITY OF STORM LAKE, REGULAR COUNCIL MEETING, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

Present: Mayor Margaret J. McKeon, Council Members Richard Riner, Maggie Martinez, Matt Ricklefs, and Don Piercy Jr.. Absent: Council Member Maria Ramos.

Staff Present: City Manager Keri Navratil, Assistant City Manager David Derragon, Police Chief Chris Cole, King's Pointe Manager Amy VonBank (via zoom), Library Director Elizabeth Huff,, Building and Code Compliance Director Scott Olesen, Public Works Director Ron Covert, Communications Coordinator Dana Larsen, Public Services Director Brandon Ripke, Development Services Specialist Lee Dutfield, Finance Director Tyler Gibbins, and City Clerk Mayra Martinez.

Media Present: Lindsay Kruse (via zoom) with KAYL Radio.

Mayor McKeon called the meeting to order at 5:00 pm.

Pledge of Allegiance

Agenda - Moved by Council Member Martinez Ricklefs to approve setting the agenda as presented. Seconded by Council Member Riner. Vote: All ayes with Council Member Ramos absent.. Motion carried.

Disclosure by City Council Members – Council Member Riner stated that he will abstain voting on agenda item number four as Buena Vista University is his employer. City Council Member Martinez stated that she will abstain voting on agenda item numbers three and five as BVRMC is her employer.

Hear the Public – No comments from the public.

Consent Agenda - Moved by Council Member Martinez to approve the Consent Agenda which includes List of bills Chk #'s 83855 through 83894, EFT #s 1853, and 7365 through 7412, DFT #'s 3076 through 3089, Approve King's Pointe and Sunrise Pointe disbursements, Approve March 2, 2026 City Council minutes and March 3, 2026 Special City Council minutes, Approve Renewal Liquor Licenses For Lakeshore Cafe and Zimmy's Bar & Grill, Wal-Mart Store #1526 and Puffs, Approve Appointment of Members to the Mayor's Civic Leadership Advisory Ad Hoc Committee, Approve Buy Local information, and Approve City Code Enforcement update. Seconded by Council Member Riner. Vote: All ayes with Council Member Ramos absent. Motion carried.

Mayor McKeon thanked the citizens who applied to be on the Mayor's Advisory Ad Hoc committee. Mayor McKeon recognized the following citizens who were appointed to the newly formed committee: Erica Dierking, Stephanie Alanis, and Ben Foglesong serving a one-year term. Taylor James, Berselynn Butler, and Dalon Walker serving a two-year term. Aaron Ramos, Benjamin Davis, and Izabelle Ramos serving a three-year term.

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

Unfinished Business – No items at this time.

New Business

Storm Lake Preservation Association - Moved by Council Member Martinez to approve the Storm Lake Preservation Association Project partnership request. Seconded by Council Member Ricklefs. Vote: All ayes with Council Member Ramos absent. Motion carried.

Rezone 211 E 13th Street - Moved by Council Member Riner to adopt Resolution No. 57-R-2026-2027 setting a Public Hearing for 5:00 pm on April 6, 2026, at City Hall Council Chambers on a request for a Zoning Map amendment change for 211 E 13th St.. Seconded by Council Member Piercy Jr.. Roll call vote: All ayes with Council Member Ramos absent. Motion carried.

RESOLUTION NO. 57-R-2025-2026

RESOLUTION SCHEDULING A PUBLIC HEARING ON A PROPOSED ORDINANCE AMENDING THE ZONING CLASSIFICATION OF CERTAIN REAL ESTATE AT 211 E 13TH STREET IN THE CITY OF STORM LAKE

WHEREAS, the City Council of the City of Storm Lake, Iowa, is considering an ordinance to amend the zoning map classification of certain real estate of the City of Storm Lake, Iowa

WHEREAS, the City Council wishes to give members of the public the opportunity to be heard regarding the Ordinance under consideration.

NOW, THEREFORE, be it hereby resolved that the Ordinance is scheduled for public hearing at the Council Chambers at City Hall at the regular council meeting scheduled April 6, 2026 at 5:00 p.m. The City Clerk is further directed to have a copy of this Resolution, a copy of the proposed ordinance, and general notice of such public hearing published in the Storm Lake Times Pilot on a date not less than four (4) days prior to said meeting.

Passed and approved this 16th day of March, 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Highview Drive - Moved by Council Member Ricklefs to pass on third reading Ordinance No. 08-O-2025-2026 on a proposed rezoning of six parcels located on Highview Drive. Seconded by Council Member Piercy Jr.. Roll call vote: All ayes with Council Member Ramos absent and Council Member Martinez abstaining. Motion carried.

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

ORDINANCE NO. 08-O-2025-2026

ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF STORM LAKE, IOWA BY CHANGING THE ZONING CLASSIFICATION OF CERTAIN REAL ESTATE

WHEREAS, after due notice of intended action as provided by law, the City Council of the City of Storm Lake, Iowa, has determined that the zoning ordinance of this City should be amended as set forth below; and

WHEREAS, said action has been recommended by the Planning and Zoning Commission of the City of Storm Lake, Iowa;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Storm Lake, Iowa, that, pursuant to Article IV, Section 406 of the Zoning Ordinance of the City of Storm Lake, Iowa, the official zoning map, as referred to therein, is hereby amended as follows:

BLOCKS TWO (2), AND THREE (3) OF LOTS ONE (1), TWO (2), AND THREE (3) FIRST PLEASANT VIEW ADDITION TO THE CITY OF STORM LAKE, IOWA WITHIN THE CORPORATE LIMITS OF THE CITY OF STORM LAKE, BUENA VISTA COUNTY, IOWA,

are hereby rezoned from a district classification of R-1 (Low Density Residential) to a district classification of IN-3 (Hospital Medical Facilities)

This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

PASSED on its first consideration the 16th day of February 2026.

PASSED on its second consideration the 2nd day of March 2026.

Requirement of consideration and vote at two (2) prior Council meetings suspended the _____ day of _____, 202_.

PASSED AND APPROVED on its third consideration this 16th day of March 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Rezone 942 Oneida Street - Moved by Council Member Martinez to pass on 3rd reading
Ordinance No. 09-O-2025-2026 amending the Zoning Classification of certain real estate on

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

Oneida Street. Seconded by Council Member Ricklefs. Roll call vote: All ayes with Council Member Ramos absent and Council Member Riner abstaining. Motion carried.

ORDINANCE NO. 09-O-2025-2026

ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF STORM LAKE, IOWA BY CHANGING THE ZONING CLASSIFICATION OF CERTAIN REAL ESTATE

WHEREAS, after due notice of intended action as provided by law, the City Council of the City of Storm Lake, Iowa, has determined that the zoning ordinance of this City should be amended as set forth below; and

WHEREAS, said action has been recommended by the Planning and Zoning Commission of the City of Storm Lake, Iowa;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Storm Lake, Iowa, that, pursuant to Article IV, Section 406 of the Zoning Ordinance of the City of Storm Lake, Iowa, the official zoning map, as referred to therein, is hereby amended as follows:

06-00 STORM LAKE CORP WASH ONEIDA ADD & LOT 7 TO THE CITY OF STORM LAKE, IOWA WITHIN THE CORPORATE LIMITS OF THE CITY OF STORM LAKE, BUENA VISTA COUNTY, IOWA,

are hereby rezoned from a district classification of IN-1 (Public Services) to a district classification of R-4 (High Density Residential)

This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

PASSED on its first consideration the 16th day of February 2026.

PASSED on its second consideration the 2nd day of March 2026.

Requirement of consideration and vote at two (2) prior Council meetings suspended the _____ day of _____, 202_.

PASSED AND APPROVED on its third consideration this 16th day of March 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

Highview Drive - Moved by Council Member Riner to adopt Resolution No. 58-R-2025-2026 approving and authorizing conveyance of a fee title interest in real property to the Buena Vista Regional Medical Center. Seconded by Council Member Piercy Jr.. Roll call vote: All ayes with Council Member Ramos absent and Council Member Martinez abstaining. Motion carried

RESOLUTION NO. 58-R-2025-2026

**RESOLUTION APPROVING AND AUTHORIZING
CONVEYANCE OF A FEE TITLE INTEREST IN REAL
PROPERTY TO THE BUENA VISTA REGIONAL
MEDICAL CENTER**

WHEREAS, pursuant to the terms of a proposed purchase agreement (the "Purchase Agreement") between the City of Storm Lake (the "City") and the Buena Vista Regional Medical Center, the City desires to convey a fee title interest in certain City-owned property, subject to the City approving an ordinance vacating the property; and

WHEREAS, the proposed purchase includes the following real property:

Beginning at the Northeast Corner of Lot One of Block Three of said Pleasant View First Addition; thence South 88° 43' 15" East (assumed bearing), on the south line of Lochedem Drive, 59.85 feet to the northwest corner of Lot One of Block Two of said Pleasant View First Addition; thence South 01° 05' 54" West, on the

west line of said Block Two of Pleasant View First Addition, 214.06 feet to the Southwest Corner of Lot Three of said Block Two of Pleasant View First Addition; thence North 88° 26' 16" West, 59.90 feet to the Southeast Corner of Lot Three of said Block Three of Pleasant View First Addition; thence North 01° 06' 40" East, on the east line of said Block Three of Pleasant View First Addition, 213.77 feet to the Point of Beginning.

Tract contains 0.29 acres and is subject to all easements of record.

WHEREAS, pursuant to notice published as required by law, this Council held a public meeting and hearing on March 2, 2026, upon the proposal to convey the real property to Buena Vista Regional Medical Center and has considered the extent of objections received from residents or property owners as to said proposal; and, accordingly the following action is now considered to be in the best interests of the City and residents thereof.

NOW THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF STORM LAKE IN THE STATE OF IOWA:

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

The proposal to convey fee title interest in real property to the Buena Vista Regional Medical Center pursuant to the terms of the Purchase Agreement is hereby approved.

That the form and content of the Purchase Agreement, the provisions of which are incorporated herein by reference, be and the same hereby are in all respects authorized, approved and confirmed, and the Mayor and the City Clerk be and they hereby are authorized, empowered and directed to execute, attest, seal and deliver the Purchase Agreement for and on behalf of the City in substantially the form and content now before this meeting, but with such changes, modifications, additions or deletions therein as shall be approved by such officers, and that from and after the execution and delivery of the Purchase Agreement, the Mayor and the City Clerk, or their delegates, are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Purchase Agreement as executed.

PASSED AND APPROVED this 16th day of March 2026.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF BUENA VISTA)

I, the undersigned City Clerk of the City of Storm Lake, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the corporate records of the City showing proceedings of the Council, and the same is a true and complete copy of the action taken by the Council with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of public hearing and tentative agenda, a copy of which was timely served on each member of the Council and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Council (a copy of the face sheet of the agenda being attached hereto) pursuant to the local rules of the Council and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective city offices as indicated therein, that no vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Council hereto affixed this _____ day of _____, 2026.

Mayra A. Martinez, City Clerk
City of Storm Lake, State of Iowa

(SEAL)

4919-1477-1094-1\11149-1005

Well No.22 - Moved by Council Member Ricklefs to adopt Resolution No. 59-R-2025-2026 approving Change Order No. 5 with a deduction of \$2,500 for the New Production Well No.22 Project. For a total of \$2,427,361.53 after change order. Seconded by Council Member Martinez. Roll call vote: All ayes. with Council Member Ramos absent. Motion carried.

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

RESOLUTION NO. 59-R-2025-2026

**RESOLUTION APPROVING CHANGE ORDER NUMBER 5
FOR THE STORM LAKE WELL NO. 22 PROJECT**

WHEREAS, the City of Storm Lake, Iowa, (hereinafter CITY), has entered into an agreement for construction of the Well No. 22 Project, (hereinafter PROJECT) with:

Contractor Name: **King Contracting (hereinafter CONTRACTOR)**
Contractor Location: **Wall Lake, Iowa**
Date of Agreement: **September 3, 2024**

WHEREAS, the CITY and the CONTRACTOR have previously agreed to amend the original agreement related to the PROJECT with the following change orders:

Change Order No. 1	November 4, 2024	Adding Future Space for Well 23
Change Order No. 2	February 3, 2025	Changed Transfer Switch
Change Order No. 3	July 7, 2025	Downsize Components Due to Flow
Change Order No. 4	September 15, 2025	Plug Well 15

WHEREAS, during the course of construction on the PROJECT, the CONTRACTOR, project engineer, and CITY have determined that an additional change is needed as outlined in detail in Change Order No. 5 and summarized here:

Removing Seeding Work Scope From Project

WHEREAS, the proposed Change Order No. 5 includes changes in the value of the contract and the dates of completion required in the original agreement as outlined below:

Change in Agreement Value:	\$(2,500.00)
Change in Substantial Completion Date:	None
Change in Final Completion Date:	None

WHEREAS, the project engineer has recommended approval of Change Order No. 5; and,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STORM LAKE, IOWA:

SECTION 1. That the agreement between the CITY and the CONTRACTOR be amended to change the value of the contract as follows:

Change In Value:	\$(2,500.00)
Total Agreement Value After Change Order:	\$2,427,361.53

SECTION 2. That the agreement between the CITY and the CONTRACTOR be amended to change the dates of completion as follows:

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

Date of Substantial Completion: November 1, 2025
Date of Final Completion: December 2, 2025

SECTION 3. That the Mayor is hereby authorized to sign Change Order No. 5 on behalf of the CITY following approval by the City Council.

SECTION 4. That Change Order No. 5 is hereby accepted and approved by the CITY.

PASSED AND APPROVED THIS 16TH DAY OF MARCH, 2026.

APPROVED BY THE
CITY OF STORM LAKE

Margaret J. McKeon, Mayor

ATTEST

Mayra A. Martinez, City Clerk

Water System Risk & Resilience Assessment (RRA) Plan - Moved by Council Member Piercy Jr. to approve a contract with ISG to complete the Community Public Water System Risk & Resilience Assessment (RRA) Plan update. Seconded by Council Member Martinez. Vote: All ayes with Council Member Ramos absent. Motion carried.

Moved by Council Member Martinez to approve a contract with Rebnord Technologies to complete the Community Public Water System Risk & Resilience Assessment (RRA) Plan update. Seconded by Council Member Piercy Jr.. Vote: All ayes with Council Member Ramos absent. Motion carried.

CDBG Housing Rehab 2026- Moved by Council Member Ricklefs to approve the selection and hiring of Simmering-Cory for grant writing and administration services for CDBG funding for a Housing Rehabilitation - Roofing Project. Seconded by Council Member Riner. Vote: All ayes with Council Member Ramos absent. Motion carried.

Moved by Council Member Martinez to approve the selection and hiring of Simmering-Cory for technical services for CDBG funding for Housing Rehabilitation - Roofing Project.. Seconded by Council Member Piercy Jr.. Vote: All ayes with Council Member Ramos absent. Motion carried.

Apron Expansion Project - Moved by Council Member Piercy Jr. to approve setting a Public Hearing for 5:00 pm on April 6th, 2026, at City Hall Council Chambers for the plans, specifications, form of contract, and engineer's estimate for the Terminal Area Apron Expansion project. Seconded by Council Member Ricklefs. Vote: All ayes with Council Member Ramos absent. Motion carried.

FY 2026-2027 Budget Work Session – City staff and Council members reviewed the budgets and made final recommendations for the budgets.

REGULAR COUNCIL MEETING, CITY OF STORM LAKE, CITY HALL COUNCIL CHAMBERS, MARCH 16, 2026, 5:00 PM

Code Enforcement Work Session – Building and Code Enforcement officers discussed with City Council members the processes they utilize from initial contact to what happens if they issue a municipal infraction or have to go to court with the property owner who wants to contest a municipal infraction. They also discussed some additional solutions and potential ideas that could be implemented to aid in the process of achieving compliance.

City Council Requested Items / City Council Updates – City Manager informed the Council that truck routes are scheduled for discussion during the April 6, 2026, meeting. Council Member Piercy Jr. requested information on the Sunrise Condo second area development. What are their timelines and what happens when they don't meet their timelines.

Adjourn – Moved by Council Member Riner to adjourn at 6:25 pm. Seconded by Council Member Ricklefs. Vote: All ayes with Council Member Ramos absent.

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Staff Summary

4/6/2026

Agenda Item # D.1.A.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO:

FROM:

SUBJECT: Buy Local Information

BACKGROUND:

FISCAL IMPACT:

RECOMMENDATION:

ATTACHMENTS:

1. 4/6/2026 Project Report

Summary

Project Summary							
Project Number	Project Name	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
0P1.131538	Memorial Road Street & Utility Impro...	4,126,579.75	0.00	4,201,654.40	0.00	4,201,654.40	-75,074.65
22-26698	Storm Lake WTP- Well No. 21	1,709,968.50	1,709,968.50	1,687,701.74	0.00	1,687,701.74	22,266.76
22-27926	Storm Lake WTP- Well #22	2,592,061.53	2,592,061.53	2,367,990.80	0.00	2,367,990.80	224,070.73
23-092	King's Pointe Remodel/Refresh	446,537.52	0.00	421,607.89	0.00	421,607.89	24,929.63
23-29446	WWTP UV Disinfection Building	275,138.00	0.00	191,768.00	0.00	191,768.00	83,370.00
23-29447	College & 3rd St Lift Station Replacem...	1,631,615.00	1,631,615.00	1,435,631.69	0.00	1,435,631.69	195,983.31
24-31153	WWTP Blower Project (EECBG)	129,600.00	129,600.00	95,401.50	0.00	95,401.50	34,198.50
24-31751	Storm Lake WTP- Well #23	175,500.00	175,500.00	86,239.04	1,500.00	87,739.04	87,760.96
24-31828	WTP Prelim Engineering Report	83,000.00	83,000.00	76,160.75	0.00	76,160.75	6,839.25
24X.136745	Apron Expansion Improvements	285,900.00	285,900.00	95,900.00	0.00	95,900.00	190,000.00
FEMA HMGP (HMA) 4483	FEMA HMGP (HMA) 4483	4,632,415.50	4,632,415.50	2,859,996.18	0.00	2,859,996.18	1,772,419.32
IA0091	SL Elevated Water Storage- Tower #5	7,434,973.15	7,434,973.15	7,071,137.19	0.00	7,071,137.19	363,835.96
P11.120411	Highway 7/110 Traffic Lane/Signalizat...	4,776,040.38	0.00	5,111,149.39	0.00	5,111,149.39	-335,109.01
WRAC 25-675	Sunrise Park Boat Ramp & Area Impro...	227,700.00	227,700.00	66,875.00	0.00	66,875.00	160,825.00
Report Total:		28,527,029.33	18,902,733.68	25,769,213.57	1,500.00	25,770,713.57	2,756,315.76

Group Summary						
Group	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
Airport Projects	285,900.00	285,900.00	95,900.00	0.00	95,900.00	190,000.00
ARPA Project	1,709,968.50	1,709,968.50	1,687,701.74	0.00	1,687,701.74	22,266.76
King's Pointe Resort Projects	446,537.52	0.00	421,607.89	0.00	421,607.89	24,929.63
Sanitary Sewer Projects	6,668,768.50	6,393,630.50	4,582,797.37	0.00	4,582,797.37	2,085,971.13
Street Construction	8,902,620.13	0.00	9,312,803.79	0.00	9,312,803.79	-410,183.66
Water Project	10,285,534.68	10,285,534.68	9,601,527.78	1,500.00	9,603,027.78	682,506.90
Water Recreation Access Cost-Share P...	227,700.00	227,700.00	66,875.00	0.00	66,875.00	160,825.00
Report Total:	28,527,029.33	18,902,733.68	25,769,213.57	1,500.00	25,770,713.57	2,756,315.76

Type Summary						
Group	Total Budget	Date Range Budget	Beginning Balance	Total Activity	Ending Balance	Budget Remaining
Construction	13,556,879.15	3,932,583.50	13,327,053.65	1,500.00	13,328,553.65	228,325.50
Federal/State Grant	14,659,450.18	14,659,450.18	12,299,124.17	0.00	12,299,124.17	2,360,326.01
Grant	227,700.00	227,700.00	66,875.00	0.00	66,875.00	160,825.00
Professional Service Study	83,000.00	83,000.00	76,160.75	0.00	76,160.75	6,839.25
Report Total:	28,527,029.33	18,902,733.68	25,769,213.57	1,500.00	25,770,713.57	2,756,315.76

Staff Summary

4/6/2026

Agenda Item # D.1.B.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Scott Olesen, Building and Code Compliance Director

SUBJECT: **City Code Enforcement Summary**

BACKGROUND: 3/5-3/25
New Cases:
Building Maintenance 1
Failure to Have Trash Can/Covered Trash Can 10
Junk Vehicle 1
Minimum Parking Standards 1
Nuisances Prohibited, Junk 12
Parking Restricted to Hard Surfaces 11
Total 36
Citizen Complaints 2
Violations Corrected 41

FISCAL IMPACT: .

RECOMMENDATION: .

ATTACHMENTS:
None

Staff Summary

4/6/2026

Agenda Item # D.1.C.



REPORT TO: Honorable Mayor & Council

FROM: Chris Cole, Police Chief

SUBJECT: Motion To Approve The Bridge Run 4 Our Future Event

BACKGROUND:

Attached is a request for a run permit for the annual 2026 Bridger Run 4 Our Future, which includes half marathon, 10K, and 5K events. The race is scheduled for Saturday, June 20, 2026.

Start times and route maps are included with this request. Proof of liability insurance will be submitted to City Hall prior to the event. The event will follow the same routes and schedule as in previous years.

Race Start Times and Locations:

- 7:00 a.m. – Half Marathon: Storm Lake Marina
- 8:00 a.m. – 5K: Near Lake Point Villa (408 Barton St.)
- 8:00 a.m. – 10K: Near Lakeside Marina (96 Lakeshore Dr.)

All races will conclude at the Storm Lake Marina.

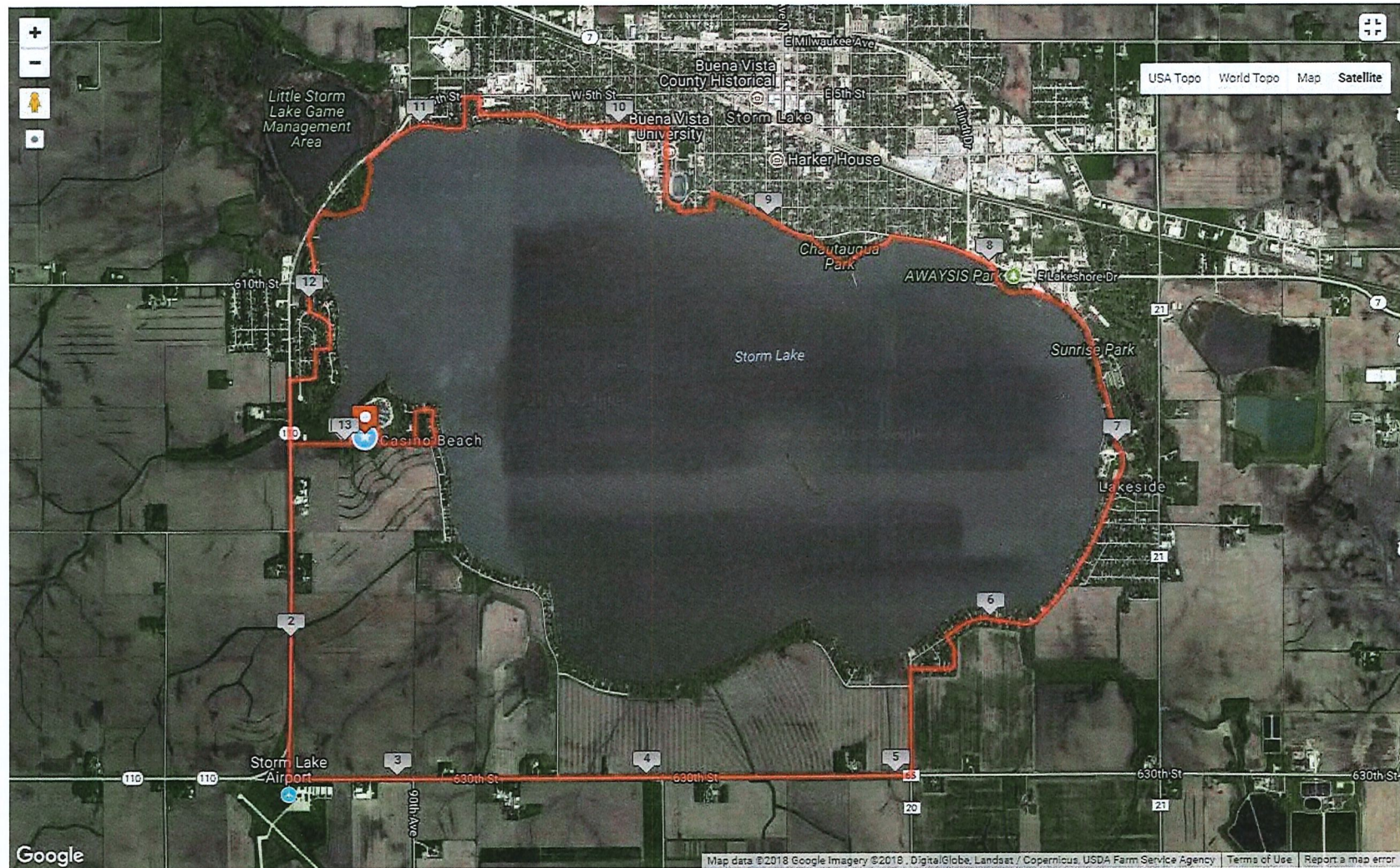
FISCAL IMPACT: None

RECOMMENDATION: Approve Request

ATTACHMENTS:

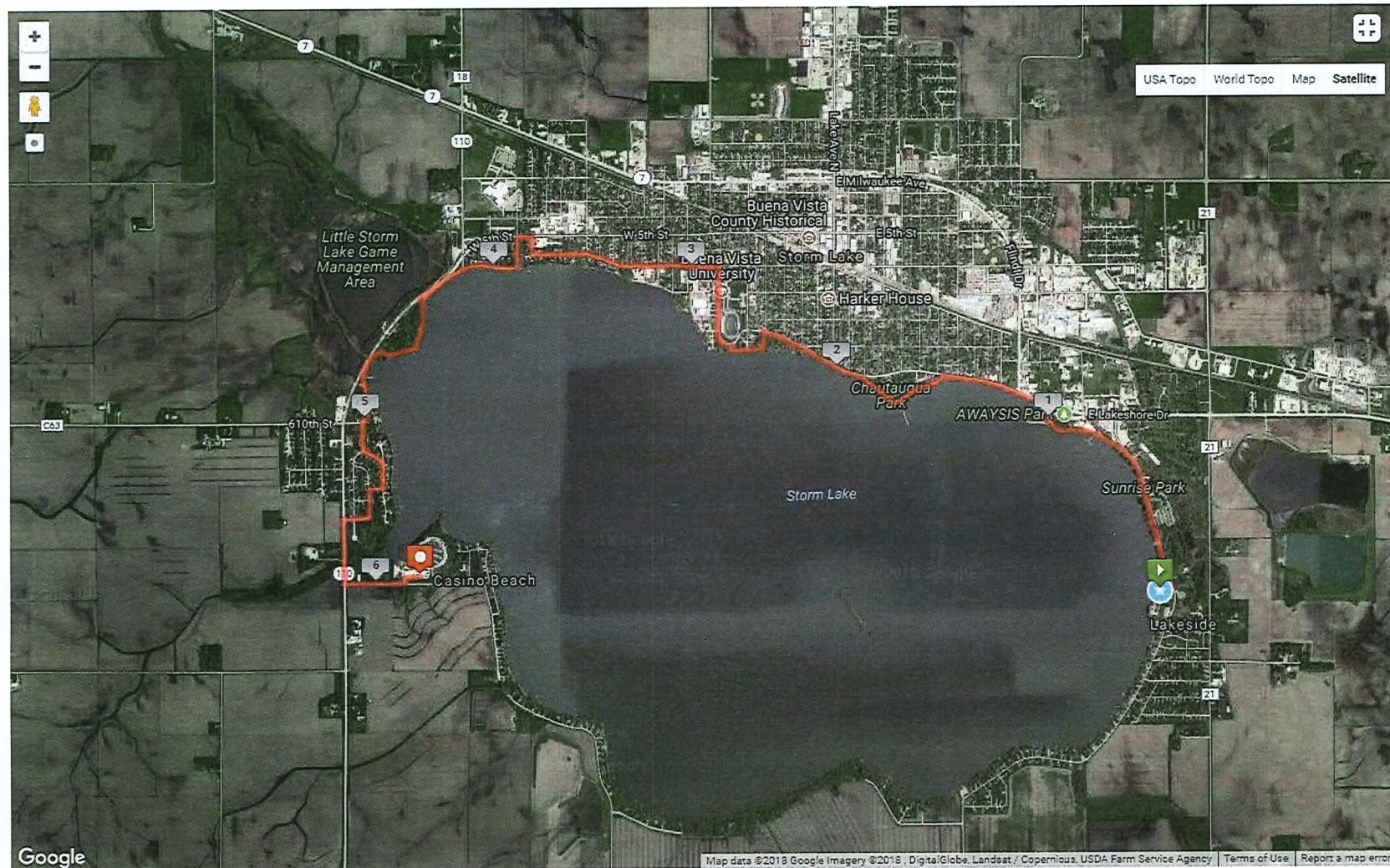
1. Bridge Run Event

1/2 Marathon - The Bridge of Storm Lake's Run For Our Future



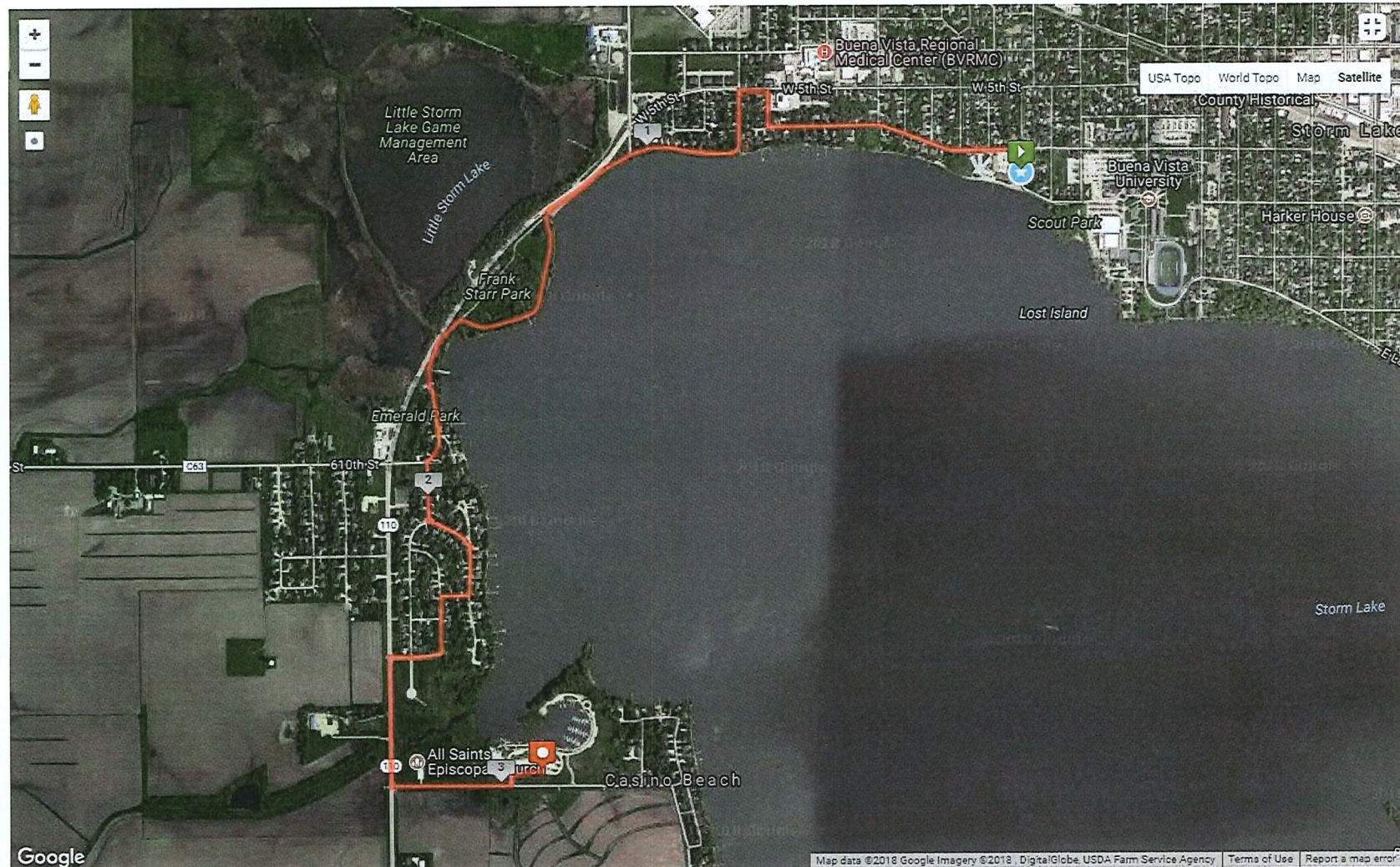
Start @ Finish Line, Casino Beach Loop then out south on Hwy 110 around the lake (Follow signs in switching from Road to Bike Path)

10K (Marina to Marina) - The Bridge of Storm Lake's Run For Our Future



Start in front of Lakeside Marina (Follow signs in switching from Road to Bike Path) Ends in West Marina Parking Lot

5K - The Bridge of Storm Lake's Run For Our Future



Start in front of Lake Pointe Villa (408 Barton St). Ends in West Marina Parking Lot

Staff Summary

4/6/2026

Agenda Item # F.1.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil, City Manager

SUBJECT: Iowa Lakes Corridor Presentation

BACKGROUND: Iowa Lakes Corridor staff members will present the Annual Report and 2025 Business Retainage and Expansion (BRE) statistics.

FISCAL IMPACT:

RECOMMENDATION:

ATTACHMENTS:

1. 2025 BRE Buena Vista
2. 2025 Regional BRE Report

BUSINESS RETENTION & EXPANSION 2025 REPORT: BUENA VISTA



In 2025, staff performed 35 visits in Buena Vista County as a part of the Corridor's GROWTH program, the Business Retention & Expansion (BRE) strategy for the region. This report highlights both the current strengths and future opportunities for growth for our business community as we work together to foster economic development.

The Place for

GROWTH

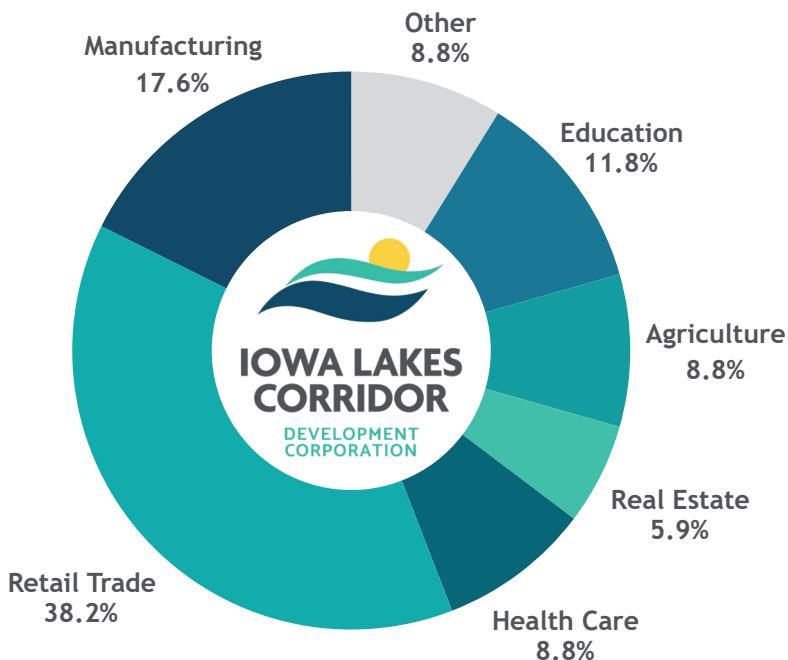
GATHER - RELATIONSHIPS - OPPORTUNITIES - WINS - TRENDS - HOMETOWN

WHO WE SURVEYED

35

BUSINESSES IN BUENA
VISTA COUNTY

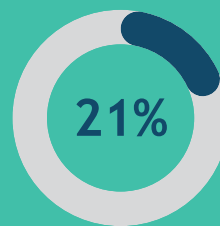
The Iowa Lakes Corridor accounted for 13% of all BRE visits reported in the state of Iowa.



*Data based on 34 completed surveys

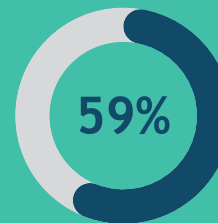
BUSINESS TRENDS

Our GROWTH program survey reveals a strong business community actively planning for expansion while embracing innovation. We estimate \$20.4+ million in capital investment and 7+ new jobs in the next 3-5 years.



EXPANSION

of companies plan to expand in the next 3 years.



INNOVATION

of companies introduced new product or services in the last 5 years

7+

anticipated new jobs

\$20.4 MILLION

in capital investment

41.2%

of companies have sustainability goals

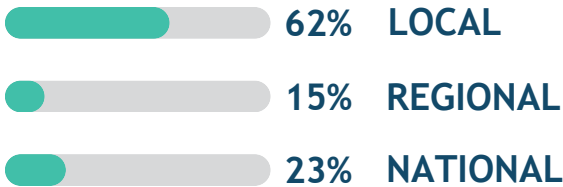
MARKET OUTLOOK

BUENA VISTA COUNTY

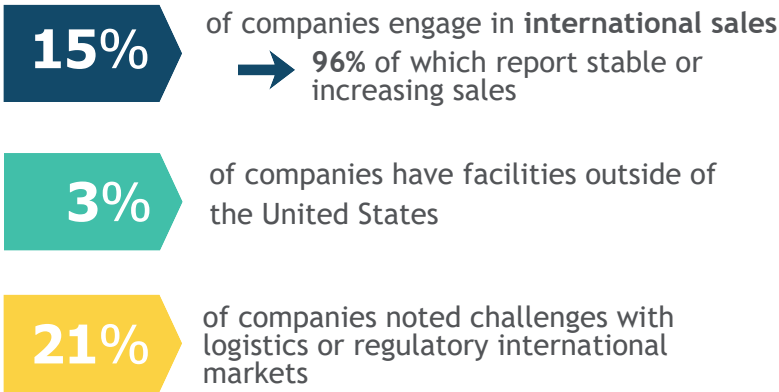
Buena Vista County businesses continue to demonstrate strong market reach, with **15%** reporting international sales activity. Of those engaged in international markets, **96%** indicated stable or increasing sales, underscoring both competitiveness and resilience. While a small number noted challenges related to logistics and evolving international regulations, these impacts remained limited. Many businesses were able to mitigate disruption by proactively adapting operations and remaining flexible amid regulatory changes, helping sustain momentum in global markets.

85% of companies report stable or increasing sales

PRIMARY MARKET



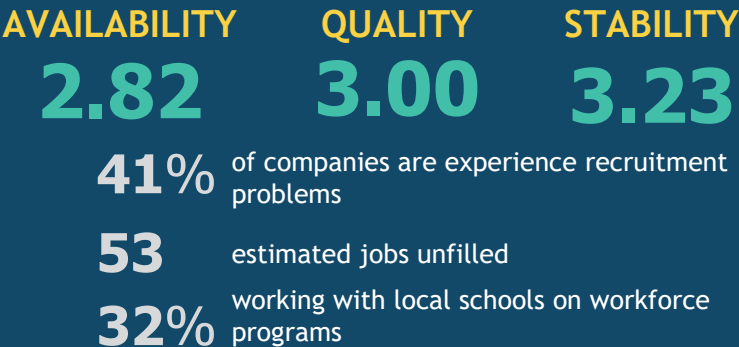
INTERNATIONAL STATS



WORKFORCE

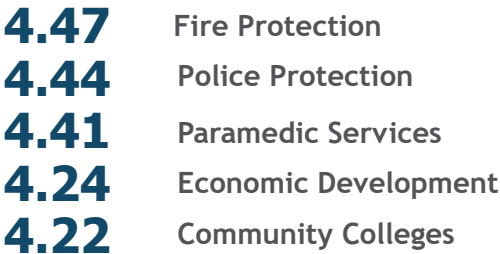
The Corridor’s business community continues to navigate workforce challenges amid growth opportunities, with recruitment impacting companies of all sizes. In response, many are strengthening educational partnerships to build a stronger talent pipeline. In 2025, the Corridor expanded its BRE program to include regional schools, further supporting collaboration and addressing workforce availability, quality, and long-term stability across the region.

*Scored on a scale from 1 to 5



HIGHEST RATED COMMUNITY SERVICES

*Scored on a scale from 1 to 5



TOP COMMUNITY STRENGTHS

*By county



TOP SUSTAINABILITY PRIORITIES FOR BUSINESS



BUSINESS RETENTION & EXPANSION 2025 SUMMARY REPORT



In 2025, staff performed 117 visits as a part of the Corridor's GROWTH program, the Business Retention & Expansion (BRE) strategy for the region. This report highlights both the current strengths and future opportunities for growth for our business community as we work together to foster economic development.

The Place for

GROWTH

GATHER - RELATIONSHIPS - OPPORTUNITIES - WINS - TRENDS - HOMETOWN

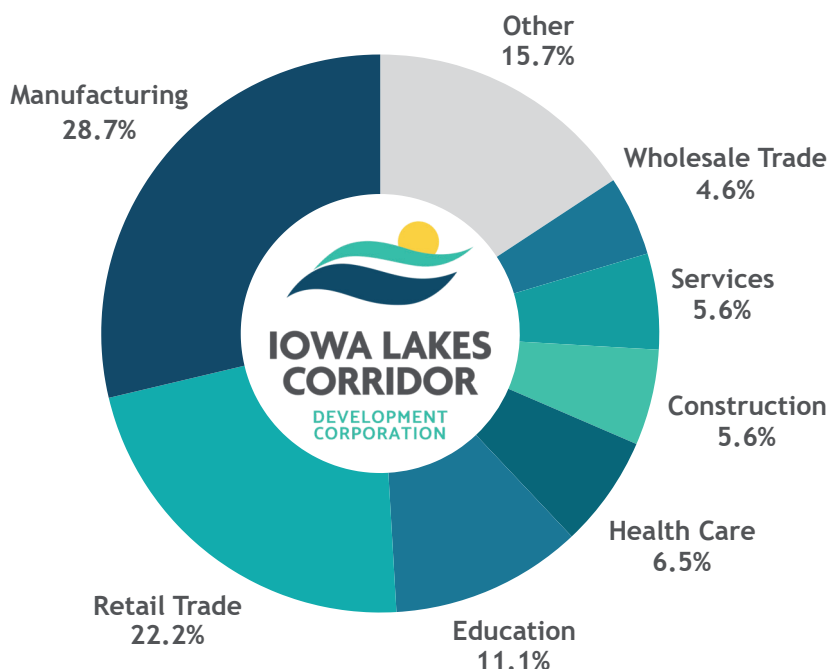
WHO WE SURVEYED

117

BUSINESSES IN THE IOWA
LAKES CORRIDOR REGION

35 IN BUENA VISTA | 38 IN CLAY | 26 IN DICKINSON | 18 IN EMMET

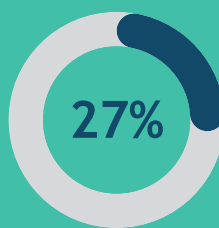
The Iowa Lakes Corridor accounted for 13% of all BRE visits reported in the state of Iowa.



*Data based on 110 completed surveys

BUSINESS TRENDS

Our GROWTH program survey reveals a strong business community actively planning for expansion while embracing innovation. We estimate \$110+ million in capital investment and 218+ new jobs in the next 3-5 years.



EXPANSION

of companies plan to expand in the next 3 years.



INNOVATION

of companies introduced new product or services in the last 5 years

218+

anticipated new jobs

\$110 MILLION

in capital investment

45%

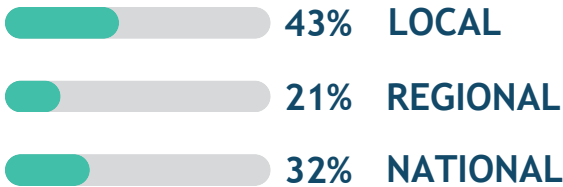
of companies have sustainability goals

MARKET OUTLOOK

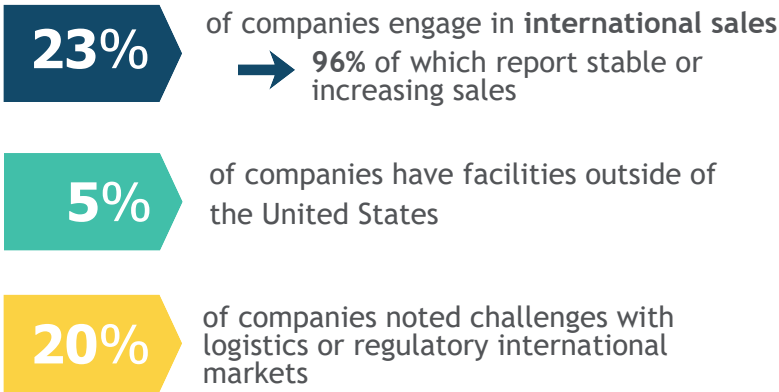
Corridor businesses continue to demonstrate strong market reach, with nearly one quarter (23%) reporting international sales activity. Of those engaged in international markets, 96% indicated stable or increasing sales, underscoring both competitiveness and resilience. While a small number noted challenges related to logistics and evolving international regulations, these impacts remained limited. Many businesses were able to mitigate disruption by proactively adapting operations and remaining flexible amid regulatory changes, helping sustain momentum in global markets.

86% of companies report stable or increasing sales

PRIMARY MARKET



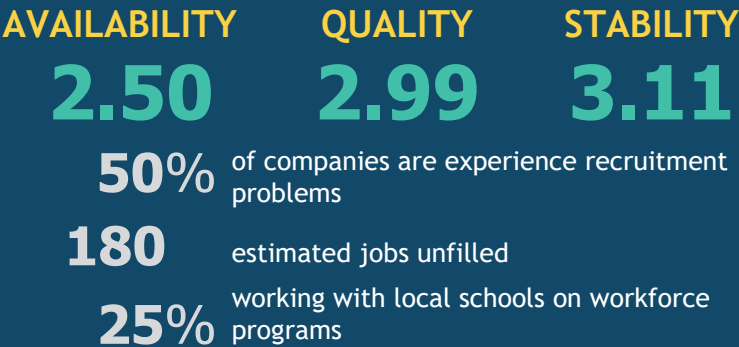
INTERNATIONAL STATS



WORKFORCE

The Corridor’s business community continues to navigate workforce challenges amid growth opportunities, with recruitment impacting companies of all sizes. In response, many are strengthening educational partnerships to build a stronger talent pipeline. In 2025, the Corridor expanded its BRE program to include regional schools, further supporting collaboration and addressing workforce availability, quality, and long-term stability across the region.

*Scored on a scale from 1 to 5



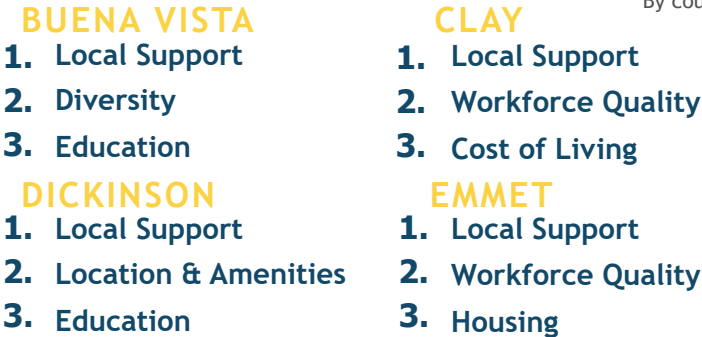
HIGHEST RATED COMMUNITY SERVICES

*Scored on a scale from 1 to 5



TOP COMMUNITY STRENGTHS

*By county



TOP SUSTAINABILITY PRIORITIES FOR BUSINESS



Staff Summary

4/6/2026

Agenda Item # F.2.



REPORT TO: Honorable Mayor & Council

FROM: Tyler Gibbins, Finance Director

SUBJECT: **Motion To Approve Acknowledgment of FY2025 Independent Audit of the City of Storm Lake**

BACKGROUND: Chapter 11 of the Code of Iowa details when audits or examinations are required. Cities with a population of over 2,000 must have an Independent Audit every year. By law. Audits must be given to the State Auditor's Office for publication and availability to the public.

Auditors are required to report on internal control and statutory compliance findings. When weaknesses in internal control or noncompliance with statutes are noted, the auditor includes such findings and recommendations as to how the entity should take corrective steps. The entity is given the opportunity to respond to the findings and recommendations which are included in the audit report.

No matters of Internal Control Deficiency or Weakness were found.
No matters of Instances of Non-Compliance with statutes were found.
There were no recommendations and no findings needing a response.

FISCAL IMPACT: N/A

RECOMMENDATION: Review and acknowledge the FY2025 Audit.

ATTACHMENTS:

1. FY2025 Audit Report
2. Storm Lake Rep Ltr 2025

CITY OF STORM LAKE
INDEPENDENT AUDITORS' REPORTS
BASIC FINANCIAL STATEMENTS AND
OTHER INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

CITY OF STORM LAKE

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CITY OF STORM LAKE

OFFICIALS

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Mike Porsch	Mayor	December 2025
Maggie Martinez	Council Member	December 2025
Matt Ricklefs	Council Member	December 2025
Maria Ramos	Council Member	December 2027
Meg McKeon	Council Member	December 2027
Kevin McKinney	Council Member	December 2027
Keri Navratil	City Manager	Indefinite
Mayra Martinez	City Clerk	Indefinite
Ahlers & Cooney, PC	City Attorney	Indefinite



WINTHER STAVE & CO | LLP™
Certified Public Accountants

1316 West 18th Street
P.O. Box 175
Spencer, Iowa 51301-0175
Phone 712-262-3117
FAX 712-262-3159

www.winther-stave.com

1004 21st Street #4
P.O. Box 187
Milford, Iowa 51351-0187
Phone 712-338-2488
FAX 712-338-2510

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council
City of Storm Lake
Storm Lake, IA 50588

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Storm Lake, Iowa, as of and for the year ended June 30, 2025, and the related Notes to Financial Statements, which collectively comprise the basic financial statements of the City as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Storm Lake as of June 30, 2025, and the respective changes in its cash basis financial position for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Storm Lake, 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.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditors' Responsibility 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 misstatements, whether due to fraud or error, and to issue an auditors' 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 GAAS 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 GAAS 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 Storm Lake'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 Storm Lake'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Storm Lakes basic financial statements. The supplementary information, which consists of the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis and is 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 GAAS. In our opinion, the supplementary information is 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 Management's Discussion and Analysis, the Budgetary Comparison Information, Schedule of the City's Proportionate Share of the Net Pension Liability, Schedule of City Contributions, Schedule of Cash Receipts, Disbursements, and Changes in Cash Balances - Nonmajor Governmental Funds, Combining Schedule of Cash Receipts, Disbursements, and Changes in Cash Balances - Custodial Funds, and Schedule of Receipts by Source and Disbursements by Function - all Government Funds on pages 5 through 10 and pages 41 through 56 but does not include the basic financial statements and our auditors' 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.

Our audit was conducted for the purposes of forming opinions on the financial statements that collectively comprise the City's basic financial statements. We previously audited, in accordance with the standards referred to in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of this report, the financial statements for the nine years ended June 30, 2024 (which are not presented herein) and expressed unmodified opinions on those financial statements which were prepared on the cash basis of accounting.

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 March 19, 2026 on our consideration of the City of Storm Lake'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's internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Storm Lake's internal control over financial reporting and compliance.

Winther, Stave & Co., LLP

March 19, 2026
Spencer, Iowa

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Storm Lake provides this Management's Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2025. We encourage readers to consider this information in conjunction with the City's financial statements, which follow.

2025 FINANCIAL HIGHLIGHTS

- Receipts of the City's governmental activities other than bond proceeds increased 10.9%, or approximately \$1,783,000, from fiscal year 2024 to fiscal year 2025. Charges for service increased approximately \$515,000, operating grants, contributions, and restricted interest decreased approximately \$630,000; and general receipts increased approximately \$1,898,000 excluding bond proceeds.
- Disbursements of the City's governmental activities other than debt service and nonprogram increased 33%, or approximately \$4,324,000 from fiscal year 2024 to fiscal year 2025. Public safety disbursements increased approximately \$513,000; public works decreased approximately \$37,000; culture and recreation decreased approximately \$175,000; community and economic development increased approximately \$455,000, general government disbursements increased approximately \$142,000; health and social services disbursements decreased approximately \$15,000; and capital projects increased approximately \$3,441,000.
- The City of Storm Lake's cash basis net position decreased 4.7% or approximately \$937,000, from June 30, 2024, to June 30, 2025. Of this amount, the cash basis net position of the governmental activities decreased approximately \$694,000 and the cash basis net position of the business type activities decreased approximately \$243,000.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

- Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the City's financial activities.
- The Government-wide Financial Statement consists of a Cash Basis Statement of Activities and Net Position. This statement provides information about the activities of the City as a whole and presents an overall view of the City's finances.
- The Fund Financial Statements tell how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in more detail than the government-wide financial statement by providing information about the most significant funds.
- Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.
- Supplementary Information includes the Schedule of Expenditures of Federal Awards and provides details of various federal programs benefiting the city.
- Other Information further explains and supports the financial statements with a comparison of the City's budget for the year, as well as presenting the City's proportionate share of the net pension liability and related contributions, and detailed information about the nonmajor governmental funds, and the individual Custodial Funds.

BASIS OF ACCOUNTING

The City maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with accounting principles generally accepted in the United States of America. Therefore, when reviewing the financial information and discussion within this annual report, readers should keep in mind the limitations resulting from the use of the cash basis of accounting.

REPORTING THE CITY'S FINANCIAL ACTIVITIES

Government-wide Financial Statement

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Cash Basis Statement of Activities and Net Position reports information which helps answer this question.

The Cash Basis Statement of Activities and Net Position presents the City's net position. Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Cash Basis Statement of Activities and Net Position is divided into two kinds of activities:

- Governmental Activities include public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service and capital projects. Property and other taxes and state and federal grants finance most of these activities.
- Business Type Activities include the waterworks, sanitary sewer system, storm water system, landfill, and King's Pointe. These activities are financed primarily by user charges.

Fund Financial Statements

The City has three categories of funds:

- (1) Governmental funds account for most of the City's basic services. These focus on how money flows into and out of those funds, and the balances left at year-end that are available for spending. The governmental funds include: 1) the General Fund, 2) the Special Revenue Funds, such as Road Use Tax, Tax Increment Financing, Local Option Sales Tax, and Employee Benefits Tax Levy, 3) the Debt Service Fund, 4) the Capital Projects Fund, and 5) the Permanent Fund. The governmental fund financial statements provide a detailed, short-term view of the City's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

The required financial statement for governmental funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

- (2) Proprietary funds account for the City's Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report business type activities. The City's Enterprise Funds include the Water, Sewer, Storm Water, Landfill and King's Pointe Funds, each considered to be a major fund of the City. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

The required financial statement for proprietary funds is a Statement of Cash Receipts, Disbursements and Changes in Cash Balances.

- (3) Fiduciary funds are used to report assets held in a trust or agency capacity for others which cannot be used to support the City's own programs. These fiduciary funds include a Pension Trust Fund, and various Custodial Funds.

The financial statement required for fiduciary funds is a Statement (trust) or Combining Schedule (custodial) of Cash Receipts, Disbursements and Changes in Cash Balances.

Reconciliations between the government-wide financial statement and the governmental fund financial statements follow the governmental fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of financial position. The City's cash balance for governmental activities decreased from a year ago, decreasing from approximately \$8.9 million to approximately \$8.2 million. The analysis that follows focuses on the changes in the net position for governmental and business type activities.

Changes in Cash Basis Net Position of Governmental Activities

	<u>Year Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Receipts:		
Program receipts:		
Charges for service	\$ 2,856,551	\$ 2,340,999
Operating grants, contributions, and restricted interest	2,666,696	3,296,332
General receipts:		
Property tax	5,279,397	4,684,509
Tax increment financing	3,286,830	1,835,263
Sales tax increment financing	249,937	249,926
Other taxes	2,210,500	2,330,559
Franchise fees	1,077,455	1,075,000
Unrestricted investment earnings	248,190	400,316
Bond proceeds	2,866,000	-
Miscellaneous	191,396	71,000
Total receipts	<u>20,932,952</u>	<u>16,283,904</u>
Disbursements:		
Public safety	3,859,215	3,346,236
Public works	1,931,981	1,969,007
Health and social services	7,896	22,692
Culture and recreation	1,584,684	1,759,614
Community and economic development	933,833	479,081
General government	950,292	807,596
Debt service	2,706,374	2,643,858
Capital projects	8,316,089	4,875,024
Nonprogram	1,355,214	1,528,818
Total disbursements	<u>21,645,578</u>	<u>17,431,926</u>
Change in cash basis net position before transfers	(712,626)	(1,148,022)
Transfers, net	<u>18,651</u>	<u>(835,494)</u>
Change in cash basis net position	(693,975)	(1,983,516)
Cash basis net position, beginning of year	<u>8,916,831</u>	<u>10,900,347</u>
Cash basis net position, end of year	<u>\$ 8,222,856</u>	<u>\$ 8,916,831</u>

The City's cash basis net position of governmental activities decreased approximately \$694,000 during the year. Receipts for governmental activities increased approximately \$4.6 million from the prior year due to TIF revenue and Bond proceeds. Disbursements increased approximately \$4.2 million from the prior year primarily attributable to more capital projects than fiscal year 2024.

GOVERNMENT-WIDE FINANCIAL ANALYSIS - (Continued)

The cost of all governmental activities this year was approximately \$21.6 million compared to approximately \$17.4 million last year. However, as shown in the Statement of Activities, the amount taxpayers ultimately financed for these activities was approximately \$16.1 million because some of the cost was paid by those directly benefiting from the programs (approximately \$2.9 million) or by other governments and organizations which subsidized certain programs with grants and contributions (approximately \$2.7 million). The City paid the remaining "public benefit" portion of governmental activities with property tax (some of which could only be used for certain programs) and with other receipts, such as interest, local option sales tax and miscellaneous receipts.

Changes in Cash Basis Net Position of Business Type Activities

	<u>Year Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
	(As restated)	
Receipts:		
Program receipts:		
Charges for service:		
Water	\$ 5,873,056	\$ 5,184,002
Sewer	4,315,785	4,015,900
King's Pointe	5,617,663	5,314,527
Landfill	494,831	487,596
Storm water	427,826	425,690
Capital grants, contributions, and restricted interest	470,658	13,000
General receipts:		
Unrestricted investment earnings	383,640	683,508
Bond proceeds	6,110,575	-
Miscellaneous	<u>572,248</u>	<u>398,349</u>
Total receipts	<u>24,266,282</u>	<u>16,522,572</u>
Disbursements:		
Water	12,106,842	5,548,512
Sewer	3,867,103	3,526,868
King's Pointe	7,214,372	10,925,484
Landfill	541,544	504,933
Storm water	<u>362,804</u>	<u>372,456</u>
Total disbursements	<u>24,092,665</u>	<u>20,878,253</u>
Change in cash basis net position before transfers	173,617	(4,355,681)
Transfers, net	<u>(416,686)</u>	<u>462,197</u>
Change in cash basis net position	(243,069)	(3,893,484)
Cash basis net position, beginning of year	<u>11,056,996</u>	<u>14,950,480</u>
Cash basis net position, end of year	<u>\$10,813,927</u>	<u>\$11,056,996</u>

The City's cash basis net position of business type activities decreased approximately \$243,000 during the year. Receipts for business type activities increased approximately \$7.7 million from the prior year due primarily to an increase in bond proceeds, while total disbursements were approximately \$3.2 million more than the prior year due primarily to increased water project expenses.

INDIVIDUAL MAJOR FUND ANALYSIS**Governmental Fund Highlights**

As the City of Storm Lake completed the year, its governmental funds reported a combined fund balance of \$7,784,424, a decrease of \$953,836 from the prior year ending fund balance total of \$8,738,260. The following are the major reasons for the changes in fund balances of the major governmental funds from the prior year.

INDIVIDUAL MAJOR FUND ANALYSIS - Continued

- The General Fund cash balance decreased \$121,700 from the prior year. This decrease was attributable primarily to an increase in disbursements.
- The Special Revenue, Road Use Tax Fund ended fiscal year 2025 with a \$1,483,401 cash balance, a decrease of \$282,880 compared to the prior year ending balance of \$1,766,281.
- The Special Revenue, Local Option Sales Tax Fund ended fiscal year 2025 with a \$1,044,557 cash balance, a decrease of \$1,229,487 from the prior year ending balance of \$2,274,044.
- The Special Revenue, Special Levy Fund is used to account for property tax levied to finance the payment of employee benefits. This fund ended fiscal year 2025 with a \$427,657 fund balance compared to the prior year ending fund balance of \$347,978. This increase was due primarily to an increase in property tax receipts.
- The Special Revenue, Tax Increment Financing Fund is used to account for receipts from the tax authorized by ordinance in the urban renewal district and used for transfers to other funds to pay the principal and interest on the general obligation capital loan notes and other indebtedness incurred for urban renewal development projects. This fund ended fiscal year 2025 with a \$15,819 balance compared to the prior year ending fund balance of \$12,992.
- The Debt Service Fund ended fiscal year 2025 with a \$21,852 balance compared to the prior year ending fund balance of \$-0-.
- The Capital Projects Fund ended fiscal year 2025 with a \$1,240,902 cash balance compared to the prior year ending cash balance of \$743,734. The increase was due primarily to capital projects.

Proprietary Fund Highlights

- The Enterprise, Water Fund, which accounts for the operation and maintenance of the City's water system, ended 2025 with a cash balance of \$5,367,885 compared to the prior year ending cash balance of \$5,256,159.
- The Enterprise, Sewer Fund, which accounts for the operation and maintenance of the City's wastewater treatment and sanitary sewer system, ended 2025 with a cash balance of \$4,461,604 compared to the prior year ending cash balance of \$4,715,354.
- The Enterprise, King's Pointe Fund, which accounts for the operation and maintenance of King's Pointe Resort, ended 2025 with a net cash balance of \$308,773 compared to the prior year ending cash balance of \$322,484. The decrease is due primarily from capital improvements.
- The Enterprise, Landfill Fund ended 2025 with a cash balance of \$337,599 compared to the prior year ending cash balance of \$384,312.
- The Enterprise, Storm Water Fund ended 2025 with a balance of \$338,066 compared to the prior year ending balance of \$378,687. The decrease is due primarily to an increase in disbursements.
- The Internal Service Funds are used by management to charge the cost of employee health benefits, technology purchases, and fleet purchases to the individual funds. The cash balance of the Internal Service Fund increased \$259,861 to end at \$438,432.

BUDGETARY HIGHLIGHTS

During FY 2025, the City of Storm Lake amended its budget three times. The amendments increased budgeted disbursements by \$3,876,814. The increase is primarily due to capital projects.

DEBT ADMINISTRATION

Long Term Debt

At June 30, 2025, the City had \$14,466,000 in general obligation debt and \$5,800,000 in urban renewal debt in total long-term debt outstanding for governmental activities. Total long-term debt outstanding for business-type activities was \$10,399,680 at June 30, 2025.

The Constitution of the State of Iowa limits the amount of general obligation debt cities can issue to 5% of the assessed value of all taxable property within the City's corporate limits. At June 30, 2025, the City was at 50% of its constitutional debt limit of approximately \$41 million with a computed outstanding balance of approximately \$20.7 million. Additional information about the City's long-term debt is presented in Note 4 to the financial statements.

ECONOMIC FACTORS

Economic Factors:

- Storm Lake saw a 2.79% increase in the amount of general taxable valuation for FY2026.
- The Iowa Legislature's implementation of House File 718 will take the City's general fund plus Emergency Levy from \$8.12621 to \$8.04575, the second consecutive year of reduction in the Combined General Fund Levy (CGFL).
- The Iowa Legislature's backfill phase out program will continue to limit the City's rebated tax revenues.
- Unemployment in Buena Vista County ended at 2.3% in 2025, down from the Iowa Unemployment rate of 3.5%, and the national average of 4.4%.
- The cost of living is 3% less than the Iowa average and 16% lower than the national average
- The city continues to invest in new housing opportunities through the IEDA's Workforce Housing Tax Credit program and potential developers.
- Storm Lake's recovery from the April 18, 2025 windstorm was characterized by a rapid, community-driven effort that restored essential services within days. City crews prioritized public areas and transportation routes with most streets cleared of major obstructions within 24-48 hours.
- Buena Vista University reported its largest student body in a decade and opened a new apartment-style housing in late 2025.
- Buena Vista Regional Medical Center was recognized as a 2026 Large Business Excellence honoree for its contributions to the regional economy.
- While the new water treatment plant project in Storm Lake carries a high price tag, it is considered a "once-in-a-lifetime" infrastructure upgrade essential for the city's growth. The proposed new plant will increase water production from the current 5.6 million gallons per day to 8 million gallons supporting the community's consistent population and industrial growth.

The Fiscal Year 2025-2026 Budget Outlines the funding and operational priorities of the City for the next fiscal year.

- Funding of Capital Improvement projects that address the Council's adopted Strategic Plan and City's Comprehensive Plan.
- Careful long-range planning for revenue variables and continued planning for House File 718 and other future actions by the State Legislature.
- Continued planning for a stable, controlled, and sustainable tax levy. For this year, the tax levy increased to \$15.17441. This increase was a result of increased insurance premiums and higher claims, previously spending down reserve balances.
- Included in the increased levy rate was a new levy for two new fire apparatus. Advanced funding for the acquisition of the new fire apparatus resulted in almost \$600,000 saving on bond related costs.
- A pay increase of 2.5% for non-union employees and a continuation of top-tier benefits.
- Tax Increment Financing revenue continues to allow Urban Renewal Area debts to decrease.
- A continued commitment to critical infrastructure continues with progress on the construction of the new water tower #5, water wells #22, and #23, College & 3rd Lift Station reconstruction, Scout Park, and Icehouse Lift Station reconstruction.
- Storm Lake has completed construction on a new 1.75-million-gallon, 117-foot water tower. This milestone is a key part of the City's infrastructure plan to increase water capacity by more than 50% over the next five years, ensuring the system can keep pace with a steadily growing population.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of The City of Storm Lake's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Clerk, P.O. Box 1086, 620 Erie Street, Storm Lake, Iowa, 50588.

BASIC FINANCIAL STATEMENTS

CITY OF STORM LAKE
CASH BASIS STATEMENT OF ACTIVITIES AND NET POSITION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

	<u>Disbursements</u>	<u>Charges for Service</u>	<u>Program Receipts</u>	
			<u>Operating Grants, Contributions and Restricted Interest</u>	<u>Capital Grants, Contributions, and Restricted Interest</u>
Functions/Programs:				
Governmental activities:				
Public safety	\$ 3,859,215	\$ 235,775	\$ 112,539	-
Public works	1,931,981	261,375	1,601,675	-
Health and social services	7,896	-	-	-
Culture and recreation	1,584,684	602,110	33,865	-
Community and economic development	933,833	-	-	-
General government	950,292	305,004	158,107	-
Debt service	2,706,374	-	-	-
Capital projects	8,316,089	-	747,722	-
Nonprogram	1,355,214	1,452,287	12,788	-
Total governmental activities	<u>21,645,578</u>	<u>2,856,551</u>	<u>2,666,696</u>	<u>-</u>
Business type activities:				
Water	12,106,842	5,873,056	-	221,956
Sewer	3,867,103	4,315,785	-	248,702
King's Pointe	7,214,372	5,617,663	-	-
Landfill	541,544	494,831	-	-
Storm water	362,804	427,826	-	-
Total business type activities	<u>24,092,665</u>	<u>16,729,161</u>	<u>-</u>	<u>470,658</u>
Total				
General Receipts and Transfers:				
Property and other city tax levied for:				
General purposes				
Debt service				
Tax increment financing				
Sales tax increment financing				
Hotel motel tax				
Local option sales tax				
Utility excise tax				
Franchise fees				
Unrestricted interest on investments				
Bond proceeds - including premium				
Miscellaneous				
Transfers				
Total general receipts and transfers				
Change in cash basis net position				
Cash basis net position - beginning of year, restated				
Cash basis net position - end of year				

See Notes to Financial Statements

Exhibit A

Net (Disbursements) Receipts and Changes in
Cash Basis Net Position

<u>Governmental</u> <u>Activities</u>	<u>Business Type</u> <u>Activities</u>	<u>Total</u>
\$ (3,510,901)	\$ -	\$ (3,510,901)
(68,931)	-	(68,931)
(7,896)	-	(7,896)
(948,709)	-	(948,709)
(933,833)	-	(933,833)
(487,181)	-	(487,181)
(2,706,374)	-	(2,706,374)
(7,568,367)	-	(7,568,367)
109,861	-	109,861
<u>(16,122,331)</u>	<u>-</u>	<u>(16,122,331)</u>
	(6,011,830)	(6,011,830)
	697,384	697,384
	(1,596,709)	(1,596,709)
	(46,713)	(46,713)
-	65,022	65,022
-	<u>(6,892,846)</u>	<u>(6,892,846)</u>
4,922,842	-	4,922,842
356,555	-	356,555
3,286,830	-	3,286,830
249,937	-	249,937
401,053	-	401,053
1,698,050	-	1,698,050
111,397	-	111,397
1,077,455	-	1,077,455
248,190	383,640	631,830
2,866,000	6,110,575	8,976,575
191,396	572,248	763,644
18,651	(416,686)	(398,035)
<u>15,428,356</u>	<u>6,649,777</u>	<u>22,078,133</u>
(693,975)	(243,069)	(937,044)
<u>8,916,831</u>	<u>11,056,996</u>	<u>19,973,827</u>
<u>\$ 8,222,856</u>	<u>\$10,813,927</u>	<u>\$19,036,783</u>

See Notes to Financial Statements

CITY OF STORM LAKE
CASH BASIS STATEMENT OF ACTIVITIES AND NET POSITION - Continued
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

Cash Basis Net Position

Restricted:

Nonexpendable - Library

Expendable:

Streets

Debt Service

Capital improvements

Other purposes

Unrestricted

Total cash basis net position

Exhibit A

Net (Disbursements) Receipts and Changes in
Cash Basis Net Position

<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
\$ 2,925	\$ -	\$ 2,925
1,483,401	-	1,483,401
21,852	-	21,852
2,285,459	-	2,285,459
427,657	-	427,657
<u>4,001,562</u>	<u>10,813,927</u>	<u>14,815,489</u>
<u>\$ 8,222,856</u>	<u>\$10,813,927</u>	<u>\$19,036,783</u>

CITY OF STORM LAKE
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH BALANCES
GOVERNMENTAL FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue				
	General	Road Use Tax	Local Option Sales Tax	Special Levy	Tax Increment Financing
Receipts:					
Property tax	\$ 3,093,526	\$ -	\$ -	\$ 1,706,070	\$ -
Tax increment financing	-	-	-	-	3,286,829
Other city tax	1,545,070	-	1,698,050	36,294	-
Licenses and permits	163,987	-	-	-	-
Use of money and property	220,472	-	-	27,111	-
Intergovernmental	248,240	1,600,415	-	-	-
Charges for service	997,312	-	-	18,382	-
Miscellaneous	240	15,589	-	126,136	-
Total receipts	<u>6,268,847</u>	<u>1,616,004</u>	<u>1,698,050</u>	<u>1,913,993</u>	<u>3,286,829</u>
Disbursements:					
Operating:					
Public safety	3,093,611	-	-	679,255	-
Public works	284,502	1,355,992	-	291,487	-
Health and social services	7,896	-	-	-	-
Culture and recreation	1,318,860	-	-	215,642	-
Community and economic development	316,757	-	-	41,852	575,224
General government	649,494	-	-	58,043	-
Debt service	-	-	-	-	-
Capital projects	756,119	625,107	-	-	-
Total disbursements	<u>6,427,239</u>	<u>1,981,099</u>	<u>-</u>	<u>1,286,279</u>	<u>575,224</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(158,392)</u>	<u>(365,095)</u>	<u>1,698,050</u>	<u>627,714</u>	<u>2,711,605</u>
Other financing sources (uses):					
Bond Proceeds	-	-	-	-	-
Operating transfers in	968,257	487,214	508,000	-	98,165
Operating transfers out	(931,565)	(404,999)	(3,435,537)	(548,035)	(2,806,943)
Total other financing sources (uses)	<u>36,692</u>	<u>82,215</u>	<u>(2,927,537)</u>	<u>(548,035)</u>	<u>(2,708,778)</u>
Net change in cash balances	(121,700)	(282,880)	(1,229,487)	79,679	2,827
Cash balances - beginning of year	<u>3,166,033</u>	<u>1,766,281</u>	<u>2,274,044</u>	<u>347,978</u>	<u>12,992</u>
Cash balances - end of year	<u>\$ 3,044,333</u>	<u>\$ 1,483,401</u>	<u>\$ 1,044,557</u>	<u>\$ 427,657</u>	<u>\$ 15,819</u>
Cash Basis Fund Balances					
Nonspendable - Library	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for:					
Streets	-	1,483,401	-	-	-
Capital improvements	-	-	1,044,557	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	427,657	-
Unassigned	<u>3,044,333</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,819</u>
Total cash basis fund balances	<u>\$ 3,044,333</u>	<u>\$ 1,483,401</u>	<u>\$ 1,044,557</u>	<u>\$ 427,657</u>	<u>\$ 15,819</u>

Exhibit B

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor</u>	<u>Total</u>
\$ 356,555	\$ -	\$ 123,247	\$ 5,279,398
-	-	-	3,286,829
5,949	-	2,592	3,287,955
-	-	-	163,987
-	-	607	248,190
-	747,722	249,937	2,846,314
-	-	184,431	1,200,125
-	-	147,114	289,079
<u>362,504</u>	<u>747,722</u>	<u>707,928</u>	<u>16,601,877</u>
-	-	86,349	3,859,215
-	-	-	1,931,981
-	-	-	7,896
-	-	50,182	1,584,684
-	-	-	933,833
-	-	242,755	950,292
2,706,374	-	-	2,706,374
-	6,934,863	-	8,316,089
<u>2,706,374</u>	<u>6,934,863</u>	<u>379,286</u>	<u>20,290,364</u>
<u>(2,343,870)</u>	<u>(6,187,141)</u>	<u>328,642</u>	<u>(3,688,487)</u>
2,866,000	-	-	2,866,000
2,316,728	6,684,309	-	11,062,673
<u>(2,817,006)</u>	<u>-</u>	<u>(249,937)</u>	<u>(11,194,022)</u>
<u>2,365,722</u>	<u>6,684,309</u>	<u>(249,937)</u>	<u>2,734,651</u>
21,852	497,168	78,705	(953,836)
-	743,734	427,198	8,738,260
<u>\$ 21,852</u>	<u>\$ 1,240,902</u>	<u>\$ 505,903</u>	<u>\$ 7,784,424</u>
\$ -	\$ -	\$ 2,925	\$ 2,925
-	1,240,902	-	1,483,401
21,852	-	-	2,285,459
-	-	-	21,852
-	-	-	427,657
-	-	502,978	3,563,130
<u>\$ 21,852</u>	<u>\$ 1,240,902</u>	<u>\$ 505,903</u>	<u>\$ 7,784,424</u>

CITY OF STORM LAKE
RECONCILIATION OF THE STATEMENT OF CASH RECEIPTS,
DISBURSEMENTS, AND CHANGES IN CASH BALANCES
TO THE CASH BASIS STATEMENT OF ACTIVITIES AND NET POSITION -
GOVERNMENTAL FUNDS
JUNE 30, 2025

Exhibit C

Total governmental funds cash balances per - Exhibit B	\$7,784,424
Amounts reported for governmental activities in the Cash Basis Statement of Activities and Net Position are different because:	
The Internal Service Fund is used by management to charge the costs of employee health benefits and fleet purchases to the individual funds. The cash balance of the Internal Service Fund is included in governmental activities in the Cash Basis Statement of Activities and Net Position.	<u>438,432</u>
Cash basis net position of governmental activities - Exhibit A	<u>\$8,222,856</u>
Change in cash balances - Exhibit B	\$(953,836)
Amounts reported for governmental activities in the Cash Basis Statement of Activities and Net Position are different because:	
The Internal Service Fund is used by management to charge the costs of employee health benefits to individual funds. The change in the cash balance of the Internal Service Fund is reported with governmental activities in Cash Basis Statement of Activities and Net Position.	<u>259,861</u>
Change in net position of governmental activities - Exhibit A	<u>\$ (693,975)</u>

CITY OF STORM LAKE
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH BALANCES
PROPRIETARY FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

	Enterprise Funds			
	Water	Sewer	King's Pointe	Landfill
Operating receipts:				
Charges for services	\$ 5,873,056	\$ 4,315,785	\$ 5,617,663	\$ 494,831
Miscellaneous	<u>1,725</u>	<u>-</u>	<u>570,523</u>	<u>-</u>
Total operating receipts	5,874,781	4,315,785	6,188,186	4,94,831
Operating disbursements:				
Business type activities	<u>4,544,902</u>	<u>3,289,067</u>	<u>7,214,372</u>	<u>541,544</u>
Excess (deficiency) of operating receipts over (under) operating disbursements	<u>1,329,879</u>	<u>1,026,718</u>	<u>(1,026,186)</u>	<u>(46,713)</u>
Non-operating receipts (disbursements):				
Intergovernmental	221,956	248,702	-	-
Interest income	191,820	191,820	-	-
Capital improvements	(7,172,274)	-	-	-
Debt service	<u>(389,666)</u>	<u>(578,036)</u>	<u>-</u>	<u>-</u>
Net non-operating receipts (disbursements)	<u>(7,148,164)</u>	<u>(137,514)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of receipts over (under) disbursements	<u>(5,818,285)</u>	<u>889,204</u>	<u>(1,026,186)</u>	<u>(46,713)</u>
Other financing sources (uses):				
Bond proceeds including premium net of costs	6,110,575	-	-	-
Operating transfers in	12,500	198,072	1,219,210	-
Operating transfers out	<u>(193,064)</u>	<u>(1,341,026)</u>	<u>(206,735)</u>	<u>-</u>
Total other financing sources (uses)	<u>5,930,011</u>	<u>(1,142,954)</u>	<u>1,012,475</u>	<u>-</u>
Change in cash balance	111,726	(253,750)	(13,711)	(46,713)
Cash balances - beginning of year, restated	<u>5,256,159</u>	<u>4,715,354</u>	<u>322,484</u>	<u>384,312</u>
Cash balances - end of year	<u>\$ 5,367,885</u>	<u>\$ 4,461,604</u>	<u>\$ 308,773</u>	<u>\$ 337,599</u>
Cash Basis Fund Balances:				
Unrestricted	<u>\$ 5,367,885</u>	<u>\$ 4,461,604</u>	<u>\$ 308,773</u>	<u>\$ 337,599</u>

Exhibit D

<u>Storm Water</u>	<u>Total</u>	<u>Internal Service Funds</u>
\$ 427,826	\$16,729,161	\$ 1,452,287
<u>-</u>	<u>572,248</u>	<u>-</u>
427,826	17,301,409	1,452,287
<u>362,804</u>	<u>15,952,689</u>	<u>1,355,214</u>
<u>65,022</u>	<u>1,348,720</u>	<u>97,073</u>
-	470,658	-
-	383,640	12,788
-	(7,172,274)	-
<u>-</u>	<u>(967,702)</u>	<u>-</u>
<u>-</u>	<u>(7,285,678)</u>	<u>12,788</u>
<u>65,022</u>	<u>(5,936,958)</u>	<u>109,861</u>
-	6,110,575	-
-	1,429,782	150,000
<u>(105,643)</u>	<u>(1,846,468)</u>	<u>-</u>
<u>(105,643)</u>	<u>5,693,889</u>	<u>150,000</u>
(40,621)	(243,069)	259,861
<u>378,687</u>	<u>11,056,996</u>	<u>178,571</u>
<u>\$ 338,066</u>	<u>\$10,813,927</u>	<u>\$ 438,432</u>
<u>\$ 338,066</u>	<u>\$10,813,297</u>	<u>\$ 438,432</u>

CITY OF STORM LAKE
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH BALANCES - FIDUCIARY FUND
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

Exhibit E

	<u>Pension Trust</u>
	<u>Police/Fire</u>
Additions:	
Transfers in	\$ 398,035
Deductions:	
Public safety	398,035
Change in cash balances	-
Cash balance - beginning of year	-
Cash balance - end of year	\$ -

NOTES TO FINANCIAL STATEMENTS

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

1. Summary of Significant Accounting Policies

The City of Storm Lake is a political subdivision of the State of Iowa located in Buena Vista County. It was first incorporated in 1873 and operates under the Home Rule provisions of the Constitution of Iowa. The City operates under the Mayor-Council form of government with the Mayor and Council Members elected on a non-partisan basis. The City provides numerous services to citizens including public safety, public works, health and social services, culture and recreation, community and economic development, and general government services. The City also provides water, sewer, storm water, and landfill utilities for its citizens and owns and operates a hotel and indoor water park.

A. Reporting Entity

For financial reporting purposes, the City 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. The City has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organizations - The City participates in a jointly governed organization agreement with the Buena Vista County Solid Waste Commission, a political subdivision created under Chapter 28E of the Code of Iowa. The purpose of the Commission includes providing economic disposal of solid waste produced or generated within Buena Vista County and member cities. The City's ongoing financial interest in the jointly governed organization consists of the operation of the landfill and other solid waste collection and disposal operations. The City collects landfill fees as a part of its regular utility billings. The Commission then bills the City quarterly for its operations. This fee is computed for each municipality on a per capita basis. For the year ended June 30, 2025, this fee totaled \$383,146. Copies of the Commission's financial statements are available from the City Clerk at the City of Alta, 223 Main Street, Alta, IA 51002 or from the State Auditor's Office.

The City participates in a jointly governed organization agreement with the Lake Improvements Commission, a political subdivision created under Chapter 28E of the Code of Iowa. The financial information for the Commission is reflected as an agency fund in these financial statements. The purpose of the Commission is to finance and effect a continued dredging of Storm Lake. Copies of the Commission's financial statements are available from the City Clerk at City of Storm Lake, P.O. Box 1086, and 620 Erie Street, Storm Lake, IA 50588 or from the State Auditor's Office.

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 or Commissions: Buena Vista County Assessor's Conference Board, Buena Vista County Emergency Management Commission, Buena Vista County Communications Commission, Joint E911 Service Board, Region V Drug Task Force, Storm Lake United, Buena Vista County Foundation, Community Education, and Storm Lake Cemetery.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

1. Summary of Significant Accounting Policies - (Continued)

B. Basis of Presentation

Government-wide Financial Statement - The Cash Basis Statement of Activities and Net Position reports information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from this statement. Governmental activities, which are supported by tax and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for service.

The Cash Basis Statement of Activities and Net Position presents the City's nonfiduciary net position. Net position is reported in the following categories/components:

Nonexpendable restricted net position is subject to externally imposed stipulations which require the cash balance to be maintained permanently by the City, including the City's Permanent Fund.

Expendable restricted net position results when constraints placed on the use of cash balances are either externally imposed or are imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position consists of cash balances not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

The Cash Basis Statement of Activities and Net Position demonstrates the degree to which the direct disbursements of a given function are offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants, contributions, and interest on investments restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program receipts are reported instead as general receipts.

Fund Financial Statements - Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise 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:

The General Fund is the general operating fund of the City. All general tax receipts from general and emergency levies and other receipts not allocated by law or contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating disbursements, the fixed charges, and the capital improvement costs not paid from other funds.

Special Revenue:

The Road Use Tax Fund is used to account for the road use tax allocation from the State of Iowa to be used for road construction and maintenance.

The Local Option Sales Tax Fund is used to account for the receipts from the tax authorized by referendum and used for capital improvements, equipment, and community programs and services.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

1. Summary of Significant Accounting Policies - (Continued)

B. Basis of Presentation - (Continued)

Special Revenue - (Continued):

The Special Levy Fund is used to account for property tax levied to finance the payment of employee benefits.

The Tax Increment Financing Fund is used to account for receipts from the tax authorized by ordinance in the urban renewal district and used for transfers to other funds to pay the principal and interest on the general obligation capital loan notes and other indebtedness incurred for urban renewal development projects.

The Debt Service Fund is utilized to account for property tax and other receipts to be used for the payment of interest and principal on the City's general long-term debt.

The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets.

The City reports the following major proprietary funds:

Enterprise:

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

The Sewer Fund is used to account for the operation and maintenance of the City's wastewater treatment and sanitary sewer system.

The King's Pointe Fund is used to account for the operation of a hotel facility and indoor water park.

The Landfill Fund is used to account for the City's share of the operation and maintenance of the landfill.

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

Additionally, the City also reports the following funds:

Proprietary Fund - The Internal Service Funds are utilized to account for the financing of goods or services purchased by one department of the City and provided to other departments or agencies on a cost reimbursement basis.

Fiduciary Fund - Account for assets held by the City in a trustee or agency capacity for the benefit of others. Fiduciary funds account for assets held by the City under the terms of a formal trust agreement and which cannot be used to support City activities.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

1. Summary of Significant Accounting Policies - (Continued)

C. Measurement Focus and Basis of Accounting

The City maintains its financial records on the basis of cash receipts and disbursements and the financial statements of the City are prepared on that basis. The cash basis of accounting does not give effect to accounts receivable, accounts payable and accrued items. Accordingly, the financial statements do not present financial position and results of operations of the funds in accordance with accounting principles generally accepted in the United States of America.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general receipts. Thus, when program disbursements are paid, there are both restricted and unrestricted cash basis 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 receipts.

When a disbursement in governmental funds can be paid using either restricted or unrestricted resources, the City's policy is generally to first apply the disbursement toward restricted fund balance and then to less-restrictive classifications – committed, assigned and then unassigned fund balances.

Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

D. Governmental Cash Basis Fund Balances

In the governmental fund financial statements, cash basis fund balances are classified as follows:

Nonspendable - Amounts which cannot be spent because they are legally or contractually required to be maintained intact.

Restricted - Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or are imposed by law through constitutional provisions or enabling legislation.

Committed - Amounts which can be used only for specific purposes pursuant to constraints formally imposed by the City Council through ordinance or resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same action it employed to commit those amounts.

Assigned - Amounts the City Council intends to use for specific purposes.

Unassigned - All amounts not included in the preceding classifications.

E. Budgets and Budgetary Accounting

The budgetary comparison and related disclosures are reported as Other Information.

F. Subsequent Events

The City has evaluated subsequent events through the date of the auditors' report, which is the date the financial statements were available to be issued.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

2. Cash and Pooled Investments

The City's deposits in banks at June 30, 2025 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The City is authorized by statute to invest public funds in obligations 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.

The City had investments in the Iowa Public Agency Investment Trust (IPAIT) which are valued at an amortized cost of \$5,995,406 pursuant to Rule 20-7 under the Investment Company Act of 1940. There were no limitations or restrictions on withdrawals for the IPAIT investments. The City's investment in IPAIT is unrated.

Interest rate risk - The City's investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the City.

3. Interfund Transfers

The detail of interfund transfers for the year ended June 30, 2025 is as follows:

<u>Transfer to</u>	<u>Amount</u>	<u>Transfer from</u>	<u>Amount</u>
General	\$ 968,257	Special Revenue:	
		Local Option Sales Tax	\$ 388,500
		Tax increment financing	579,757
Special Revenue:		General	403,500
Road use tax	487,214	Special Revenue:	
		Tax increment financing	83,714
Special Revenue:		Special Revenue:	
Local Option Sales Tax	508,000	Tax increment financing	508,000
Special Revenue:		General	98,165
Tax increment financing	98,165		
Debt Service	2,316,728	General	129,900
		Special Revenue:	
		Local Option Sales Tax	540,071
		Tax increment financing	1,084,442
		Sales tax increment	249,937
		Enterprise:	
		King's Pointe	206,735
		Storm Water	105,643
Capital Projects	6,684,309	Debt Service	2,817,006
		Special Revenue:	
		Road use	404,999
		Local Option Sales Tax	1,875,714
		Tax increment financing	65,000
		Enterprise:	
		Water	193,064
		Sewer	1,328,526

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

3. Interfund Transfers - (Continued)

<u>Transfer to</u>	<u>Amount</u>	<u>Transfer from</u>	<u>Amount</u>
Enterprise: Water	\$ 12,500	Enterprise: Sewer	\$ 12,500
Enterprise: Sewer	198,072	Special Revenue: Tax increment financing	198,072
Enterprise: King's Pointe	1,219,210	General Special Revenue:	300,000
		Local Option Sales Tax	631,252
		Tax Increment Financing	287,958
Internal Service	150,000	Special Revenue: Special levy	150,000
Pension Trust: Police/Fire	<u>398,035</u>	Special Revenue: Special Levy	<u>398,035</u>
TOTAL	<u>\$13,040,490</u>		<u>\$13,040,490</u>

Transfers generally move resources from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

4. Bonds and Notes Payable

A summary of changes in bonds and notes payable for the year ended June 30, 2025 is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Government activities:					
General obligation bonds	\$13,559,000	\$2,866,000	\$1,959,000	\$14,466,000	\$1,980,000
Urban renewal tax increment financing revenue	<u>5,800,000</u>	-	-	<u>5,800,000</u>	-
Governmental activities total	<u>\$19,359,000</u>	<u>\$2,866,000</u>	<u>\$1,959,000</u>	<u>\$20,266,000</u>	<u>\$1,980,000</u>
Business type activities:					
Water revenue notes	\$ 2,012,000	\$6,161,680	\$ 268,000	\$ 7,905,680	\$ 646,000
Sewer revenue notes	2,832,000	-	432,000	2,400,000	436,000
Storm water revenue notes ...	<u>139,000</u>	-	45,000	<u>94,000</u>	<u>46,000</u>
Business type activities total	<u>\$ 4,983,000</u>	<u>\$6,161,680</u>	<u>\$ 745,000</u>	<u>\$10,399,680</u>	<u>\$1,128,000</u>

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

4. Bonds and Notes Payable - (Continued)

General Obligation Bonds

A summary of the City's June 30, 2025 general obligation bonds payable is as follows:

Year Ending June 30,	2018A Fire Truck and Refunding Issued October 22, 2018			2018 Refund Hotel Bonds Issued October 22, 2018		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2026	3.00%	\$ 260,000	\$ 51,600	3.40%	\$ 175,000	\$ 25,572
2027	3.00	160,000	43,800	3.45	175,000	19,622
2028	3.00	165,000	39,000	3.60	190,000	13,586
2029	3.00	165,000	34,050	3.60	190,000	6,840
2030	3.00	170,000	29,100	-	-	-
2031-2035	3.00	800,000	24,000	-	-	-
2036-2040	-	-	-	-	-	-
2041-2045	-	-	-	-	-	-
Total		<u>\$1,720,000</u>	<u>\$221,550</u>		<u>\$ 730,000</u>	<u>\$ 65,620</u>

Year Ending June 30,	2020A Refunding Bond Issued July 21, 2020			2021A Refunding Bonds Issued May 5, 2021		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2026	2.75%	\$ 668,000	\$136,236	3.00%	\$ 305,000	\$ 54,650
2027	2.75	303,000	117,866	3.00	300,000	45,500
2028	2.75	311,000	109,532	2.00	310,000	36,500
2029	2.75	320,000	100,980	2.00	315,000	30,300
2030	2.75	521,000	92,180	2.00	300,000	24,000
2031-2035	2.75	2,831,000	237,738	2.00	900,000	36,000
2036-2040	-	-	-	-	-	-
2041-2045	-	-	-	-	-	-
Total		<u>\$4,954,000</u>	<u>\$794,532</u>		<u>\$2,430,000</u>	<u>\$226,950</u>

Year Ending June 30,	2021B Refunding Bonds Issued May 5, 2021			2021C Memorial Sewer Bonds Issued July 2, 2021		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2026	1.52%	\$ 340,000	\$ 7,716	1.75%	\$ 72,000	\$ 26,720
2027	1.82	140,000	2,548	1.75	73,000	25,280
2028	-	-	-	1.75	75,000	23,820
2029	-	-	-	1.75	76,000	22,320
2030	-	-	-	1.75	78,000	20,800
2031-2035	-	-	-	1.75	412,000	80,060
2036-2040	-	-	-	1.75	454,000	37,200
2041-2045	-	-	-	1.75	46,000	880
Total		<u>\$ 480,000</u>	<u>\$ 10,264</u>		<u>\$1,286,000</u>	<u>\$237,080</u>

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

4. Bonds and Notes Payable - (Continued)

General Obligation Bonds - (Continued)

Year Ending June 30,	2025A Fire Truck Bonds Issued January 9, 2025			Total		
	Interest Rates	Principal	Interest	Principal	Interest	Total
2026	3.75%	\$ 160,000	\$158,716	\$ 1,980,000	\$ 461,210	\$ 2,441,210
2027	3.75	296,000	107,820	1,447,000	362,436	1,809,436
2028	3.75	307,000	96,720	1,358,000	319,158	1,677,158
2029	3.75	319,000	85,208	1,385,000	279,698	1,664,698
2030	4.00	331,000	73,245	1,400,000	239,325	1,639,325
2031-2035	4.00	1,453,000	154,655	6,396,000	532,453	6,928,453
2036-2040	-	-	-	454,000	37,200	491,200
2041-2045	-	-	-	46,000	880	46,880
Total		<u>\$2,866,000</u>	<u>\$676,364</u>	<u>\$14,466,000</u>	<u>\$2,232,360</u>	<u>\$16,698,360</u>

On October 22, 2018, the City issued \$3,390,000 of general obligation bonds with an interest rate of 3.00% per annum. The bonds were issued to refund 2011 series general obligation bonds and the purchase of a fire truck. During the year ended June 30, 2025, the City paid \$255,000 of principal and \$59,250 of interest on the bonds.

On October 22, 2018, the City issued \$1,850,000 of general obligation bonds with interest rates ranging from 2.75% to 3.60% per annum. The bonds were issued to refund 2010 series general obligation bonds. During the year ended June 30, 2025, the City paid \$175,000 of principal and \$31,435 of interest on the bonds.

On July 21, 2020, the City issued \$8,171,000 of general obligation bonds with an interest rate of 2.75% per annum. The bonds were issued to refund 2015A and 2015B general obligation bonds. During the year ended June 30, 2025, the City paid \$650,000 of principal and \$154,110 of interest on the bonds.

On May 5, 2021, the City issued \$5,690,000 of general obligation bonds with interest rates ranging from 2.00% to 3.00% per annum. The bonds were issued to refund 2012C general obligation bonds, 2015 sales tax revenue bonds, and 2013C and 2015 storm water revenue bonds. During the year ended June 30, 2025, the City paid \$690,000 of principal and \$75,350 of interest on the bonds.

On May 5, 2021, the City issued \$930,000 of general obligation bonds with interest rates ranging from 0.47% to 1.82% per annum. The bonds were issued to refund the 2016A general obligation bonds. During the year ended June 30, 2025, the City paid \$120,000 of principal and \$9,300 of interest on the bonds.

On July 2, 2021, the City issued \$1,608,000 of general obligation bonds with an interest rate of 1.75% per annum. The City has advanced \$1,490,605 of the funds through the year ended June 30, 2025. The bonds were issued for a sewer project. During the year ended June 30, 2025, the City paid \$69,000 of principal and \$23,713 of interest on the bonds from the sewer fund.

On January 9, 2025, the City issued \$2,866,000 of general obligation bonds with an interest rate of 3.75% to 4.25% annum. The bonds were issued for the purchase of a firetruck. During the year ended June 30, 2025, the City paid no principal and no interest on the bonds.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

4. Bonds and Notes Payable - (Continued)

Urban Renewal Tax Increment Financing Revenue Notes

The City's June 30, 2025 urban renewal tax increment financing revenue notes payable is as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>2023 Urban Renewal Notes</u> <u>Issued June 15, 2023</u>		
	<u>Interest</u> <u>Rates</u>	<u>Principal</u>	<u>Interest</u>
2026	7.5%	\$ -	\$ 435,000
2027	7.5	-	435,000
2028	7.5	-	435,000
2029	7.5	-	435,000
2030	7.5	-	435,000
2031-2035	7.5	1,450,000	2,022,375
2036-2040	7.5	2,405,000	1,290,375
2041-2045	7.5	1,465,000	493,875
2046-2050	7.5	<u>480,000</u>	<u>54,375</u>
Total		<u>\$5,800,000</u>	<u>\$6,036,000</u>

The City issued \$5,800,000 of urban renewal tax increment financing (TIF) revenue bonds in June 2023 for the purpose of defraying a portion of the costs of various construction and refurbishing projects within the urban renewal district. The bonds are payable solely from the TIF receipts generated by increased property values in the City's urban renewal district and credited to the Special Revenue, Urban Renewal Tax Increment Fund in accordance with Chapter 403.19 of the Code of Iowa. TIF receipts are generally projected to produce 100% of the debt service requirements over the life of the bonds. The proceeds of the urban renewal tax increment financing revenue bonds shall be expended only for purposes which are consistent with the plans of the City's urban renewal area. The bonds are not a general obligation of the City. However, the debt is subject to the constitutional debt limitation of the City. Total principal and interest remaining on the bonds is \$11,836,000, payable through June 2047. During the year ended June 30, 2025, the City made no principal payments and \$435,000 of interest on the notes.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

4. Bonds and Notes Payable - (Continued)

Revenue Notes

A summary of the City's June 30, 2025 revenues notes bonds payable is as follows:

Year Ending June 30,	Storm Water Issued October 5, 2006			Sewer Issued April 5, 2007		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2026	2.00%	\$ 46,000	\$ 2,820	3.00%	\$ 42,000	\$ 2,580
2027	2.00	48,000	1,440	3.00	44,000	1,320
2028		-	-		-	-
2029		-	-		-	-
2030		-	-		-	-
2031-2035		-	-		-	-
2036-2040		-	-		-	-
2041-2045		-	-		-	-
Total		<u>\$ 94,000</u>	<u>\$ 4,260</u>		<u>\$ 86,000</u>	<u>\$ 3,900</u>

Year Ending June 30,	Water Issued September 26, 2019			Sewer Issued September 26, 2019		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2026	1.77%	\$ 267,000	\$ 30,940	1.73%	\$ 394,000	\$ 40,032
2027	1.77	274,000	26,214	1.73	401,000	33,216
2028	1.77	276,000	21,364	1.73	403,000	26,279
2029	1.77	283,000	16,479	1.73	409,000	19,307
2030	1.77	285,000	11,470	1.73	420,000	12,231
2031-2035	1.77	363,000	7,700	1.73	287,000	4,965
2036-2040		-	-		-	-
2041-2045		-	-		-	-
Total		<u>\$1,748,000</u>	<u>\$ 114,167</u>		<u>\$2,314,000</u>	<u>\$ 136,030</u>

Year Ending June 30,	Water Issued July 12, 2024			Water Issued July 12, 2024		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2026	3.77%	\$ 125,000	\$ 22,030	2.50%	\$ 166,000	\$ 106,450
2027	3.77	130,000	20,062	2.50	171,000	102,300
2028	3.77	134,000	15,076	2.50	175,000	98,025
2029	3.77	139,000	9,936	2.50	180,000	93,650
2030	3.77	120,025	4,604	2.50	184,000	89,150
2031-2035	3.77	-	-	2.50	991,000	374,400
2036-2040	3.77	-	-	2.50	1,122,000	244,200
2041-2045	3.77	-	-	2.50	1,269,000	96,800
Total		<u>\$ 648,025</u>	<u>\$ 71,708</u>		<u>\$4,258,000</u>	<u>\$1,204,975</u>
Unadvanced Proceeds		<u>\$2,981,975</u>				

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

4. Bonds and Notes Payable - (Continued)

Revenue Notes - (Continued)

Year Ending June 30,	Water Issued November 15, 2024			Water Issued November 15, 2024		
	Interest Rates	Principal	Interest	Interest Rates	Principal	Interest
2026	3.47%	\$ 38,000	\$ 1,827	2.43%	\$ 50,000	\$ 26,785
2027	3.47	14,657	509	2.43	51,000	29,379
2028	-	-	-	2.43	52,000	28,139
2029	-	-	-	2.43	53,000	26,876
2030	-	-	-	2.43	55,000	25,588
2031-2035	-	-	-	2.43	294,000	107,333
2036-2040	-	-	-	2.43	331,000	69,814
2041-2045	-	-	-	2.43	312,998	26,146
Total		<u>\$ 52,657</u>	<u>\$ 2,336</u>		<u>\$1,198,998</u>	<u>\$ 340,060</u>
Unadvanced Proceeds		<u>\$1,017,343</u>			<u>\$ 60,002</u>	
Year Ending June 30,	Total					
	Principal	Interest	Total			
2026	\$ 1,128,000	\$ 233,603	\$ 1,361,603			
2027	1,133,657	214,439	1,348,096			
2028	1,040,000	188,883	1,228,883			
2029	1,064,000	166,247	1,230,247			
2030	1,064,025	143,043	1,207,068			
2031-2035	1,935,000	494,398	2,429,398			
2036-2040	1,453,000	314,014	1,767,014			
2041-2045	1,581,998	122,946	1,704,944			
Total	<u>\$10,399,680</u>	<u>\$1,877,578</u>	<u>\$12,277,253</u>			

The City has pledged future water customer revenues, net of specified operating disbursements, to repay \$2,185,000, \$4,258,000, \$3,630,000, \$1,259,000, and \$1,074,000 of water revenue notes issued in September 2019, July 2024, July 2024, November 2024, and November 2024, respectively, and three of these revenue notes issued in 2024 allow advances as the projects progress. Proceeds from the notes provided financing for the construction of improvements to water system and refunding of debt from prior projects. The notes are payable solely from water customer net receipts and are payable through 2032. Annual principal and interest payments on the notes are expected to require approximately 61% of net receipts. The total principal and interest remaining to be paid on the notes is \$9,835,583. For the current year, principal and interest paid and total customer net receipts were \$381,109 and \$1,329,879, respectively.

The City has pledged future sewer customer receipts, net of specified operating disbursements, to repay \$660,000 and \$4,582,000 of sewer revenue notes issued in April 2007 and September 2019. Proceeds from the notes provided financing for the construction of improvements to the sewer treatment plant and refunding of debt from prior projects. The notes are payable solely from sewer customer net receipts and are payable through 2031. Annual principal and interest payments on the notes are expected to require less than 47% of net receipts. The total principal and interest remaining to be paid on the notes is \$2,539,930. The total principal and interest paid and total customer net receipts were \$573,732 and \$1,026,186, respectively.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

4. Bonds and Notes Payable - (Continued)

Revenue Bonds/Notes - (Continued)

The City has pledged future storm water customer receipts, net of specified operating disbursements, to repay \$729,000 of storm water revenue notes issued in October 2006. Proceeds from the notes provided financing for the construction of improvements to the storm water system. The notes are payable solely from storm water customer net receipts and are payable through 2027. Annual principal and interest payments on the notes are expected to require less than 75% of net receipts. The total principal and interest remaining to be paid on the notes is \$98,260. For the current year, principal and interest paid and total customer net receipts were \$47,433 and \$65,022, respectively.

The resolutions providing for the issuance of the revenue notes include the following provisions:

- A. The notes will only be redeemed from the future earnings of the enterprise activity and the note holders hold a lien on the future earnings of the funds.
- B. Sufficient monthly transfers shall be made to separate revenue note sinking and reserve accounts within the Enterprise Funds for the purpose of making the note principal and interest payments when due.
- C. The City is to establish user rates at a level which produces and maintains net revenues at a level not less than 110% of the amount of principal and interest on the notes falling due in the same year.

5. Pension Plans

Iowa Public Employees' Retirement System (IPERS)

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 the Iowa Public Employees' Retirement System. IPERS issues a stand-alone financial report which is available to the public by mail at PO Box 9117, Des Moines, Iowa 50306-9117 or at 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, any time 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 age 55, and may retire any time after reaching age 50 with 22 or more years of covered employment.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

5. Pension Plans - (Continued)

Iowa Public Employees' Retirement System (IPERS) - Continued

Pension Benefits - Continued

The formula used to calculate a protection occupation member's monthly IPERS benefit includes:

- 60% of average salary after completion of 22 years of service, plus an additional 1.5% of average salary for more than 22 years of service 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 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 the member receives benefits before the member's earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month 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. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires 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 2025, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the City contributed 9.44% of covered payroll, for a total rate of 15.73%. Protection occupation members contributed 6.21% of covered payroll and the City contributed 9.31% of covered payroll, for a total rate of 15.52%.

The City's contributions to IPERS for the year ended June 30, 2025 were \$319,204.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the City reported a liability of \$1,277,125 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, 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 IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the City's proportion was .035071%, which was a decrease of 0.000111% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025 the City's pension expense, deferred outflows of resources and deferred inflows of resources totaled \$154,252, \$848,138, and \$722,065, respectively.

There were no non-employer contributing entities to IPERS.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

5. Pension Plans - (Continued)

Iowa Public Employees' Retirement System - (Continued)

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, as follows:

Rate of inflation (effective June 30, 2017)	2.60% per annum
Rates of salary increase (effective June 30, 2017)	3.25 to 16.25% average, including inflation. Rates vary by membership group.
Long-term investment rate of return (effective June 30, 2017)	7.00% compounded annually, net of investment expense, including inflation.
Wage growth (effective June 30, 2017)	3.25% per annum, based on 2.60% inflation and 0.65% real wage inflation.

The actuarial assumptions used in the June 30, 2024 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 2024 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 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 geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	21.0%	3.52%
International equity	13.0	5.18
Global smart beta equity	5.0	4.12
Core plus fixed income	25.5	3.04
Public credit	3.0	4.53
Cash	1.0	1.69
Private equity	17.0	8.89
Private real assets	9.0	4.23
Private credit	<u>5.5</u>	6.62
Total	<u>100.0%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 7.00%. 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, 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).

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

5. Pension Plans - (Continued)

Iowa Public Employees' Retirement System - (Continued)

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 7.00%, 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% lower (6.00%) or 1% higher (8.00%) than the current rate.

	1% Decrease <u>6.00%</u>	Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
City's proportionate share of the net pension liability (asset)	\$3,221,281	\$1,277,125	\$ (351,158)

IPERS' Fiduciary Net Position - Detailed information about IPERS' fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS' website at www.ipers.org.

Municipal Fire and Police Retirement System (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 the City of Storm Lake 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.

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.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

5. Pension Plans - (Continued)

Municipal Fire and Police Retirement System - (Continued)

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% 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 stating 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 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% 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% 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% 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 9.55% of earnable compensation for the year ended June 30, 2025.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

5. Pension Plans - (Continued)

Municipal Fire and Police Retirement System - (Continued)

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% 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 22.66% for the year ended June 30, 2025.

The City's contributions to MFPRSI for the year ended June 30, 2025 was \$398,036.

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 nonemployer 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, 2025.

Net Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2025, the City reported a liability of \$2,859,430 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, 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 MFPRSI relative to the contributions of all MFPRSI participating employers. At June 30, 2024, the City's proportion was .43%, a decrease of .02% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the City pension expense, deferred outflows of resources, and deferred inflows of resources totaled \$412,951, \$1,048,572, and \$545,346, respectively.

Actuarial Assumptions - The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Rate of inflation	3.00%
Salary increase	3.75 to 15.11%, including inflation.
Investment rate of return	7.50%, net of investment expense, including inflation

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period ending June 30, 2023.

Mortality rates were based on 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.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

5. Pension Plans - (Continued)

Municipal Fire and Police Retirement System - (Continued)

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:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad Fixed Income	4.8%
Broad U.S. Equity	7.5
Global Equity	7.6
Broad Non-U.S. Equity	7.7
Managed Futures	5.5
Emerging Market	6.0
Real Estate - Core	9.8
Opportunistic Real Estate	6.7
Global Infrastructure	9.4
Private Credit	10.2
Private Equity	

Discount Rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed contributions will be made at 9.55% of covered payroll and the City's 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 to 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%, 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% lower (6.50%) or 1% higher (8.50%) than the current rate.

	<u>1% Decrease 6.50%</u>	<u>Discount Rate 7.50%</u>	<u>1% Increase 8.50%</u>
City's proportionate share of the net pension liability	\$4,975,003	\$2,859,430	\$1,108,318

Pension Plan Fiduciary Net Position - Detailed information about 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.

6. 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 spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. The City currently finances the benefit plan on a pay-as-you-go basis. For the year ended June 30, 2025, the City contributed \$1,198,396 and plan members eligible for benefits contributed \$130,711 to the plan. At June 30, 2025, no assets have been accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits - Individuals who are employed by the 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 benefits as active employees, which results in an implicit rate subsidy.

Retired participants must be age 55 or older at retirement, with the exception of special service participants who must be age 50 with 22 years of services. At June 30, 2025, there were 77 active employees and no inactive employee or beneficiaries currently receiving benefit payments.

7. Commitments

The City has entered into construction contracts totaling approximately \$15,800,000 for various public improvement projects within the City. As of June 30, 2025, approximately \$8,500,000 has been paid on the projects. The remaining \$7,300,000 will be paid as work on the projects progresses.

The City has entered into an agreement for the management of the airport for the year ending June 30, 2026 for \$5,957 per month.

The City has also entered into various agreements with S & L Hospitality through March 31, 2027, which provide for management fees as follows:

King's Pointe Resort - 3.5% of each month's gross revenues and 25% of excess budgeted profits.

King's Pointe Waterpark Resort - \$12,000 per month plus \$1,500 per month for accounting fees for five months of operation each fiscal year.

Sunrise Pointe Golf Course - \$1,500 per month plus 3.5% of gross revenues and \$750 per month accounting fees.

Sunrise Park cottages - 3.5% of gross revenues.

CITY OF STORM LAKE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2025

8. Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The City assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Effective August 1, 1983, the City adopted a plan of self-insurance for employee's health benefits. Deposits are made to the Employee Health Benefit Fund, an internal service fund of the City, to pay employee claims. An excess coverage insurance policy covers individual claims over \$25,000, or total group claims exceeding 125% of expected claims.

An actuarial study of the adequacy of reserves, rates, and financial condition of the Employee Health Benefit Fund was performed for the plan year January 1, 2024 to December 31, 2024. The study included census of covered members as of December 31, 2024, a summary of aggregate and specific excess loss reinsurance coverage, monthly claim expense information, a summary of revenue and expenses and review of the plan document summary description.

Following is a financial analysis of the plan for the year ended December 31, 2024.

Funds on hand - January 1, 2024	\$ 357,831
Contributions received	1,253,973
Other sources of revenue	<u>13,877</u>
	1,625,681
Claims paid	1,011,799
Aggregate stop-loss premiums and other charges	<u>498,298</u>
	\$ <u>115,584</u>
Funds on hand - December 31, 2024	

9. 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, retirement, or death. These accumulations are not recognized as disbursements by the City until used or paid. The City's approximated liability for earned vacation, sick leave and longevity payable to employees at June 30, 2025, primarily relating to the General Fund is as follows:

Vacation	\$237,377
Sick Leave	453,913
Longevity	<u>22,900</u>
Total	<u>\$714,190</u>

10. Deferred Compensation

The City offers its employees deferred compensation plans as allowed by the Internal Revenue Code Section 457. City employees are allowed to defer a portion of the current salary until future years. The employee becomes eligible to withdraw funds upon termination, retirement, death, or unforeseeable emergency.

The City has adopted GASB Statement 32 and does not report the assets of the plans on its balance sheet.

11. Litigation

The City is party to various legal proceedings which normally occur in the course of governmental operations. The financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings. City officials believe the outcome of these matters will not have a material adverse effect on the City's financial statements.

12. Development Agreements

The City has entered into four development agreements to assist in certain urban renewal projects. The City agreed to rebate incremental property tax paid by the participating companies with respect to the improvements set forth in the urban renewal plan. The incremental property tax to be received by the City under Chapter 403.19 of the Code of Iowa from the participating companies will be rebated for a period from three to ten years beginning with the tax year in which the property tax on the completed value of the improvements is first paid. During the year ended June 30, 2025, the City rebated \$183,913 of incremental property tax to the participating companies. At June 30, 2025, the remaining balance to be paid on the agreements was \$3,822,240.

13. 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 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, 2025, the City abated \$183,913 of property tax under the urban renewal and economic development projects.

14. Accounting Change / Restatement

Beginning net position for business-type activities and beginning cash balance for King's Pointe were restated to reflect a correction of King's Pointe cash balance.

	<u>Net Position Business type Activities</u>	<u>Cash Balance - King's Pointe</u>
June 30, 2024, as previously stated	\$11,119,908	\$ 385,396
Correction of King's Pointe cash balance	<u>(62,912)</u>	<u>(62,912)</u>
June 30, 2024, as restated	<u>\$11,056,996</u>	<u>\$ 322,484</u>

SUPPLEMENTAL INFORMATION

CITY OF STORM LAKE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listings Number</u>	<u>Agency Pass-Through Number</u>	<u>Program Expenditures</u>
Direct:			
Federal Aviation Administration COVID-19 Airport Coronavirus Response Grant	20.106	3-19-0088-018-2023	\$ 321,371
Department of Treasury Coronavirus State and Local Fiscal Recovery Funds	21.027	22-26698	781,558
Indirect:			
U.S. Department of Housing and Urban Development: Iowa Department of Economic Development: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	24-WS-005	313,541
Department of Homeland Security Hazard Mitigation Grant	97.039	HMGP-DR-4483IA-0026	<u>640,540</u>
Total			<u>\$2,057,010</u>

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2025. 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 the City, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the City.

Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the basis of cash receipts and disbursements, which is a basis of accounting other than U.S. generally accepted accounting principles. 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 has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

OTHER INFORMATION

CITY OF STORM LAKE
BUDGETARY COMPARISON SCHEDULE OF
RECEIPTS, DISBURSEMENTS, AND CHANGES IN BALANCES -
BUDGET AND ACTUAL (CASH BASIS) - ALL GOVERNMENTAL FUNDS
AND PROPRIETARY FUNDS
OTHER INFORMATION
YEAR ENDED JUNE 30, 2025

	Governmental Funds <u>Actual</u>	Proprietary Funds <u>Actual</u>	<u>Total</u>
Receipts:			
Property tax	\$ 5,279,398	\$ -	\$ 5,279,398
Tax increment financing	3,286,829	-	3,286,829
Other city tax	3,287,955	-	3,287,955
Licenses and permits	163,987	-	163,987
Use of money and property	248,190	383,640	631,830
Intergovernmental	2,846,314	470,658	3,316,972
Charges for service	1,200,125	16,729,161	17,929,286
Miscellaneous	289,079	572,248	861,327
Total receipts	<u>16,601,877</u>	<u>18,155,707</u>	<u>34,757,584</u>
Disbursements:			
Public safety	3,859,215	-	3,859,215
Public works	1,931,981	-	1,931,981
Health and social services	7,896	-	7,896
Culture and recreation	1,584,684	-	1,584,684
Community and economic development	933,833	-	933,833
General government	950,292	-	950,292
Debt service	2,706,374	-	2,706,374
Capital projects	8,316,089	-	8,316,089
Business type activities	-	24,092,665	24,092,665
Total disbursements	<u>20,290,364</u>	<u>24,092,665</u>	<u>44,383,029</u>
Excess (deficiency) of receipts over disbursements	(3,688,487)	(5,936,958)	(9,625,445)
Other financing sources - net	<u>2,734,651</u>	<u>5,693,889</u>	<u>8,428,540</u>
Change in fund balances	(953,836)	(243,069)	(1,196,905)
Balance - beginning of year	<u>8,738,260</u>	<u>11,056,996</u>	<u>19,795,256</u>
Balance - end of year	<u>\$ 7,784,424</u>	<u>\$10,813,297</u>	<u>\$18,598,351</u>

<u>Budgeted Amounts</u>		<u>Final</u>
<u>Original</u>	<u>Final</u>	<u>To Total Variance</u>
\$4,902,609	\$ 4,902,609	\$ 376,789
3,247,465	3,247,465	39,364
3,646,940	3,646,940	(358,985)
124,500	162,931	1,056
2,100	540,720	91,110
6,436,651	3,924,910	(607,938)
18,123,444	18,123,444	(194,158)
38,175	223,255	638,072
<u>36,521,885</u>	<u>34,772,274</u>	<u>(14,690)</u>
4,199,753	4,274,609	415,394
2,120,229	2,120,229	188,248
33,000	33,000	25,104
2,011,863	2,052,678	467,994
1,134,847	1,149,847	216,014
894,948	1,001,523	51,231
2,758,615	2,807,609	101,235
3,123,200	10,166,901	1,850,812
<u>29,196,126</u>	<u>25,742,999</u>	<u>1,650,334</u>
<u>45,472,581</u>	<u>49,349,395</u>	<u>4,966,366</u>
(8,950,697)	(14,577,121)	(4,981,056)
<u>9,137,582</u>	<u>12,003,582</u>	<u>3,575,042</u>
186,885	(2,573,539)	<u>\$(1,406,014)</u>
<u>22,948,113</u>	<u>22,948,113</u>	
<u>\$23,134,998</u>	<u>\$20,374,574</u>	

CITY OF STORM LAKE
NOTES TO OTHER INFORMATION - BUDGETARY REPORTING
JUNE 30, 2025

The budgetary comparison is presented 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 on the cash basis following required public notice and hearing for all funds except the Internal Service Fund. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures.

Formal and legal budgetary control is based upon nine major classes of disbursements known as functions, not by fund. These nine functions are: public safety, public works, health and social services, culture and recreation, community and economic development, general government, debt service, capital projects, and business type activities. Function disbursements required to be budgeted include disbursements for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Fund, the Permanent Fund, 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. During the year ended June 30, 2025, three budget amendments increased budgeted disbursements by \$3,876,814. The budget amendments are reflected in the final budgeted amounts.

CITY OF STORM LAKE
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
FOR THE LAST TEN YEARS *
OTHER INFORMATION
JUNE 30, 2025

Iowa Public Employees' Retirement System

	<u>2025</u>	<u>2024</u>	<u>2023</u>
City's proportion of the net pension liability (asset)	.035071%	.034960%	.034218%
City's proportionate share of the net pension liability (asset)	\$ 1,277,125	\$ 1,577,975	\$ 1,292,818
City's covered-employee payroll	\$ 3,384,948	\$ 3,186,305	\$ 2,874,923
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	37.70%	49.52%	44.97%
Plan fiduciary net position as a percentage of the total pension liability	92.30%	90.13%	91.40%

Municipal Fire and Police Retirement System of Iowa

	<u>2025</u>	<u>2024</u>	<u>2023</u>
City's proportion of the net pension liability	0.43%	0.41%	0.42%
City's proportionate share of the net pension liability	\$ 2,859,430	\$ 2,567,873	\$ 2,390,156
City's covered-employee payroll	\$ 1,594,290	\$ 1,480,531	\$ 1,396,692
City's proportionate share of the net pension liability as a percentage of its covered-employee payroll	65.77%	173.44%	171.13%
Plan fiduciary net position as a percentage of the total pension liability	83.37%	83.53%	84.62%

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

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
.0056476%	.0267644%	.0279345%	0.0269526%	0.0271135%	0.0295327%	0.0323609%
\$ (19,497)	\$ 1,880,127	\$ 1,617,593	\$ 1,705,990	\$ 1,806,100	\$ 1,858,588	\$ 1,598,785
\$ 2,535,216	\$ 2,191,697	\$ 2,041,867	\$ 2,097,263	\$ 2,096,304	\$ 2,190,629	\$ 2,318,383
(0.77%)	85.78%	79.22%	81.34%	86.16%	84.84%	68.96%
100.81%	82.90%	85.45%	83.62%	82.21%	81.82%	85.19%

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
0.40%	0.38%	0.38%	0.361872%	0.36767%	0.338812%	0.379704%
\$ 905,189	\$ 3,007,440	\$ 2,478,438	\$ 2,154,598	\$ 2,156,293	\$ 2,118,459	\$ 1,783,904
\$ 1,310,638	\$ 1,197,959	\$ 1,035,228	\$ 1,051,819	\$ 1,041,323	\$ 918,136	\$ 995,759
69.06%	251.05%	239.41%	204.84%	207.07%	230.73%	179.15%
93.62%	76.47%	79.94%	81.07%	80.60%	78.20%	83.04%

CITY OF STORM LAKE
SCHEDULE OF CITY CONTRIBUTIONS
LAST TEN YEARS
OTHER INFORMATION
JUNE 30, 2025

Iowa Public Employees' Retirement System

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Statutorily required contributions	\$ 319,204	\$ 319,423	\$ 300,673	\$ 271,300
Contributions in relation to the statutorily required contribution	<u>(319,204)</u>	<u>(319,423)</u>	<u>(300,673)</u>	<u>(271,300)</u>
Contribution of deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$3,383,487	\$3,384,948	\$3,186,305	\$2,874,923
Contributions as a percentage of covered-employee payroll	9.44%	9.44%	9.44%	9.44%

Municipal Fire and Police Retirement System of Iowa

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Statutorily required contributions	\$ 398,036	\$ 366,368	\$ 353,847	\$ 375,281
Contributions in relation to the statutorily required contribution	<u>(398,036)</u>	<u>(366,368)</u>	<u>(353,847)</u>	<u>(375,281)</u>
Contribution of deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$1,756,556	\$1,594,290	\$1,480,531	\$1,396,692
Contributions as a percentage of covered-employee payroll	22.66%	22.98%	23.90%	26.87%

Iowa Public Employees' Retirement System

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 239,446	\$ 207,245	\$ 192,049	\$ 187,932	\$ 187,899	\$ 196,320
<u>(239,446)</u>	<u>(207,245)</u>	<u>(192,049)</u>	<u>(187,932)</u>	<u>(187,899)</u>	<u>(196,320)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$2,535,216	\$2,191,697	\$2,041,867	\$2,097,263	\$2,096,304	\$2,190,629
9.44%	9.45%	9.41%	8.96%	8.96%	8.96%

Municipal Fire and Police Retirement System of Iowa

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 331,281	\$ 292,802	\$ 269,367	\$ 270,107	\$ 269,911	\$ 254,972
<u>(331,281)</u>	<u>(292,802)</u>	<u>(269,367)</u>	<u>(270,107)</u>	<u>(269,911)</u>	<u>(254,972)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$1,310,638	\$1,197,959	\$1,035,228	\$1,051,819	\$1,041,323	\$ 918,136
25.28%	24.44%	26.02%	25.68%	25.92%	27.77%

CITY OF STORM LAKE
NOTES TO OTHER INFORMATION - PENSION LIABILITY
YEAR ENDED JUNE 30, 2025

Iowa Public Employees' Retirement System

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%.

CITY OF STORM LAKE
NOTES TO OTHER INFORMATION - PENSION LIABILITY - Continued
YEAR ENDED JUNE 30, 2025

Municipal Fire and Police Retirement System of Iowa

Changes of Benefit Terms

There were no significant changes of benefit terms.

Changes of Assumptions:

The 2018 valuation changed postretirement mortality rates to the RP-2014 Blue Collar Health 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 with Scale BB.

The 2016 valuation changed postretirement mortality rates based on 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.

CITY OF STORM LAKE
SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCES
NONMAJOR GOVERNMENTAL FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

	Special Revenue			
	Tort Insurance	Sales Tax Increment	Crime Prevention	Library
Receipts:				
Property tax	\$ 123,247	\$ -	\$ -	\$ -
Other city tax	2,592	-	-	-
Use of money and property	-	-	-	128
Intergovernmental	-	249,937	-	-
Charges for services	184,431	-	-	-
Miscellaneous	-	-	112,539	8,823
Total receipts	<u>310,270</u>	<u>249,937</u>	<u>112,539</u>	<u>8,951</u>
Disbursements:				
Operating:				
Public safety	-	-	35,255	-
Culture and recreation	-	-	47,934	2,248
General government	<u>242,755</u>	-	-	-
Total disbursements	<u>242,755</u>	-	<u>83,189</u>	<u>2,248</u>
Excess (deficiency) of revenues over (under) expenditures	67,515	249,937	29,350	6,703
Other financing sources (uses):				
Transfers in (out)	-	(249,937)	-	-
Net change in cash balances	67,515	-	29,350	6,703
Cash balances - beginning of year	<u>27,252</u>	-	<u>102,708</u>	<u>137,377</u>
Cash balances - end of year	<u>\$ 94,767</u>	<u>\$ -</u>	<u>\$ 132,058</u>	<u>\$ 144,080</u>
Cash Basis Fund Balances				
Nonspendable - Library	\$ -	\$ -	\$ -	\$ -
Restricted for:				
Other purposes	<u>94,767</u>	-	<u>132,058</u>	<u>144,080</u>
Total cash basis fund balances	<u>\$ 94,767</u>	<u>\$ -</u>	<u>\$ 132,058</u>	<u>\$ 144,080</u>

See Accompanying Independent Auditors' Report

<u>Law Enforcement</u>	<u>Permanent Emma Meyers Trust</u>	<u>Total</u>
\$ -	\$ -	\$ 123,247
-	-	2,592
474	5	607
-	-	249,937
-	-	184,431
25,752	-	147,114
<u>26,226</u>	<u>5</u>	<u>707,928</u>
51,094	-	86,349
-	-	50,182
-	-	242,755
<u>51,094</u>	<u>-</u>	<u>379,286</u>
(24,868)	5	328,642
<u>-</u>	<u>-</u>	<u>(249,937)</u>
(24,868)	5	78,705
<u>156,941</u>	<u>2,920</u>	<u>427,198</u>
<u>\$ 132,073</u>	<u>\$ 2,925</u>	<u>\$ 505,903</u>
\$ -	\$ 2,925	\$ 2,925
<u>132,073</u>	<u>-</u>	<u>502,978</u>
<u>\$ 132,073</u>	<u>\$ 2,925</u>	<u>\$ 505,903</u>

CITY OF STORM LAKE
COMBINING SCHEDULE OF CASH RECEIPTS, DISBURSEMENTS,
AND CHANGES IN CASH BALANCES
CUSTODIAL FUNDS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2025

	Lake Improvements <u>Commission</u>	<u>Drainage</u>	<u>Total</u>
Receipts	\$ 25,000	\$ -	\$ -
Disbursements	<u>(38,144)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(13,144)	-	-
Cash balances - beginning of year	<u>52,963</u>	<u>10,150</u>	<u>63,113</u>
Cash balances - end of year	<u>\$ 39,819</u>	<u>\$ 10,150</u>	<u>\$ 63,113</u>

CITY OF STORM LAKE
SCHEDULE OF RECEIPTS BY SOURCE AND DISBURSEMENTS BY FUNCTION -
ALL GOVERNMENTAL FUNDS
FOR THE LAST TEN YEARS
YEAR ENDED JUNE 30, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Receipts:				
Property tax	\$ 5,279,398	\$ 4,684,509	\$ 4,970,749	\$ 4,730,119
Tax increment financing	3,286,829	1,835,263	819,641	828,352
Other city tax	3,287,955	3,405,559	3,501,118	3,185,817
Licenses and permits	163,987	144,725	240,660	142,059
Use of money and property	248,190	400,316	163,910	26,705
Intergovernmental	2,846,314	3,417,240	5,552,397	1,736,151
Charges for services	1,200,125	1,343,537	1,364,869	1,156,346
Miscellaneous	<u>289,079</u>	<u>181,277</u>	<u>116,546</u>	<u>2,088,631</u>
Total	<u>\$16,601,877</u>	<u>\$15,412,426</u>	<u>\$16,729,890</u>	<u>\$13,894,180</u>
Disbursements:				
Operating:				
Public safety	\$ 3,859,215	\$ 3,346,236	\$ 3,343,398	\$ 3,124,103
Public works	1,931,981	1,969,007	2,026,167	1,877,813
Health and social services	7,896	22,692	18,252	7,743
Culture and recreation	1,584,684	1,759,614	1,573,547	1,393,372
Community and economic development	933,833	479,081	546,582	394,870
General government	950,292	807,596	682,499	736,296
Debt service	2,706,374	2,643,858	2,236,176	2,223,950
Capital projects	<u>8,316,089</u>	<u>4,875,024</u>	<u>7,491,185</u>	<u>4,877,168</u>
Total	<u>\$20,290,364</u>	<u>\$15,903,108</u>	<u>\$17,917,806</u>	<u>\$14,635,315</u>

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 4,583,513	\$ 4,447,283	\$ 4,489,523	\$ 4,399,828	\$ 4,548,875	\$ 3,992,039
825,516	876,997	872,126	784,218	895,498	740,590
3,084,831	2,733,116	2,685,607	2,490,531	2,180,362	2,218,063
202,078	276,641	136,798	180,457	251,129	152,648
161,028	831,931	301,843	154,242	136,203	145,908
1,973,114	1,457,020	1,458,452	1,933,035	1,542,127	3,610,380
1,487,547	1,047,375	1,014,259	1,428,568	1,584,278	1,190,134
225,236	312,635	334,543	271,121	92,470	308,636
<u>\$12,542,863</u>	<u>\$11,982,998</u>	<u>\$11,293,151</u>	<u>\$11,642,000</u>	<u>\$11,230,942</u>	<u>\$12,358,398</u>
\$ 2,485,975	\$ 2,676,122	\$ 3,348,142	\$ 2,579,754	\$ 2,652,180	\$ 2,482,958
1,357,412	1,307,089	1,521,825	1,294,002	1,242,953	1,340,444
529	8,262	15,652	7,328	7,618	7,415
1,240,124	1,538,533	1,280,576	2,063,815	1,785,370	1,509,367
239,044	367,206	581,880	481,471	518,640	504,137
780,286	609,907	632,210	483,840	457,803	535,842
16,566,449	2,209,723	6,827,832	2,191,924	2,082,846	3,002,542
3,007,937	1,733,621	415,687	1,330,756	616,305	4,200,526
<u>\$25,677,756</u>	<u>\$10,450,463</u>	<u>\$14,623,804</u>	<u>\$10,432,890</u>	<u>\$ 9,363,715</u>	<u>\$13,583,231</u>

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*

To the Honorable Mayor and
Members of the City Council
Storm Lake, IA 50588

We have audited 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, the financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the City of Storm Lake, Iowa, as of and for the year ended June 30, 2025, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 19, 2026. Our report expressed unmodified opinions on the financial statements which were prepared on the basis of cash receipts and disbursements, a basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures 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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 a material misstatement of the City'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 which 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. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses and significant deficiencies may exist that were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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 the 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, 2025 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.

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 the City during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Winther, Stave & Co., LLP

March 19, 2026
Spencer, Iowa

Independent Auditors' Report on Compliance
for Each Major Federal Program and on Internal Control Over
Compliance Required by The Uniform Guidance

The Honorable Mayor and
Members of the City Council
City of Storm Lake
Storm Lake, IA 50588

Report on Compliance for Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Storm Lake, Iowa's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the City's major federal programs for the year ended June 30, 2025. The City's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2025.

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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City 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 the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements of 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.

Auditors' 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 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 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 Auditors' 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 been 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.

Winchester, Starn & Co., LLC

March 19, 2026
Spencer, Iowa

CITY OF STORM LAKE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Part I: Summary of the Independent Auditors' Results:

- a. Unmodified opinions were issued on the financial statements which were prepared on the basis of cash receipts and disbursements, which is a basis of accounting other than accounting principles generally accepted in the United States of America.
- b. No 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. No material weakness in internal control over a major program was disclosed by the audit of the financial statements.
- e. An unmodified opinion was issued on compliance with requirements applicable to the major programs.
- f. The audit disclosed no audit findings which are required to be reported in accordance with the Uniform Guidance, Section 200.516.
- g. The major programs were:
 - Assistance Listing Number 21.027 - Coronavirus State and Local Fiscal Recovery Funds.
 - Assistance Listing Number 14.228 - Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii.
- h. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- i. The City of Storm Lake did not qualify as a low-risk auditee.

CITY OF STORM LAKE
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

Part II: Findings Related to the Financial Statements

INTERNAL CONTROL DEFICIENCY:

No matters were noted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

Part III: Finding and Questioned Costs for Federal Awards

INTERNAL CONTROL DEFICIENCY:

No matters were noted.

INSTANCES OF NON-COMPLIANCE:

No matters were noted.

CITY OF STORM LAKE
SCHEDULE OF FINDINGS - Continued
FOR THE YEAR ENDED JUNE 30, 2025

Part IV: Other Findings Related to Required Statutory Reporting

- 2025-A Certified Budget - Disbursements during the year ended June 30, 2025 did not exceed the amounts budgeted.
- 2025-B Questionable Disbursements - No expenditures that did not meet the requirement of public purpose as defined in an Attorney General's opinion dated April 25, 1979, were noted.
- 2025-C Travel Expense - No expenditures of the City for travel expenses of spouses of City officials or employees were noted.
- 2025-D Business Transactions - No business transactions between the City and City officials or employees were noted.
- 2025-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.
- 2025-F Bond Coverage - Surety bond coverage of City officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that the coverage is adequate for current operations.
- 2025-G Council Minutes - No transactions were found that we believe should have been approved in the Council minutes but were not.
- 2025-H Deposits and Investments - We noted 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.
- 2025-I Revenue Notes - No instances of noncompliance with the revenue bond and note resolutions were noted.
- 2025-J Annual Urban Renewal Report - The Annual Urban Renewal Report for the fiscal year ended June 30, 2024 was approved and certified to the Iowa Department of Management on or before December 1, 2024.

City of Storm Lake
Summary Schedule of Prior Federal Audit Findings
For the year ended June 30, 2025

Comment Reference	Comment Title	Status	If Not Corrected, Provide Planned Corrective Action or Other Explanation
None noted			



March 19, 2026

Winther, Stave & Co., LLP
PO Box 175
Spencer, IA 51301

City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

This representation letter is provided in connection with your audit of the financial statements of the City of Storm Lake, which comprise the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2025, and the respective changes in financial position, for the year then ended and the disclosures to financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in conformity with the cash receipts and disbursements basis of accounting.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgement of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during the audit.

Financial Statements

1. We have fulfilled our responsibilities as set out in the terms of the audit engagement letter dated May 23, 2024, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with the cash receipts and disbursements basis of accounting and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud.

5. Significant assumptions we used in making accounting estimates, including those measured in fair value, are reasonable.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of the cash receipts and disbursements basis of accounting.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustments to or disclosure in the financial statements or in the schedule of findings and questioned costs.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with the cash receipts and disbursement basis of accounting.
9. There are no uncorrected misstatements which are material, either individually and in the aggregate, to the financial statements as a whole for each opinion unit.
10. Guarantees, whether oral or written, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided with you:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the City Council from July 2023 to the present or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

14. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
- Management,
 - Employees who have significant roles in internal controls, or
 - Others where the fraud could have a material effect on the financial statements.
15. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
17. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing financial statements.
18. We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Government - Specific

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of law, regulations, contracts, and grant agreements, or abuse that you have reported to us.
21. We have a process to track the status of audit findings and recommendations.
22. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
23. We have provided our views on reporting findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
24. The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, or fund balance/net position.

25. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
26. We have identified and disclosed to you all instances that have occurred or are likely to have occurred or fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attentions of those charged with governance.
27. We have identified and disclosed to you all instances that have occurred or are likely to have occurred of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objective.
28. We have identified and disclosed to you all instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objective.
29. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
30. As part of the audit, you assisted with preparations of the financial statements and related notes and schedule of expenditures of federal awards which we prepared. We acknowledge our responsibility as it relates to those non-audit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the result of services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal award.
31. The City has satisfactory title to all owned assets, and there are no liens or encumbrances of such assets nor has any asset been pledged as collateral.
32. The City has complied with all aspects of contract agreements that would have material effect on the financial statements in the event of noncompliance.
33. The financial statements include, if any, all component units, as well as joint ventures with and equity interest and properly disclose all other joint ventures and other related organizations.
34. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended, and GASB No. 84.

35. All funds that meet the quantitative criteria in GASBS nos. 34 and 37 for presentation as major are identified and presented as such, and all other funds that are presented as major are particularly important to financial statement users.
36. Components of net position (restricted and unrestricted) and classifications of fund balance (non-spendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
37. Disbursements have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
38. Receipts are appropriately classified in the statement of activities within program receipts, general receipts, contributions to term or permanent endowments, or contributions to permanent fund principal.
39. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
40. We have appropriately disclosed the City's policy regarding whether the first apply restricted or unrestricted resources when a disbursement is incurred for purposes of which both restricted and unrestricted net position is available and have determined that net position is properly organized under the policy.
41. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classification for financial reporting purposes.
42. With respect to federal award program:
 - a. We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements related to preparation of the schedule of expenditures of federal award.
 - b. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and related notes in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.
 - c. If the SEFA is not presented with the audit financial statements, we will make the audited financial statements readily available to the intended user of the SEFA no later than the date we issue the SEFA and the auditors' report thereon.

- d. We have identified and disclosed to you all of our government programs related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have direct and material effect on each major program.
- f. We are responsible for establishing and maintaining, and have established and maintained, effective internal controls over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g. We have made available to you all federal awards (including amendments, if any) and other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h. We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and confirm that there are no known amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.
- j. We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communication received from the end of the period covered by the compliance audit to the date of the auditors' report.
- k. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly related to the objective of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.

- l. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniforms Guidance (2 CFR Part 200, Subpart E).
- m. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal programs financial reports and claims for advances and reimbursements.
- o. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p. There are not such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.
- q. No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective actions we have taken regarding significant deficiencies or material weaknesses in internal control over compliance subsequent to the period covered by the auditor's report.
- r. Federal programs financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
- s. The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically submitted, to the respective federal agency or pass-through entity, as applicable.
- t. We have charged costs to federal awards in accordance with applicable cost principles.
- u. We are responsible for and have accurately prepared the summary schedule for prior audit findings to include all findings required to be included by the Uniform Guidance and we have provided you with all information on the status of the follow-up on prior audit findings by federal award agencies, including all management decisions.
- v. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by Uniform Guidance.
- x. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a correction action plan that meets the requirements of the Uniform Guidance.

Signed:

Mayor

Signed:

City Manager

Signed:

City Treasurer

Staff Summary

4/6/2026

Agenda Item # F.3.



REPORT TO: Honorable Mayor & Council

FROM: Tyler Gibbins, Finance Director

SUBJECT: **Motion Setting Public Hearing on Fiscal Year 2026-2027 Budget**

BACKGROUND: This agenda item will set the Public Hearing for the Fiscal Year 2026-2027 budget for Monday, April 20th, 2026 at 5:00 PM in the City Council Chambers.

State of Iowa Code requires that the City hold a public hearing on any budget or budget amendments prior to adoption. Notice of the public hearing will be published in the newspaper as required by law.

Upon conclusion of the public hearing and approval, the budget will be submitted for adoption by the April 30th deadline.

FISCAL IMPACT: The fiscal impact to set the public hearing is the cost of the publication.

RECOMMENDATION: Set the public hearing for Monday, April 20th, 2026 at 5:00 PM in the Council Chambers.

ATTACHMENTS:

1. Draft FY2027 Proposed Budget Notice

NOTICE OF PUBLIC HEARING -- PROPOSED BUDGET
Fiscal Year July 1, 2026 - June 30, 2027

City of: **STORM LAKE**

The City Council will conduct a public hearing on the proposed Budget at: (entered upon publish) Meeting Date: (entered upon publish) Meeting Time: (entered upon publish)

At the public hearing any resident or taxpayer may present objections to, or arguments in favor of, any part of the proposed budget. This notice represents a summary of the supporting detail of revenues and expenditures on file with the City Clerk and County Auditor.

City budgets are subject to protest. If protest petition requirements are met, the State Appeal Board will hold a local hearing. For more information, consult <https://dom.iowa.gov/local-budget-appeals>.

The Budget Estimate Summary of proposed receipts and expenditures is shown below. Copies of the the detailed proposed Budget may be obtained or viewed at the offices of the Mayor, City Clerk, and at the Library.				
The estimated Total tax levy rate per \$1000 valuation on regular property				15.17441
The estimated tax levy rate per \$1000 valuation on Agricultural property is				3.00375
At the public hearing, any resident or taxpayer may present objections to, or arguments in favor of, any part of the proposed budget.				
Phone Number (712) 732-8000		City Clerk/Finance Officer's NAME (entered upon publish)		
		Budget FY 2027	Re-estimated FY 2026	Actual FY 2025
Revenues & Other Financing Sources				
Taxes Levied on Property	1	5,721,257	5,671,283	5,240,315
Less: Uncollected Property Taxes-Levy Year	2	0	0	0
Net Current Property Taxes	3	5,721,257	5,671,283	5,240,315
Delinquent Property Taxes	4	0	0	0
TIF Revenues	5	3,142,026	3,332,025	3,278,065
Other City Taxes	6	3,698,701	3,722,902	3,287,955
Licenses & Permits	7	128,270	163,270	164,287
Use of Money and Property	8	4,295	336,729	630,680
Intergovernmental	9	11,975,332	3,995,805	3,379,749
Charges for Fees & Service	10	20,784,053	18,927,369	18,314,009
Special Assessments	11	0	0	0
Miscellaneous	12	37,980	659,275	461,074
Other Financing Sources	13	226,500	2,736,465	8,976,575
Transfers In	14	14,413,923	16,477,041	22,127,069
Total Revenues and Other Sources	15	60,132,337	56,022,164	65,859,778
Expenditures & Other Financing Uses				
Public Safety	16	4,732,345	4,588,192	4,257,008
Public Works	17	1,993,231	1,968,623	1,930,609
Health and Social Services	18	23,500	23,000	7,896
Culture and Recreation	19	2,156,166	1,965,958	2,033,697
Community and Economic Development	20	588,174	638,876	919,291
General Government	21	1,128,744	1,164,115	950,293
Debt Service	22	2,246,676	2,859,503	2,706,374
Capital Projects	23	5,433,450	2,252,700	8,316,089
Total Government Activities Expenditures	24	18,302,286	15,460,967	21,121,257
Business Type / Enterprises	25	30,377,162	25,031,270	23,643,652
Total ALL Expenditures	26	48,679,448	40,492,237	44,764,909
Transfers Out	27	14,413,923	16,477,041	22,127,069
Total ALL Expenditures/Transfers Out	28	63,093,371	56,969,278	66,891,978
Excess Revenues & Other Sources Over (Under) Expenditures/Transfers Out	29	-2,961,034	-947,114	-1,032,200
Beginning Fund Balance July 1	30	17,650,029	18,597,143	19,793,884
Ending Fund Balance June 30	31	14,688,995	17,650,029	18,761,684

Staff Summary

4/6/2026

Agenda Item # F.4.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Scott Olesen, Building and Code Compliance Director

SUBJECT: **Public Hearing For A Proposed Rezoning of 211 E 13th Street**

BACKGROUND: Axis Property has purchased the property located at 211 E 13th Street. The lot is currently zoned IN-2 Institutional Facilities and is 3.54 acres in size. The request is to change the Zoning to the R-4, High Density Residential Zoning District. The lot is currently bounded on three sides by the R-4 Zoning District. Therefore, the re-zoning would not create an island. The lot is also adjacent to the CC, Community Commercial Zoning District and these uses would not be incompatible. The areas adjacent to the subject property that are currently Zoned R-4, have mainly been developed as multifamily units. Axis Properties intends to use the lot to build apartments if the re-zoning is approved.

Comprehensive Plan relationship:

Page 14 Goal 1: "Increase the amount of infill and greenfield development."

Page 24 Goal 1: "Provide an array of housing options to attract and retain households, residents, and families of varying sizes, ages, diversities, cultures, incomes and needs."

In accordance with Article 1204 of the Zoning Ordinance, The Planning and Zoning Commission shall determine the following:

1) Whether the current classification of the property to be re-zoned is valid.

The area under consideration is currently Zoned IN-2, Institutional Facilities Zoning District. The future land use map shows this as Neighborhood Mixed Use. The Comprehensive Plan on Page 26,

"Provide an array of housing options to attract and retain households." There has not been an apartment-style multifamily project since 2013. This will provide a different option. It is adjacent to other R-4 properties, so it would not create an island.

2) Whether there is a need for additional land zoned for the purpose requested.

According to Table 2.1 of the Comprehensive Plan, multifamily residential land use is 2.3% of the total land use in the City and future land use is intended to increase to 6.7% as shown in Table 2.2.

3) Whether the proposed change is consistent with the current land use plan, considering such factors:

i. Whether the re-zoning would result in a population density or development which would in turn cause a demand for services and utilities in excess of the capacity planned for the area.

The current sewer and water mains in the area should be adequate to serve future development. The area is served by a 12-inch sanitary sewer main and has access to a 6-inch water mains. There is a 24-inch stormwater main across the street.

ii. Whether the re-zoning would result in the generating of traffic in excess of the capacity of existing and planned streets in the vicinity.

The streets adjacent to the project are sized for a local street and the proposed development will not exceed its capacity.

iii. Whether there is intent on the part of the applicant to develop the property diligently and within a reasonable time.

The Developer is interested in moving forward in an expeditious manner.

The Storm Lake Planning and Zoning Commission met on March 18th, 2026 and unanimously recommended the approval of the request for rezoning produced by Axis Property to the City Council.

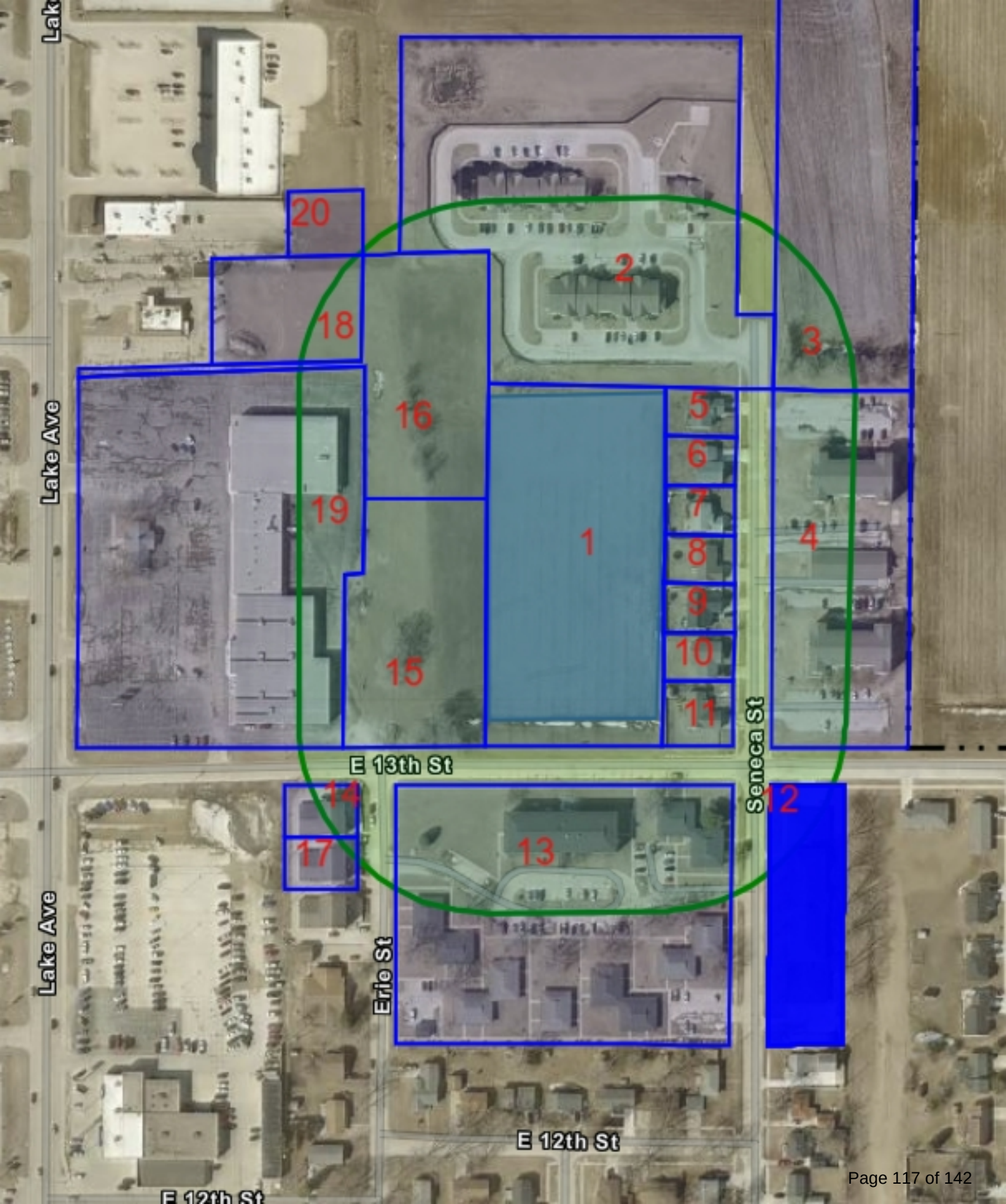
FISCAL IMPACT: \$300.00 for postal expenses

RECOMMENDATION: Open public hearing, receive input, close public hearing.

ATTACHMENTS:

1. 211 E 13th Map
2. Application 2026-3 211 E 13th

3. Notice of Public Hearing
4. Engineer Review of Area Utilities



Lake Ave

Lake Ave

Lake Ave

Seneca St

Erie St

E 13th St

E 12th St

E 12th St



Zoning Ordinance Request

Planning & Zoning and City Council

The City of Storm Lake Zoning Ordinance Article 12 Section 1209 establishes the powers and duties of the Board of Adjustment including reviewing variance request. The applicant should submit the following information, which must accompany this application before it can be considered by the Board of Adjustment.

- The full legal description and local address of the property/properties.
- The present zoning classification and the requested zoning classification.
- The existing use of the property and the proposed use of the property.
- A statement of the reasons why the applicant feels the present zoning classification is no longer valid.
- The request will be heard by the Planning & Zoning Commission and the City Council at separate meetings.
- The City of Storm Lake will notify all adjoining property owners to the applicant's property of the upcoming hearing.
- The City of storm Lake will notify the applicant of the hearing date.
- The City of Storm Lake will publish a public hearing notice in a locally circulated newspaper not less than 7 and no more than 20 days prior to the meeting.
- A non refundable application fee of \$300.00 is required at the time of application. The fee will not be refunded if the request is denied by the Planning and Zoning Commission or the City Council..

First Name	Tyler
Last Name	Spaans
Address	117 Central Ave SE
City	Orange City
State	IA
ZIP Code	51041
Phone Number	6052613566
Email Address	tyler.spaans@axisre.net
Type of Request	Zoning Map Amendment to the Zoning Ordinance
Property Address	211 E 13th
Full Legal Description	04-01 STORM LAKE CORP WASH GEISINGERS COMMERCIAL 2ND ADD S 550' OF LOTS 4A & 4B REPLAT OF LOTS 4 & 7 (EX COLBY DEV 1ST ADD)
Present Zoning District	IN-2-Institutional Facilities
Requested Zoning District	R-4-Residential
Why Present Zoning is no Longer Valid:	Looking to develop property
Existing Use of Property:	Bare Land

Signature Agreement

By affixing your signature in the box below, you agree that such signature will be the electronic representation of your signature to be valid and binding upon you for all purposes when you (or your agent) affix below, including on legally binding contracts, just the same as a hand-written signature.

Signature



Date

02/12/2026

Thank you for providing this information. After clicking 'Submit' you will receive a Submission ID number that can be retained for future reference.

You will be updated by our staff, if necessary, as your submission is processed.

Have a great day!

City of Storm Lake Use

Request Number:_____ Meeting Date:_____ Application Fee Paid:_____



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588

p (712) 732-8000
f (712) 732-4114

**NOTICE OF PUBLIC HEARING FOR PUBLICATION
PLANNING AND ZONING COMMISSION
CITY OF STORM LAKE**

File number: **2026-3**
Date: March 18, 2026

A petition for a Zoning Map Amendment Change Request in the IN-2: Institutional Facilities Zoning District as applied to the property located at 211 E 13th and legally described as:

The South Five Hundred Fifty feet (S.550'), of Lots 4A and 4B in the replat of Lot Four (4) and Seven (7), Block One (1), Geisinger's Commercial, Second Addition to the City of Storm Lake, Buena Vista County, Iowa EXCEPTING therefrom Lots One through Seven (1-7) of Colby Development's First Addition to the City of Storm Lake, Iowa

to allow for a change to R-4: High Density Residential Zoning District.

A public hearing will be held by the Planning and Zoning Commission on March 18, 2026 at 5:15 pm at which time you may appear if you so desire, either in person or by agent or attorney, in opposition to or support of the proposed changes. **You may attend in person at City Hall, by Telephone: Dial: 1-312-626-6799 or tollfree: 1-888-475-4499 Zoom Meeting ID 826 8482 2818, or by Computer: <https://us06web.zoom.us/j/82684822818>.**

Respectfully submitted,

Scott Olesen
Zoning Administrator



Real People. Real Solutions.

218 11th Street SW Plaza
Spencer, IA 51301

Ph: (712) 580-5075
Bolton-Menk.com

MEMORANDUM

Date: April 2, 2026
To: Ron Covert, Public Works Director
Scott Olesen, Water Quality and Code Compliance Director
From: Josh Pope, P.E., City Infrastructure Engineer
Luke Vander Horst, EIT, Assistant City Infrastructure Engineer
Subject: Axis Apartments Development Plan Review
City of Storm Lake, Iowa
Project No.: 25X.142016

Site Plan Review

As the City of Storm Lake City Infrastructure Engineer, Bolton & Menk, Inc. has completed a preliminary technical review of the sanitary sewer and water review of the proposed Axis Apartments Site Improvement Project submitted by Design Shoppe. The following comments and findings are provided based on the information submitted:

Sanitary Sewer System Review

The proposed development consists of four (4) apartment buildings each with 24 units classified as high-density residential. Sanitary sewer service is proposed via connection to the existing 12-inch clay sanitary sewer main located along East 13th Street.

Estimated existing and post-development sanitary flows were calculated to evaluate the apparent capacity of the local collection system at the proposed point of connection (MH 13-006) shown in the attached figure. A peaking factor of 4 was applied in accordance with standard engineering practice. A summary of the calculated flows is provided in Table 1.

Table 1

	Pre-Project	Post-Project
Flow (cfs)	0.13	0.17
Peaking Flow (cfs)	0.54	0.68

The existing 12-inch sewer main has an estimated capacity of 1.68 cubic feet per second (cfs) based on pipe size and assumed minimum slope. The proposed development does not appear to exceed the estimated capacity of the existing sewer main at the proposed connection location.

Water System Review

The review was completed based on known system configuration, reported operating conditions, and conventional industry guidance without a hydraulic analysis or fire flow certification.

The proposed development is served by an existing looped 6-inch water main located along the south side of East 13th Street. No reported pressure deficiencies exist within the vicinity of the project area. The existing water system is observed to be capable of supporting fire demands. The project site will be connected to a looped portion of the distribution system, allowing supply from both the Erie Street and Seneca Street mains, thereby minimizing the potential for pressure loss and improving system resiliency. It is recommended that final verification of water system adequacy, including fire protection requirements, be confirmed through detailed design and field testing.

Summary

It is reasonable to conclude that the proposed development can be serviced by the existing infrastructure. This preliminary determination is based on information currently available. Future alteration to the systems associated with the city's capital improvement initiatives, operations or maintenance approaches, or other developments may result in different conclusions.

Staff Summary

4/6/2026

Agenda Item # F.5.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Scott Olesen, Building and Code Compliance Director

SUBJECT: **Ordinance No. 10-O-2025-2026 On A Proposed Rezoning of 211 E 13th Street - 1st Reading**

BACKGROUND: Axis Property has purchased the property located at 211 E 13th Street. The lot is currently zoned IN-2 Institutional Facilities and is 3.54 acres in size. The request is to change the Zoning to the R-4, High Density Residential Zoning District. The lot is currently bounded on three sides by the R-4 Zoning District. Therefore, the re-zoning would not create an island. The lot is also adjacent to the CC, Community Commercial Zoning District and these uses would not be incompatible. The areas adjacent to the subject property that are currently Zoned R-4, have mainly been developed as multifamily units. Axis Properties intends to use the lot to build apartments if the re-zoning is approved.

Comprehensive Plan relationship:

Page 14 Goal 1: "Increase the amount of infill and greenfield development."

Page 24 Goal 1: "Provide an array of housing options to attract and retain households, residents, and families of varying sizes, ages, diversities, cultures, incomes and needs."

In accordance with Article 1204 of the Zoning Ordinance, The Planning and Zoning Commission shall determine the following:

1) Whether the current classification of the property to be re-zoned is valid.

The area under consideration is currently Zoned IN-2, Institutional Facilities Zoning District. The future land use map shows this as

Neighborhood Mixed Use. The Comprehensive Plan on Page 26, "Provide an array of housing options to attract and retain households." There has not been an apartment-style multifamily project since 2013. This will provide a different option. It is adjacent to other R-4 properties, so it would not create an island.

2) Whether there is a need for additional land zoned for the purpose requested.

According to Table 2.1 of the Comprehensive Plan, multifamily residential land use is 2.3% of the total land use in the City and future land use is intended to increase to 6.7% as shown in Table 2.2.

3) Whether the proposed change is consistent with the current land use plan, considering such factors:

i. Whether the re-zoning would result in a population density or development which would in turn cause a demand for services and utilities in excess of the capacity planned for the area.

The current sewer and water mains in the area should be adequate to serve future development. The area is served by a 12-inch sanitary sewer main and has access to a 6-inch water mains. There is a 24-inch stormwater main across the street.

ii. Whether the re-zoning would result in the generating of traffic in excess of the capacity of existing and planned streets in the vicinity.

The streets adjacent to the project are sized for a local street and the proposed development will not exceed its capacity.

iii. Whether there is intent on the part of the applicant to develop the property diligently and within a reasonable time.

The Developer is interested in moving forward in an expeditious manner.

The Storm Lake Planning and Zoning Commission met on March 18th, 2026 and unanimously recommended the approval of the request for rezoning produced by Axis Property to the City Council.

FISCAL IMPACT: \$300.00 for postal expenses

RECOMMENDATION: Review and approve the request by Tyler Spaans for a change in the zoning from IN-2 to R-4 on the:
First Reading, April 6th, 2026.
Second Reading, April 20th, 2026.
Third Reading, May 4th, 2026.

ATTACHMENTS:

1. Ordinance No. 10-2025-2026 - Ordinance Amending Zoning Ordinance Changing Zoning Classification - 213 E 13th Zoning

ORDINANCE NO. 08-O-2025-2026

ORDINANCE AMENDING THE ZONING ORDINANCE OF THE CITY OF STORM LAKE, IOWA BY CHANGING THE ZONING CLASSIFICATION OF CERTAIN REAL ESTATE

WHEREAS, after due notice of intended action as provided by law, the City Council of the City of Storm Lake, Iowa, has determined that the zoning ordinance of this City should be amended as set forth below; and

WHEREAS, said action has been recommended by the Planning and Zoning Commission of the City of Storm Lake, Iowa;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Storm Lake, Iowa, that, pursuant to Article IV, Section 406 of the Zoning Ordinance of the City of Storm Lake, Iowa, the official zoning map, as referred to therein, is hereby amended as follows:

The South Five Hundred Fifty feet (S.550'), of Lots 4A and 4B in the replat of Lot Four (4) and Seven (7), Block One (1), Geisinger's Commercial, Second Addition to the City of Storm Lake, Buena Vista County, Iowa EXCEPTING there from Lots One through Seven (1-7) of Colby Development's First Addition to the City of Storm Lake, Iowa

are hereby rezoned from a district classification of IN-2 (Institutional Facilities) to a district classification of R-4 (High Density Residential)

This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

PASSED AND APPROVED this ____ day of May, 2026

Margaret J. McKeon, Mayor

ATTEST:

Mayra A. Martinez, City Clerk

Staff Summary

4/6/2026

Agenda Item # F.6.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Keri Navratil, City Manager
Mayra Martinez, City Clerk

SUBJECT: **Motion to Approve Informal Resolution With IPIB And Jacob Hall**

BACKGROUND: On October 28, 2025, Jacob Hall filed a formal complaint with the Iowa Public Information Board (“IPIB”) alleging the City of Storm Lake violated Iowa Code Chapter 22 in its response to a public records request. Staff believe it acted in accordance with Chapter 22. However, in order to avoid further costs and time to litigate this matter, IPIB has proposed the parties enter into an informal resolution to conclude the complaint. As part of the informal resolution, the City will revise its fee estimate, update its public records policy, and provide Chapter 22 instruction to council members and designated staff.

FISCAL IMPACT:

RECOMMENDATION: Approve Resolution

ATTACHMENTS:

1. Resolution - Jacob Hall with The Iowa Standard

The Iowa Public Information Board

In re the Matter of:	Case Number: 25FC:0167
Jacob Hall, Complainant	Informal Resolution
And Concerning:	
City of Storm Lake, Respondent	

On October 28, 2025, Jacob Hall filed formal complaint 25FC:0167, alleging that the City of Storm Lake (City) violated Iowa Code Chapter 22.

IPIB accepted this complaint at its meeting on November 20, 2025.

Informal Resolution

Pursuant to Iowa Code § 23.9, IPIB presents the following terms for an informal resolution of this matter:

1. The City acknowledges that IPIB has recommended that they revise the current public records fee policy to be in compliance with Chapter 22.
2. The City acknowledges the original fee estimate needs to be revised to be in compliance with Chapter 22.
3. In accordance with IPIB guidance, the City will revise its fee estimate for the current request using the City Clerk's salary to search the requested six employee email accounts.
4. The City agrees to update its public records policy to reflect current Chapter 22 requirements.
5. The City will provide the updated fee policy to IPIB for feedback and approval.
6. The revised public records policy will be approved by the city council and a copy of the minutes documenting the approval will be provided to IPIB.
7. The legal counsel for the City will provide a training session for council members and designated city staff covering the requirements of Chapter 22.
8. The signed Informal Resolution will be formally approved at a meeting of the governing body. A summary of the Informal Resolution will be read during the meeting.
9. A copy of the minutes detailing the Informal Resolution's approval will be provided to IPIB.

The terms of the Informal Resolution will be completed within 90 days of the date of approval of this Informal Resolution by all parties. Upon a showing of proof of compliance, the IPIB will dismiss this complaint as successfully resolved.

THIS INFORMAL RESOLUTION HAS BEEN REVIEWED AND APPROVED BY THE FOLLOWING PARTIES:



Jacob Hall, Complainant

April 2, 2026

Date

City of Storm Lake, Respondent

Council Member

Date

Council Member

Date

Council Member

Date

Council Member

Date

Council Member

Date

Staff Summary

4/6/2026

Agenda Item # F.7.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: David Derragon, Assistant City Manager

SUBJECT: **Work Session - Truck Routes**

BACKGROUND: As requested by Council, this work session will provide information regarding truck routes in Storm Lake. We will review and discuss the information provided in the October 2024 letter from Ahlers as well as other materials. The work session intends to be interactive with discussion, questions and answers.

FISCAL IMPACT: N/A

RECOMMENDATION: Council discussion

ATTACHMENTS:

1. [WS-Truck Routes - 4-6-2026](#)

City of Storm Lake Work Session
Truck Routes
April 6, 2026

- A. Review of Ahlers Cooney letter from October 7, 2024
 - 1, Outline of the Federal Systems
 - 2, Maintaining reasonable access between National Network road and point of delivery
 - 3. Cannot deny access within 1 mile of Highways 7, 71, 110
- B. Federal-aid highway system
 - 1. Federal financial support through Northwest Iowa Planning and Development
 - 2. Iowa DOT had primary responsible for developing and updating functional classification in rural and urban settings
 - 3. 5th Street is a minor arterial road – note Ahlers definition of Minor Arterials
- C. Iowa Code
 - 1. Allows local authorities to prohibit the operation of trucks or impose limitations through appropriate signage
 - 2. The prohibition and limitation must not violate reasonable access regulation
 - 3. City Code section 9-12-9 outlines Truck Routes
 - 4. 9-12-9(B) complies with reasonable access regulation
- D. Consideration of changes to routes or designation of different routes
 - 1. Coordination with Iowa DOT will be necessary for any changes related to those streets noted on the Functional Classification Map
 - 2. Traffic Study would be needed to have information needed for recommending changes
 - 3. Consequence of shifting traffic from one street to another must be considered

E. Enforcement of Truck Routes

1. Enforcement can be challenging due to the reasonable access regulation
2. Identifying trucks that are not using “direct route” for deliveries is challenging

F. Future Direction desired by Council

Attorney-Client Communication

TO: Keri Navratil, City Manager
FROM: Maria E. Brownell and Logan Brundage
DATE: October 7, 2024
RE: Truck Routes

It is our understanding the City is reviewing concerns related to truck traffic on 5th Street. The City currently has a local ordinance providing for truck routes and placing certain limitations on the roads on which truck traffic may drive.

This memo provides an overview of the applicable federal and state laws and regulations that limit the City's authority to restrict "truck routes" within its corporate limits and on roads under its jurisdiction.

Federal Systems*National Network*

Federal law provides for two separate road systems: the National Network and the National Highway System (also known as the Federal-Aid Highway System).

The Surface Transportation Assistance Act of 1982, Pub. L. No. 97-424, 96 Stat. 2097 (1993) ("STAA"), provides national standards for trucks sizes and weight.¹ As a result, federal

¹ STAA length regulations are generally as follows:

- No State shall impose a length limitation of less than 48 feet on a semitrailer operating in a truck tractor-semitrailer combination.
- No State shall impose a length limitation of less than 28 feet on any semitrailer or trailer operating in a truck tractor-semitrailer-trailer combination.
- No State shall impose an overall length limitation on commercial vehicles operating in truck tractor-semitrailer or truck tractor-semitrailer-trailer combinations.
- No State shall prohibit commercial motor vehicles operating in truck tractor-semitrailer-trailer combinations.
- No State shall prohibit the operation of semitrailers or trailers which are 28 ½ feet long when operating in a truck tractor-semitrailer-trailer combination if such a trailer or semitrailer was in actual and lawful operation on December 1, 1982, and such combination had an overall length not exceeding 65 feet.

23 C.F.R. § 658.13.

STAA width regulations are generally as follows:

regulations identified the National Network of highways to which those standards would apply and on which the federally authorized trucks could drive. *See* 23 C.F.R. §§ 658.1, .5. Federal standards for length, width, and weight control the National Network. *Id.* §§ 658.13, .15, .17. Further, federal regulations require “reasonable access” to the National Network for commercial vehicles satisfying the STAA’s size and weight requirements. *Id.* § 658.19. The following are important limitations on state and local governments’ truck route restrictions based on “reasonable access”:

- Federal regulations prohibit state (or local) laws denying reasonable access to STAA-permitted vehicles between the National Network roads and “terminals and facilities for food, fuel, repairs, and rest.” *Id.*
- Reasonable access may not be denied between the National Network roads “and points of loading and unloading to household good carriers, motor carriers of passengers, and any truck tractor-semitrailer combination in which the semitrailer has a length not to exceed 28 feet.” *Id.*
- “No State [(or local government)] may enact or enforce any law *denying access within 1 road-mile from the National Network using the most reasonable and practicable route available* except for specific safety reasons on individual routes.” *Id.* (emphasis added).

In Storm Lake, the National Network includes Highways 7, 71, and 110.²

-
- No State shall impose a width limitation of more or less than 102 inches, or its approximate metric equivalent, 2.6 meters (102.36 inches) on a vehicle operating on the National Network, except for the State of Hawaii, which is allowed to keep the State's 108-inch width maximum by virtue of section 416(a) of the STAA.

Id. § 658.15

STAA weight regulations are generally as follows:

- The maximum gross vehicle weight shall be 80,000 pounds except where lower gross vehicle weight is dictated by the bridge formula.
- The maximum gross weight upon any one axle, including any one axle of a group of axles, or a vehicle is 20,000 pounds.
- The maximum gross weight on tandem axles is 34,000 pounds.

Id. § 658.17.

² *National Network*, BUR. OF TRANSP. STAT., U.S. DEP’T OF TRANSP., <https://data-usdot.opendata.arcgis.com/datasets/usdot::national-network/about> (last visited Oct. 6, 2024); <https://www.arcgis.com/home/webmap/viewer.html?layers=11afa310f2f442a5abaf92ca29fcd65d> (last visited Oct. 6, 2024).



Federal regulations therefore require “reasonable access” to Highways 7, 71, and 110 for STAA-authorized commercial vehicles. Any local ordinance denying “reasonable access” to these three highways would be preempted by federal law.

National Highway System/Federal-Aid Highway System

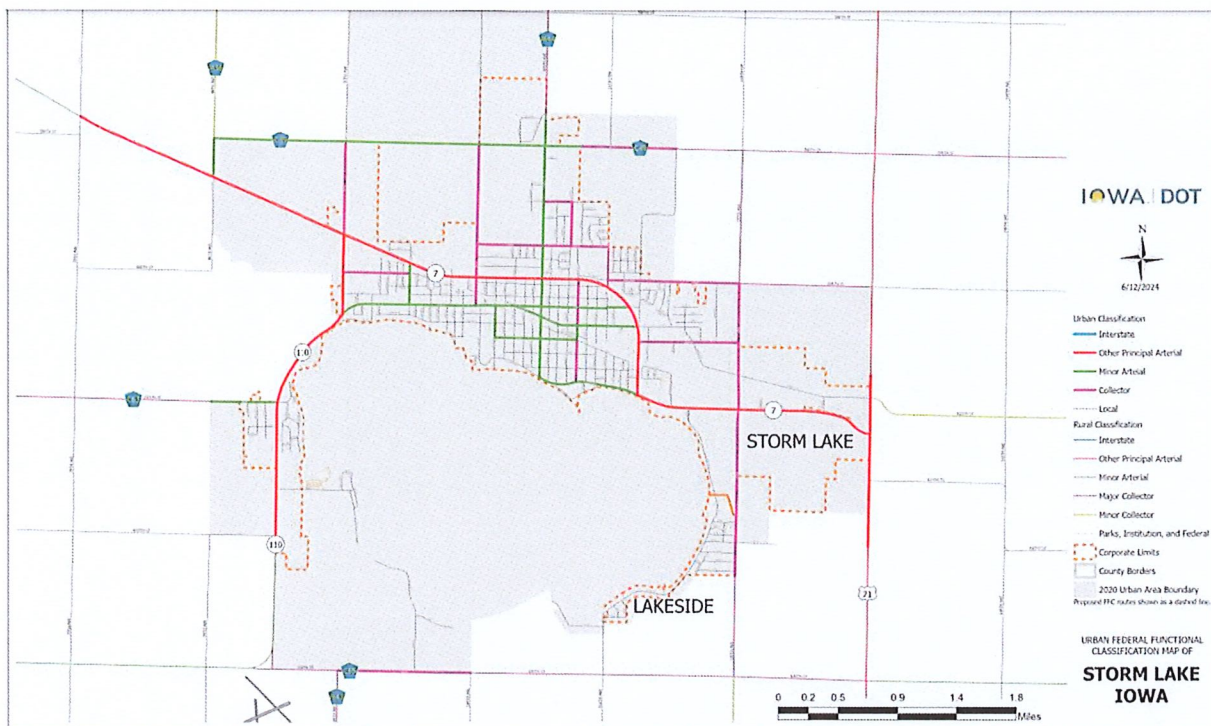
The National Highway System, also known as the Federal-Aid Highway System, is a separately identified federal highway system to which federal funds are directed for investment. The National Highway System was formally established by the National Highway System Designation Act of 1995, Pub. L. No. 104-59, 109 Stat. 568 (Nov. 28, 1995). The establishment of the National Highway System, and the regulation thereof, primarily pertains to the establishment of a road system into which federal funds may be more efficiently invested.

The National Highway System aims to serve population centers, transportation facilities, travel destinations, meet the national defense needs, and “serve interstate and interregional travel and commerce.” 23 C.F.R. § 470.115(b). The National Highway System, or the Federal-Aid Highway Program, provides Federal financial support, through state transportation agencies, for the construction, maintenance, and operation of the system. 23 U.S.C. § 103(a).

A “Federal-aid highway” is defined as “a public highway eligible for [Federal] assistance . . . other than a highway functionally classified as a local road or rural minor collector.” 23 U.S.C. § 101(6).

Federal regulations grant the State transportation agency (i.e., Iowa Department of Transportation (“IDOT”)) “the primary responsibility for developing and updating a statewide highway functional classification in rural and urban areas *to determine functional usage of the existing roads and streets.*” 23 C.F.R. § 470.105(b)(1) (emphasis added). Individual highway functional classifications are determined using “[g]uidance criteria and procedures . . . provided in the [Federal Highway Administration’s] Functional Classification Guidelines.” *Id.*

IDOT, in applying the Federal Highway Administration’s guidance, criteria, and procedures for highway functional classifications, has designated Storm Lake’s West and East 5th Street a “minor arterial” road.³



A “minor arterial” road is defined as follows:

Minor Arterials provide *service for trips of moderate length, serve geographic areas that are smaller than their higher Arterial counterparts and offer connectivity to the higher Arterial system.* In an urban context, they interconnect and augment the higher Arterial system, *provide intra-community continuity* and may carry local bus routes.

....

³ *Storm Lake*, Maps, IOWA DOT, <https://iowadot.gov/maps/Digital-maps/Other-maps/Federal-Functional-Classification-maps-Urban-Listing> (last visited Oct. 6, 2024); https://iowadot.gov/systems_planning/pdf/rffc85114.pdf (last visited Oct. 6, 2024).

Minor Arterial streets may typically vary from 1/8- to 1/2-mile in the central business district (CBD) and 2 to 3 miles in the suburban fringes. Normally, the spacing should not exceed 1 mile in fully developed areas.

Highway Functional Classification Concepts, Criteria and Procedures, USDOT, FED. HWY. ADMIN., at 16, (Feb. 2023), <https://www.fhwa.dot.gov/planning/processes/statewide/related/hwy-functional-classification-2023.pdf> (emphasis added).

Storm Lake's 5th Street provides connection to other "principal arterial" roads, Highway 110 and Highway 7, within the local city limits. 5th Street also appears to provide "intra-community continuity" as an important east/west route through city limits. The street is currently eligible for federal funds due to IDOT's classification as a minor arterial.

State Law

Iowa Code section 321.473(1) states as follows:

Local authorities with respect to *highways under their jurisdiction* may also, by ordinance or resolution, prohibit the operation of trucks or other commercial vehicles, or may impose limitations as to the weight thereof, on designated highways, *which prohibitions and limitations shall be designated by appropriate* signs placed on such highways.

(emphasis added).

Where a highway is under the City's jurisdiction and does not violate the "reasonable access" regulations to the National Network, the City may prohibit trucks or commercial vehicles or impose weight limitations.

Iowa Code section 321.471(1)(a) also permits local governments to prohibit operation of vehicles or impose weight restrictions by ordinance or resolution for up to 90 days on highways under their jurisdiction where deterioration, rain, or snow will damage or destroy the highway unless vehicles are prohibited or weights reduced. There are certain exceptions to such local enactments as well as the availability for issuing permits.

City Code

City of Storm Lake, Iowa Code section 9-12-9, Truck Routes, states as follows:

- (A) Every motor vehicle weighing five (5) tons or more, when loaded or empty, having no fixed terminal within the City or making no scheduled or definite stops within the City for the purpose of loading or unloading shall travel over or upon the following streets within the City and none other: State Highways 71, 7 and 110.
- (B) Any motor vehicle weighing five (5) tons or more, when loaded or empty, having a fixed terminal, making a scheduled or definite stop

within the City for the purpose of loading or unloading shall proceed over or upon the designated routes set out in this Section to the nearest point of its scheduled or definite stop and shall proceed thereto, load or unload and return, by the most direct route to its point of departure from said designated route.

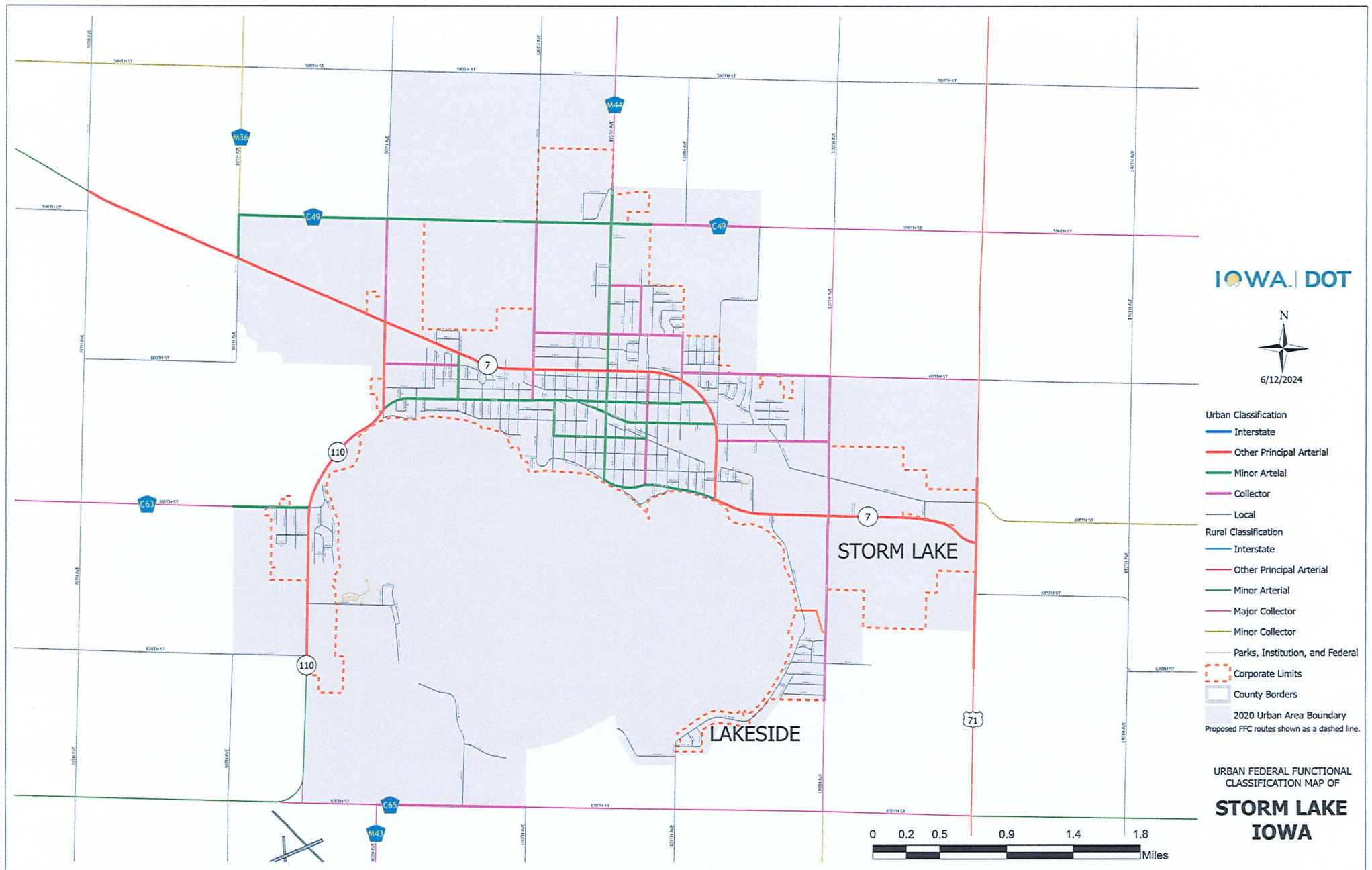
- (C) The owner, or any other person, employing or otherwise directing the driver of any vehicle shall not require or knowingly permit the operation of such vehicle upon a street in any manner contrary to this Section.

Section 9-12-9(A) directs truck traffic not doing business in the City to the National Network, State Highways 7, 71, and 110.

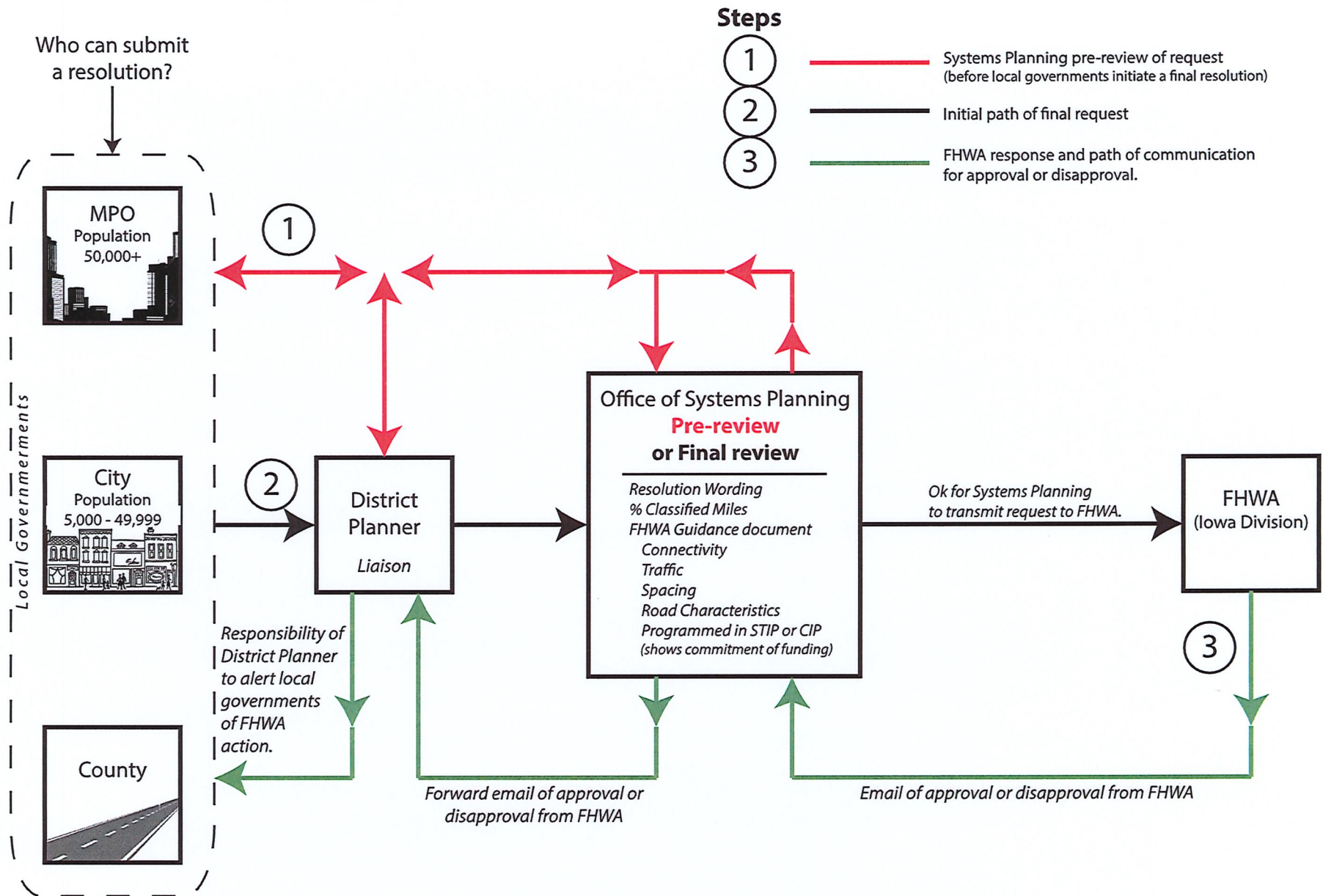
Conclusion

Section 9-12-9(B) appears to comport with federal regulations requiring “reasonable access” to and from the National Network to allow for food, fuel, repairs, rest, loading and unloading, as well as the most reasonable and practicable route available within one mile of the National Network (State Highways 7, 71, and 110). *See* 23 C.F.R. § 658.19.

As 5th Street is a minor arterial road within the National Highway System/Federal-Aid Highway System, it is eligible for federal funds. Regardless of such designation, 5th Street, and any other local roads designated for or restricted from truck traffic, must continue to comply to with the “reasonable access” regulations of the National Network to allow trucks to and from State Highways 7, 71, and 110 (National Network) and other terminals, destinations, or trucking-oriented stops. Any request to restrict truck access on 5th Street, or other city roads, should be addressed in consultation with IDOT, the City’s engineering or planning staff, and legal counsel.



Procedure in requesting a modification of the Federal Functional Classification System



March 2016

Procedure_FFC_request.pdf

Staff Summary

4/6/2026

Agenda Item # F.8.



City of Storm Lake
PO Box 1086
Storm Lake, IA 50588
p (712) 732-8000
f (712) 732-4114

REPORT TO: Honorable Mayor & Council

FROM: Mayra Martinez, City Clerk

SUBJECT: City Council Requested Items / City Council Updates

BACKGROUND:

1. Future - Sunrise Condo Second Development Area

FISCAL IMPACT:

RECOMMENDATION:

ATTACHMENTS:

None