

Urbandale, Iowa



\$8,040,000*

General Obligation Capital Loan Notes, Series 2026A

(FAST Closing)
(Book Entry Only)
(Parity Bidding Available)

DATE: Tuesday, April 21, 2026
TIME: 11:00 AM Central
PLACE: Office of the Finance Director
3600 86th Street
Urbandale, IA 50322
Telephone: (515) 278-3900

Moody's Rating: "Aa1"

* Preliminary, subject to change

PIPER | SANDLER

3900 Ingersoll Ave., Suite 110
Des Moines, IA 50312
515/247-2340

OFFICIAL BID FORM – SERIES 2026A

TO: City Council of Urbandale, Iowa (the "Issuer")

Re: \$8,040,000* General Obligation Capital Loan Notes, Series 2026A dated the date of delivery, of the Issuer (the "Notes")

For all or none of the above Notes, in accordance with the notice of sale, we will pay you \$ _____ for the Notes bearing interest rates and maturing on June 1 in each of the stated years as follows:

<u>Coupon</u>	<u>Yield</u>	<u>Due June 1st</u>	<u>Coupon</u>	<u>Yield</u>	<u>Due June 1st</u>
_____	_____	2027	_____	_____	2032
_____	_____	2028	_____	_____	2033
_____	_____	2029	_____	_____	2034
_____	_____	2030	_____	_____	2035
_____	_____	2031	_____	_____	2036

_____ We hereby elect to have the following issued as term Notes:

<u>Principal Amount</u>	<u>Month and Year (Inclusive)</u>	<u>Maturity Month and Year</u>
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____
\$ _____	_____ to _____	_____

Subject to mandatory redemption requirement in the amounts and at the times shown above

_____ We will not elect to have any notes issued as term notes

We represent that we are a bidder with established industry reputation for underwriting new issuances of municipal bonds.

This bid is for prompt acceptance and for delivery of said Notes to use in compliance with the Official Terms of Offering, which is made a part of this proposal, by reference. Award will be made on a True Interest Cost Basis (TIC).

In order to permit bidders for the Notes and other participating underwriters in the primary offering of the Notes to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"). The Issuer will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Notes, in the Resolution, to provide annual reports of specified information and notice of the occurrence of certain events, as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, the events as to which notice is to be given, and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth in Appendix C to this Official Statement.

According to our computations (the correct computation being controlling in the award), we compute the following (to the dated date):

NET INTEREST COST:\$ _____ TRUE INTEREST RATE _____ %
(Computed from the dated date)

Account Manager

Signature of Account Manager

The foregoing offer is hereby accepted by and on behalf of the City Council of Urbandale, in the counties of Polk and Dallas, State of Iowa, this 21st day of April, 2026.

ATTEST:

City Clerk

Mayor

* Preliminary, subject to change

OFFICIAL TERMS OF OFFERING

This section sets forth the description of certain terms of the Notes as well as the terms of offering with which all bidders and bid proposals are required to comply, as follows:

The Notes. The Notes to be offered are the following:

GENERAL OBLIGATION CAPITAL LOAN NOTES, Series 2026A in the principal amount of \$8,040,000* dated the date of delivery (anticipated to be delivered on May 21, 2026) in the denomination of \$5,000 or multiples thereof, and maturing as shown on the front page of the official statement.

* Adjustment to Principal Amount After Determination of Best Bid Each scheduled maturity of the Notes is subject to increase or decrease in increments of \$5,000, but the total amount to be issued will not exceed \$9,000,000. Such adjustments shall be made promptly after the sale and prior to the award of bids by the Issuer. To cooperate with any adjustment in the principal amounts, the Successful Bidder is required, as a part of its bid, to indicate its Initial Reoffering yield and Initial Reoffering price on each maturity of the Notes (said price shall be calculated to the date as indicated by the Issuer).

The dollar amount bid by the Successful Bidder may be changed if the aggregate principal amount of the Notes, as adjusted as described below, is adjusted, however the interest rates specified by the Successful Bidder for all maturities will not change. The Issuer's Municipal Advisor will make every effort to ensure that the percentage net compensation to the Successful Bidder (the percentage resulting from dividing (i) the aggregate difference between the offering price of the Notes to the public and the price to be paid to the Issuer (not including accrued interest), less any bond insurance premium and credit rating fee, if any, to be paid by the Successful Bidder, by (ii) the principal amount of the Notes) does not increase or decrease from what it would have been if no adjustment was made to principal amounts shown in the maturity schedule. Final adjustments shall be in the sole discretion of the Issuer.

The Successful Bidder may not withdraw or modify its bid once submitted to the Issuer for any reason, including post bond adjustment. Any adjustment shall be conclusive, and shall be binding upon the Successful Bidder.

Optional Redemption: The Notes maturing in the years 2032-2036, may be called for redemption by the Issuer and paid before maturity beginning June 1, 2031 or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Interest: Interest on the Notes will be payable on December 1, 2026 and semiannually on the 1st day of June and December thereafter. Interest shall be payable to the registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

Book Entry System: The Notes will be issued by means of a book entry system with no physical distribution of certificates made to the public. The Notes will be issued in fully registered form and one certificate, representing the aggregate principal amount of the Notes maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Notes. Individual purchases of the Notes may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the Issuer to DTC or its nominee as registered owner of the Notes. Transfer of principal and interest payments to participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Successful Bidder, as a condition of delivery of the Notes, will be required to deposit the certificates with DTC.

Good Faith Deposit: A Good Faith Deposit ("Deposit") in the form of a certified or cashier's check or a wire in the amount of \$80,400 for the Notes, payable to the order of the Issuer, is required for each bid to be considered. If a wire is to be used, it must be received by the Issuer not later than two hours after the time stated for receipt of bids. The Municipal Advisor or the Issuer will provide the apparent winning bidder (the "Purchaser") with wiring instructions, by facsimile and email, within 10 minutes of the stated time when bids are due. If the wire is not received at the time indicated above, the Issuer will abandon its plan to award to the Purchaser, and will contact the next highest bidder received and offer said bidder the opportunity to become the Purchaser, on the terms as outlined in said bidder's bid, so long as said bidder submits a good faith wire within two hours of the time offered. The Issuer will not award the Notes to the Purchaser absent receipt of the Deposit prior to action awarding the Notes. No interest on the Deposit will accrue to the Purchaser. The Deposit will be applied to the purchase price of the Notes. In the event the Purchaser fails to honor its bid, the Deposit will be retained by the Issuer.

Form of Bids: All bids shall be unconditional for the entire issue of Notes for a price of not less than 99.2% of par, plus accrued interest, and shall specify the rate or rates of interest in conformity to the limitations set forth herein. Bids must be submitted on or in substantial compliance with the Official Bid Form provided by the Issuer or through the Internet Bid System. The Issuer shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the electronic bid facilities or the means used to deliver or complete a bid. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

No bid will be received after the time specified herein. The time as maintained by the Internet Bid System shall constitute the official time with respect to all Bids submitted. A bid may be withdrawn before the bid deadline using the same method used to submit the bid. If more than one bid is received from a bidder, the last bid received shall be considered.

Confidential information sent via secured portal: All confidential information exchanged between the Issuer and the Purchaser (including but not limited to closing details and good faith wire details) must be sent via a secure portal. As a condition to closing, the winning bidder will cooperate with the Issuer, its legal counsel and its Municipal Advisor to ensure that all confidential information is sent via a secure portal.

Sealed Bidding: Sealed bids may be submitted and will be received at the office of the Finance Director, 3600 86th Street, Urbandale, IA 50322.

Internet Bidding: Internet bids must be submitted through Parity® ("the Internet Bid System"). Information about the Internet Bid System may be obtained by calling 212-849-5000.

Each bidder shall be solely responsible for making necessary arrangements to access the Internet Bid System for purpose of submitting its internet bid in a timely manner and in compliance with the requirements of the Official Terms of Offering. The Issuer is permitting bidders to use the services of the Internet Bid System solely as a communication mechanism to conduct the internet bidding and the Internet Bid System is not an agent of the Issuer. Provisions of the Official Terms of Offering shall control in the events of conflict with information provided by the Internet Bid System. The Issuer shall not be responsible for any malfunction or mistake made by any person, or as a result of the use of the Internet Bid System. The use of such facilities or means is at the sole risk of the prospective bidder who shall be bound by the terms of the bid as received.

Rates of Interest: The rates of interest specified in the bidder's proposal must conform to the limitations following:

All Notes of each annual maturity must bear the same interest rate.

Rates of interest bid may be in multiples of 1/8th, 1/20th or 1/100th of 1%.

Establishment Of Issue Price: In order to provide the Issuer with information necessary for compliance with Section 148 of the Internal Revenue Code of 1986 (the "Code"), as amended, and the Treasury Regulations promulgated thereunder, the Purchaser will be required to assist the Issuer in establishing the issue price of the Notes and shall complete, execute, and deliver to the Issuer prior to the closing date, a written certification in a form acceptable to the Issuer and Bond Counsel (the "Issue Price Certificate") in substantially the form attached hereto as Appendix E containing the following for each maturity of the Notes (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity): (i) the interest rate; (ii) the reasonably expected initial offering price to the "public" (as said term is defined in Treasury Regulation Section 1.148-1(f) (the "Regulation")) or the sale price; and (iii) pricing wires or equivalent communications supporting such offering or sale price. Any documentation to be received by the Issuer pursuant hereto may be received on behalf of the Issuer by the Municipal Advisor.

The Issuer intends that the sale of the Notes pursuant to this Official Terms of Offering shall constitute a "competitive sale" as defined in the Regulation based on the following:

- (i) the Municipal Advisor shall cause this Official Terms of Offering to be disseminated to potential bidders in a manner that is reasonably designed to reach potential bidders;
- (ii) all bidders shall have an equal opportunity to submit a bid;
- (iii) the Issuer reasonably expects that it will receive bids from at least three bidders that have established industry reputations for underwriting municipal bonds such as the Notes; and
- (iv) the Issuer anticipates awarding the sale of the Notes to the bidder who provides a bid with the lowest true interest cost (TIC), as set forth in this Official Terms of Offering.

Any bid submitted pursuant to this Official Terms of Offering shall be considered a firm offer for the purchase of the Notes, as specified in the bid. The Purchaser shall constitute an "underwriter" as said term is defined in the Regulation. By submitting its bid, the bidder confirms that it shall require any agreement among underwriters, a selling group agreement, or other agreement to which it is a party relating to the initial sale of the Notes, to include provisions requiring compliance with the provisions of the Regulation regarding the initial sale of the Notes.

If all of the requirements of a "competitive sale" are not satisfied, the Issuer shall advise the Underwriter of such fact prior to the time of award of the sale of the Notes to the Underwriter. In such event, any bid submitted will not be subject to cancellation or withdrawal. Within twenty-four (24) hours of the notice of award of the sale of the Notes, the Underwriter shall advise the Issuer and its Municipal Advisor if a "substantial amount" (as defined in the Regulation) of any maturity of the Notes (and, if different interest rates apply within a maturity, to each separate CUSIP number within that maturity) has been sold to the public and the price at which such substantial amount was sold. The Issuer will treat such sale price as the "issue price" for such maturity, applied on a maturity-by-maturity basis. The Issuer will not

require the Underwriter to comply with that portion of the Regulation commonly described as the “hold-the-offering-price” requirement for the remaining maturities, but the Underwriter may elect such option. If the Underwriter exercises such option, the Underwriter shall notify the Municipal Advisor, and the Issuer will apply the initial offering price to the public provided in the Underwriter’s bid as the issue price for such maturities. If the Underwriter does not exercise that option, it shall thereafter promptly provide the Issuer and the Municipal Advisor the prices at which a substantial amount of such maturities are sold to the public; provided such determination shall be made and the Issuer and Municipal Advisor notified of such prices whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Notes or until all of the Notes of a maturity have been sold.

Delivery: The Notes will be delivered to the Purchaser via FAST delivery with the Paying Agent holding the Notes on behalf of DTC, against full payment in immediately available cash or federal funds. The Notes are expected to be delivered within sixty days after the sale. Should delivery be delayed beyond sixty days from date of sale for any reason except failure of performance by the Purchaser, the Purchaser may withdraw its bid and thereafter its interest in and liability for the Notes will cease. (When the Notes are ready for delivery, the Issuer may give the successful bidder five working days’ notice of the delivery date and the Issuer will expect payment in full on that date, otherwise reserving the right at its option to determine that the bidder has failed to comply with the offer of purchase.)

Official Statement: The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Notes, and any other information required by law or deemed appropriate by the Issuer, shall constitute a "Final Official Statement" of the Issuer with respect to the Notes, as that term is defined in Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"). By awarding the Notes to any underwriter or underwriting syndicate submitting an Official Bid Form therefore, the Issuer agrees that, no more than seven (7) business days after the date of such award, it shall provide to the senior managing underwriter of the syndicate to which the Notes are awarded one (1) pdf of the Official Statement and the addendum described in the preceding sentence to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Issuer shall treat the senior managing underwriter of the syndicate to which the Notes are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Notes agrees thereby that if its bid is accepted by the Issuer, (i) it shall accept such designation and (ii) it shall enter into a contractual relationship with all Participating Underwriters of the Notes for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

CUSIP Numbers: It is anticipated that CUSIP numbers will be printed on the Notes. In no event will the Issuer be responsible for or Bond Counsel review or express any opinion of the correctness of such numbers, and incorrect numbers on said Notes shall not be cause for the purchaser to refuse to accept delivery of the Notes. The fee will be paid for by the Issuer.

Responsibility of Bidder: It is the responsibility of the bidder to deliver its signed, completed bid prior to the time of sale as posted on the front cover of the official statement. Neither the Issuer nor its Municipal Advisor will assume responsibility for the collection of or receipt of bids. Bids received after the appointed time of sale will not be opened.

Continuing Disclosure: In order to permit bidders for the Notes and other participating underwriters in the primary offering of the Notes to comply with paragraph (b)(5) of the Rule, the Issuer will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Notes, in the Resolution, to provide annual reports of specified information and notice of the occurrence of certain events, as hereinafter described (the “Disclosure Covenants”). The information to be provided on an annual basis, the events as to which notice is to be given, and a summary of other provisions of the Disclosure Covenants, including termination, amendment and remedies, are set forth in Appendix C to this Official Statement.

Breach of the Disclosure Covenants will not constitute a default or an “Event of Default” under the Notes or Resolution. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Notes in the secondary market. Thus, a failure on the part of the Issuer to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Notes and their market price.

See the Official Statement section titled “**CONTINUING DISCLOSURE**” for details regarding the Issuer’s compliance with past undertakings.

Bond Insurance: Application has not been made for municipal bond insurance. Should the Notes qualify for the issuance of any policy of municipal bond insurance or commitment therefore at the option of the bidder, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the Purchaser. Any increased costs of issuance on the Notes resulting from such purchase of insurance shall be paid by the Purchaser, except that, if the Issuer has requested and received a rating on the Notes from a municipal bond rating service, the Issuer will pay that rating fee. Any other rating service fees shall be the responsibility of the Purchaser.

Requested modifications to the Resolution or other issuance documents shall be accommodated by the Issuer at its sole discretion. In no event will modifications be made regarding the investment of funds created under the Resolution or other issuance documents without prior Issuer consent, in its sole discretion. Either the purchaser or the insurer must agree, in the insurance commitment letter or separate agreement acceptable to the Issuer in its sole discretion, to pay any future continuing disclosure costs of the Issuer associated with any

rating changes assigned to the municipal bond insurer after closing (for example, if there is a rating change on the municipal bond insurer that require a material event notice filing by the Issuer, the purchaser or the municipal bond insurer must agree to pay the reasonable costs associated with such filing). Failure of the municipal bond insurer to issue the policy after the Notes have been awarded to the Purchaser shall not constitute cause for failure or refusal by the Purchaser to accept delivery of the Notes.

Electronic Executed Documents: The Purchaser consents to the receipt of electronic transcripts and acknowledges the City's intended use of electronically executed documents. Iowa Code chapter 554D establishes electronic signatures have the full weight and legal authority as manual signatures.

No dealer, salesman or any other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by the Issuer or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of any offer to buy any of the securities offered hereby in any state to any persons to whom it is unlawful to make such offer in such state. Except where otherwise indicated, this Official Statement speaks as of the date hereof. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Issuer since the date hereof

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IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE NOTES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

This Official Statement is not to be construed as a contract with the purchasers of the Notes. The Issuer considers the Official Statement to be "near final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION BY REASON OF THE PROVISIONS OF SECTIONS 3(a)(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. THE REGISTRATION OR QUALIFICATIONS OF THESE SECURITIES IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THESE SECURITIES HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SECURITIES OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, Securities and Exchange Commission Rule 15c2-12.

FORWARD-LOOKING STATEMENTS

This Official Statement, including Appendix A, contains statements which should be considered "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995. Such statements are generally identifiable by the words such as "anticipated", "plan," "expect," "estimate," "budget", "projected", "pro-forma", "forecast" or similar words. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE ISSUER DOES NOT EXPECT OR INTEND TO UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS CONTAINED HEREIN IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR. Included in such risks and uncertainties are (i) those relating to the possible invalidity of the underlying assumptions and estimates, (ii) possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances, and (iii) conditions and actions taken or omitted to be taken by third parties, including legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions, all of which are difficult or impossible to predict accurately. For these reasons, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate. Undue reliance should not be placed on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Issuer on the date hereof, and the Issuer assumes no obligation to update any such forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur or fail to occur, other than as indicated in the "CONTINUING DISCLOSURE" section IN THIS OFFICIAL STATEMENT.

OFFICIAL STATEMENT
URBANDALE, IOWA
\$8,040,000* GENERAL OBLIGATION CAPITAL LOAN NOTES, SERIES 2026A

INTRODUCTORY STATEMENT

This Official Statement presents certain information relating to the City of Urbandale, Iowa (the “Issuer”), in connection with the sale of the Issuer’s General Obligation Capital Loan Notes, Series 2026A (the “Notes”). The Notes are being issued to provide funds for i) various capital improvement projects, and ii) paying the costs associated with the issuance of the Notes. See “**SOURCES AND USES OF FUNDS**” herein.

This Official Statement is deemed to be a final official statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, except for the omission of certain pricing and other information which is to be made available through a final Official Statement.

This Introductory Statement is only a brief description of the Notes and certain other matters. Such description is qualified by reference to the entire Official Statement and the documents summarized or described herein. This Official Statement should be reviewed in its entirety.

The Notes are general obligations of the Issuer, payable from and secured by a continuing annual ad-valorem tax levied against all of the taxable property located within the corporate limits of the Issuer. See “**THE NOTES – Source of Security for the Notes**” herein.

All statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

THE NOTES

General

The Notes are dated as of the date of delivery, and will bear interest at the rates to be set forth on the cover page herein, interest payable on June 1 and December 1 in each year, beginning on December 1, 2026 for the Notes, calculated on the basis of a year of 360 days and twelve 30-day months. Interest shall be payable by check or draft of the Paying Agent mailed to the persons who were registered owners thereof as of the fifteenth day of the month immediately preceding the Interest Payment Date, to the addresses appearing on the registration books maintained by the Paying Agent or to such other address as is furnished to the Paying Agent in writing by a registered owner.

Authorization for the Issuance

The Notes are being issued pursuant to Sections 384.24A, 384.25, and 403.12 of the Code of Iowa, 2026 as amended, and a resolution of the City Council of the Issuer (the “Resolution”).

The Purchaser of the Notes agrees to enter into a loan agreement (the “Loan Agreement”) with the Issuer pursuant to the authority contained in Section 384.24A of the Code of Iowa. The Notes are issued in evidence of the Issuer’s obligations under the Loan Agreement. The Notes are general obligations of the Issuer for which the Issuer will pledge its power of levy direct ad valorem taxes against all taxable property within its corporate limits without limitation as to rate or amount to the repayment of the Notes.

Book Entry Only System

The following information concerning The Depository Trust Company (“DTC”), New York, New York and DTC’s book-entry system has been obtained from sources the Issuer believes to be reliable. However, the Issuer takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Notes (the “Notes”). The Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for the Notes, in the aggregate principal amount of such issue, and will be deposited with DTC.

* preliminary, subject to change

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Notes within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

Transfer and Exchange

In the event that the Book Entry System is discontinued, any Note may, in accordance with its terms, be transferred by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation at the principal corporate office of the Registrar accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Registrar. Whenever any Note or Notes shall be surrendered for transfer, the Registrar shall execute and deliver a new Note or Notes of the same maturity, interest rate, and aggregate principal amount.

Notes may be exchanged at the principal corporate office of the Registrar for a like aggregate principal amount of Notes or other authorized denominations of the same maturity and interest rate; provided, however, that the Registrar is not required to transfer or exchange any Notes which have been selected for prepayment and is not required to transfer or exchange any Notes during the period beginning 15 days prior to the selection of Notes for prepayment and ending the date notice of prepayment is mailed. The Registrar may require the payment by the Note Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. All Notes surrendered pursuant to the provisions of this and the preceding paragraph shall be canceled by the Registrar and shall not be redelivered.

Prepayment

Optional Prepayment. The Notes maturing after June 1, 2031, may be called for redemption by the Issuer and paid before maturity on said date or any date thereafter, from any funds regardless of source, in whole or from time to time in part, in any order of maturity and within an annual maturity by lot. The terms of redemption shall be par, plus accrued interest to date of call.

Mandatory Sinking Fund Redemption The Notes maturing on _____ are subject to mandatory redemption (by lot, as selected by the Registrar) on ____ 1 and _____ in each of the years ____ through ____ at a redemption price of 100% of the principal amount thereof to be redeemed, plus accrued interest thereon to the redemption date in the following principal amounts:

___ **Term Note**

<u>Mandatory Sinking Fund Date</u>	<u>Principal Amount</u>
(maturity)	\$

Selection of Notes for Redemption. Notes subject to redemption will be selected in such order of maturity as the Issuer may direct. If less than all of a maturity is called for redemption, the Issuer will notify DTC of the particular amount of such maturity to be redeemed prior to maturity. DTC will determine by lot the amount of each Participant's interest in such maturity to be redeemed and each Participant will then select by lot the beneficial ownership interests in such maturity to be redeemed.

Notice of Redemption. Prior to the redemption of any Notes under the provisions of the Resolution, the Registrar shall give written notice not less than thirty (30) days prior to the redemption date to each registered owner thereof.

On the dates so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided, and moneys for payment of the redemption price being held by the Issuer or an Escrow Agent, the Notes so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Notes on such date. Interest on the Notes so called for redemption shall cease to accrue as of the redemption date; such Notes shall cease to be entitled to any benefit hereunder, and the Note Holders shall have no rights in respect thereof except to receive payment of the redemption price thereof.

Notes which have been duly called for redemption, with respect to which irrevocable instructions to call for redemption at a stated redemption have been given to the Registrar, and moneys for the payment the face amount thereof, premium, if any, and interest on are held in separate accounts by the Registrar in trust for Noteholders shall not thereafter be deemed to be outstanding under the provisions of the Resolution, other than be entitled to receive payment from such sources.

Source of Security for the Notes

These Notes are valid and legally binding general obligations of the Issuer payable both as to principal and interest from ad valorem taxes levied against all taxable property therein without limitation as to rate or amount, all except as limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws relating to the enforcement of creditors' rights generally and except that enforcement by

equitable and similar remedies, such as mandamus, is subject to the exercise of judicial discretion. In the Resolution, the Issuer will levy taxes for the years and in amounts sufficient to provide 100% of annual principal and interest due on the Notes. If, however, the amount credited to the debt service fund for payment of the Notes is insufficient to pay principal and interest, whether from transfers or from original levies, the Issuer must use funds in its treasury and is authorized to levy ad valorem taxes upon all taxable property in the County without limit as to rate or amount sufficient to pay the debt service deficiency.

Iowa Code section 76.2 provides that when an Iowa political subdivision issues general obligation bonds [or notes], “the governing authority of these political subdivisions before issuing [Notes] shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in the political subdivision sufficient to pay the interest and principal of the [Notes] within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor or the auditors of the counties in which the political subdivision is located; and the filing shall make it a duty of the auditors to enter annually this levy for collection from the taxable property within the boundaries of the political subdivision until funds are realized to pay the [Notes] in full.”

Nothing in the Resolution prohibits or limits the ability of the Issuer to use legally available moneys other than the proceeds of the general ad valorem property taxes levied as described in the preceding paragraph to pay all or any portion of the principal of or interest on the Notes. If and to the extent such other legally available moneys are used to pay the principal of or interest on the Notes, the Issuer may, but shall not be required to, (a) reduce the amount of taxes levied for such purpose, as described in the preceding paragraph; or (b) use proceeds of taxes levied, as described in the preceding paragraph, to reimburse the fund or account from which such other legally available moneys are withdrawn for the amount withdrawn from such fund or account to pay the principal of or interest on the Notes.

The Issuer’s obligation to pay the principal of and interest on the Notes is on a parity with the Issuer’s obligation to pay the principal of and interest on any other of its general obligation debt secured by a covenant to levy taxes within the Issuer, including any such debt issued or incurred after the issuance of the Notes. The Resolution does not restrict the Issuer’s ability to issue or incur additional general obligation debt, although issuance of additional general obligation debt is subject to the same constitutional and statutory limitations that apply to the issuance of the Notes. For a further description of the Issuer’s outstanding general obligation debt upon issuance of the Notes and the annual debt service on the Notes, see “**APPENDIX A – Outstanding Debt – Direct Debt**”. For a description of certain constitutional and statutory limits on the issuance of general obligation debt, see “**APPENDIX A – Debt Limit**”.

NOTEHOLDERS’ RISKS

An investment in the Notes is subject to certain risks. No person should purchase the Notes unless such person understands the risks described below and is willing to bear those risks. There may be other risks not listed below which may adversely affect the value of the Notes. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Preliminary Official Statement (including the Appendices hereto) in order to make a judgment as to whether the Notes are an appropriate investment. The factors described below, along with other matters, may affect the ability of the Issuer to pay the Notes when due.

Financial Condition of the Issuer from time to time

No representation is made as to the future financial condition of the Issuer. Certain risks discussed herein could adversely affect the financial condition and or operations of the Issuer in the future. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the “**THE NOTES - Source of Security for the Notes**” herein.

Tax Levy Procedures

The Notes are general obligations of the Issuer, payable from and secured by a continuing ad valorem tax levied against all of the taxable property located within the corporate limits of the Issuer.

As part of the budgetary process each fiscal year, the Issuer will have an obligation to impose a debt service levy against all of the taxable property within the corporate limits of the Issuer. A failure on the part of the Issuer to make a timely levy request or a levy request by the Issuer that is inaccurate or is insufficient to make full payments of the debt service of the Notes for a particular fiscal year may cause Noteholders to experience delay in the receipt of distributions of principal of and/or interest on the Notes. In the event of a default in the payment of principal of or interest on the Notes, there is no provision for acceleration of maturity of the principal of the Notes. Consequently, the remedies of the owners of the Notes (consisting primarily of an action in the nature of mandamus requiring the Issuer and certain other public officials to perform the terms of the Resolution) may have to be enforced from year to year. See “**THE NOTES - Source of Security for The Notes**” herein for more details.

Changes in Property Taxation

From time to time the Iowa General Assembly has altered the method of property taxation and could do so again. Such alterations could adversely affect the Issuer’s financial condition. Historically, changes to property tax calculations and impositions are imposed on a prospective basis. However, there is no assurance future changes to property taxation by the Iowa General Assembly will not be applied

retroactively. It is impossible to predict the outcome of future property taxation changes by the Iowa General Assembly or resulting impacts on the Issuer's financial condition. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the "THE NOTES - Source of Security for the Notes" herein and see "APPENDIX A – Legislation – Property Tax Matters" for discussion of recent legislative revisions.

Potential Impacts Resulting from Epidemics or Pandemics

The Issuer's finances may be materially adversely affected by unforeseen impacts of future public health events, including epidemics and pandemics. The Issuer cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the local, State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the Issuer, included but not limited to the payment of debt service on any of its outstanding debt obligations.

Loss of Tax Base

Economic and other factors beyond the City's control, such as economic recession, deflation of property values, or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the corporate boundaries of the City. In addition, the State of Iowa has been susceptible to tornados, derecho, flooding and other extreme weather wherein winds and flooding have from time to time caused significant damage, which if such events were to occur, may have an adverse impact on the City's financial position.

Secondary Market

There can be no guarantee that there will be a secondary market for the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history of economic prospects connected with a particular issue, secondary marketing practices in connection with a particular Note or notes issue are suspended or terminated. Additionally, prices of Note or Note issues for which a market is being made will depend upon then prevailing circumstances. Such prices could be substantially different from the original purchase price of the Notes.

EACH PROSPECTIVE PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE NOTES AND MUST BE ABLE TO BEAR THE ECONOMIC RISK OF SUCH INVESTMENT. THE SECONDARY MARKET FOR THE NOTES, IF ANY, COULD BE LIMITED.

Matters Relating to Enforceability

Holders of the Notes shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Notes, including but not limited to, the right to a proceeding in the law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law and the Resolution.

The practical realization of any rights upon any default will depend upon the exercise of various remedies specified in the Resolution authorizing the Notes. The opinion, to be delivered concurrently with the delivery of the Notes, will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principals of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Ratings Loss

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "Aa1" to the Notes. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that the rating will continue for any given period of time, or that such rating will not be revised, suspended or withdrawn, if, in the judgment of Moody's, circumstances so warrant. A revision, suspension or withdrawal of a rating may have an adverse effect on the market price of the Notes.

In the future, the imposition of additional regulations on rating agencies could materially alter the methodology, rating levels, and types of ratings available, and these changes, if ever, could materially affect the market value of the Notes.

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "plan," "projected," "estimate," "budget," "pro-forma," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. The achievement of certain results or

other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements expressed or implied by such forward-looking statements to differ. The Issuer does not expect or intend to update or revise any forward-looking statements contained herein if or when its expectations, or events, conditions or circumstances on which such statements are based occur. Included in such risks and uncertainties are (i) those relating to the possible invalidity of the underlying assumptions and estimates; (ii) possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances; and (iii) conditions and actions taken or omitted to be taken by third parties, including legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions, all of which are difficult or impossible to predict accurately. For these reasons, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

Undue reliance should not be placed on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Issuer on the date hereof, and the Issuer assumes no obligation to update any such forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur or fail to occur, other than as indicated in the “**CONTINUING DISCLOSURE**” section herein

Because forward-looking statements are subject to uncertainty, such statements are subject to risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware there are likely to be differences between forward-looking statements and the actual results. These differences could be material and could impact the availability of funds of the Issuer to pay debt service when due on the Notes.

Tax Matters and Loss of Tax Exemption

As discussed under the heading “**TAX MATTERS**” herein, the interest on the Notes could become includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Notes, as a result of acts or omissions of the Issuer in violation of its covenants in the Resolution. Should such an event of taxability occur, the Notes would not be subject to a special prepayment and would remain outstanding until maturity or until prepaid under the prepayment provisions contained in the Notes, and there is no provision for an adjustment of the interest rate on the Notes.

The Issuer will NOT designate the Notes as “qualified tax-exempt obligations” under the exception provided in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

It is possible that legislation will be proposed or introduced that could result in changes in the way that tax exemption is calculated, or whether interest on certain securities are exempt from taxation at all. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation. The likelihood of legislation being enacted cannot be reliably predicted.

It is also possible that actions of the Issuer, after the closing of the Notes will alter the tax status of the Notes, and, in the extreme, remove the tax exempt status from the Notes. In that instance, the Notes are not subject to mandatory prepayment, and the interest rate on the Notes does not increase or otherwise reset. A determination of taxability on the Notes, after closing of the Notes, could materially adversely affect the value and marketability of the Notes.

DTC-Beneficial Owners

It is possible that beneficial Owners of the Notes may experience some delay in the receipt of distributions of principal of and interest on the Notes since such distributions will be forwarded by the Paying Agent to DTC and DTC will credit such distributions to the accounts of the Participants which will thereafter credit them to the accounts of the Beneficial Owner either directly or indirectly through indirect Participants. Neither the Issuer nor the Paying Agent will have any responsibility or obligation to assure that any such notice or payment is forwarded by DTC to any Participants or by any Participant to any Beneficial Owner.

In addition, since transactions in the Notes can be effected only through Direct Participants, Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge the Notes to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Notes, may be limited due to lack of a physical certificate. Beneficial Owners will be permitted to exercise the rights of registered Owners only indirectly through DTC and the Participants. See “**THE NOTES – Book-Entry Only System**” herein.

Federal Funds Orders, and State Funds Legislation

Various federal executive orders, and Iowa Code chapter 27A (collectively “ICE Enforcement Initiatives”), impose requirements intended to ensure compliance with the federal immigration detainment processes. The ICE Enforcement Initiatives impose various penalties for non-compliance, including the loss of state and/or federal funding under certain circumstances. The loss of state and/or federal funds in any significant amount could negatively impact certain of the projects financed with the Notes, the Issuer’s overall financial position, and

potentially its rating. However, the Notes are secured by a debt service levy upon real property in the jurisdictional limits of the Issuer, and are not secured by state or federal funds. See “**THE NOTES - Source of Security for the Notes**” herein.

Pending Federal Tax Legislation

From time to time, there are Presidential proposals, proposals of various federal committees, and legislative proposals pending in Congress that could, if enacted, alter or amend one or more of the federal (or state) tax matters described herein in certain respects or would adversely affect the market value of the Notes or otherwise prevent holders of the Notes from realizing the full benefit of the tax exemption of interest on the Notes. Further, such proposals may impact the marketability or market value of the Notes simply by being proposed. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted and there can be no assurance that such proposals will not apply to the Notes. In addition, regulatory actions are from time to time announced or proposed, and litigation threatened or commenced, which if implemented or concluded in a particular manner, could adversely affect the market value, marketability or tax status of the Notes. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Notes would be impacted thereby.

Cybersecurity

The Issuer, like many other public and private entities, relies on a large and complex technology environment to conduct its operations. As such, it may face multiple cybersecurity threats including but not limited to, hacking, viruses, malware and other attacks on computer or other sensitive digital systems and networks. There can be no assurances that any security and operational control measures implemented by the Issuer will be completely successful to guard against and prevent cyber threats and attacks. Failure to properly maintain functionality, control, security, and integrity of the Issuer’s information systems could impact business operations and/or digital networks and systems and the costs of remedying any such damage could be significant. Along with significant liability claims or regulatory penalties, any security breach could have a material adverse impact on the Issuer’s operations and financial condition.

The Issuer has a cyber-insurance policy. The Issuer cannot predict whether this policy will be sufficient in the event of a cyberattack. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the “**THE NOTES - Source of Security for the Notes**” herein.

Pensions

Pursuant to GASB 68, the Issuer reported a liability of \$4,611,534 as of June 30, 2025 for its proportional share of the IPERS 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 Issuer’s proportion of the net pension liability was based on the Issuer’s share of contributions to the IPERS pension plan relative to the contributions of all IPERS participating employers. At June 30, 2024, the Issuer’s collective proportion was .126638%, which was a decrease of .001860% from its proportion measured as of June 30, 2023. Additionally, the Issuer reported a liability of \$16,898,243 as of June 30, 2025 for its proportionate share of the net MFPRSI 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 pension plan relative to the contributions of all MFPRSI participating employers. At June 30, 2024, the City’s collective proportion was 2.557308% which was a decrease of .039072% from its proportion measured as of June 30, 2023. See “**APPENDIX A - Pensions**” for more summary information related to the Issuer’s contributions, and “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER – Note 7** therein” for additional information related to the Issuer’s deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity. Changes to the Issuer’s pension contributions, or available sources to fund said contributions, may adversely affect the Issuer’s financial condition. However, the Notes are secured by an unlimited ad valorem property tax as described more fully in the “**THE NOTES - Source of Security for the Notes**” herein.

Continuing Disclosure

A failure by the Issuer to comply with continuing disclosure obligations (see “**CONTINUING DISCLOSURE**” herein) will not constitute an event of default on the Notes. Any such failure must be disclosed in accordance with Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission (the “Commission”) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and may adversely affect the transferability and liquidity of the Notes and their market price.

Bankruptcy

The rights and remedies available to holders of the Notes may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditor’s rights, to the exercise of judicial discretion in appropriate cases and to limitations in legal remedies against exercise of judicial discretion in appropriate cases and to limitations on legal remedies against municipal corporations in the State of Iowa. The various opinions of counsel to be delivered with respect to the Notes and the Resolution, including the opinion of Bond Counsel, will be similarly qualified. If the Issuer were to file a petition under Chapter 9 of the Bankruptcy Code, the owners of the Notes could be prohibited from taking any steps to enforce their rights under the Note Resolution. In

the event the Issuer fails to comply with its covenants under the Resolution or fails to make payments on the Notes, there can be no assurance of the availability of remedies adequate to protect the interests of the holders of the Notes.

Under Iowa Code Chapter 76, specifically sections 76.16 and 76.16A, as amended, a city, county, or other political subdivision may become a debtor under Chapter 9 of the Federal bankruptcy code, if it is rendered insolvent, as defined in 11 U.S.C. §101(32)(c), as a result of a debt involuntarily incurred. As used therein, "debt" means an obligation to pay money, other than pursuant to a valid and binding collective bargaining agreement or previously authorized Note issue, as to which the governing body of the city, county, or other political subdivision has made a specific finding set forth in a duly adopted resolution of each of the following: (1) all or a portion of such obligation will not be paid from available insurance proceeds and must be paid from an increase in general tax levy; (2) such increase in the general tax levy will result in a severe, adverse impact on the ability of the city, county, or political subdivision to exercise the powers granted to it under applicable law, including without limitation providing necessary services and promoting economic development; (3) as a result of such obligation, the city, county, or other political subdivision is unable to pay its debts as they become due; and (4) the debt is not an obligation to pay money to a city, county, entity organized pursuant to chapter 28E of the Code of Iowa, or other political subdivision.

Suitability of Investment

The interest rate borne by the Notes is intended to compensate the investor for assuming the risk of investing in the Notes. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Notes are an appropriate investment for such investor.

Summary

An investment in the Notes involves an element of risk. The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Notes. In order to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Official Statement (including the Appendices hereto) in order to make a judgment as to whether the Notes are an appropriate investment.

LITIGATION

To the knowledge of the Issuer, there is no legal action, suit, proceeding, inquiry or investigation at law or in equity before or by any court, public board or body for which the Issuer has been served with process or official notice or threatened against or affecting the Issuer or any reasonable basis therefore, wherein an unfavorable decision, ruling or finding would adversely affect the transaction contemplated by this Official Statement or the validity of the Notes, the Resolution, or any agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the transactions contemplated by this Official Statement, and no member, employee or agent of the Issuer has been served with any legal process regarding such litigation or other proceeding.

The Issuer encounters litigation occasionally in the ordinary course of business. To the knowledge of the Issuer, no litigation is pending or threatened which, in the opinion of the Issuer's counsel, if decided adversely to the Issuer would be likely to result, either individually or in the aggregate, in final judgments against the Issuer which would materially adversely affect its ability to meet debt service payments on the Notes when due, or its obligations under the Resolution, or materially adversely affect its financial condition.

ACCOUNTANT

The accrual-basis financial statements of the Issuer included as **APPENDIX D** to this Official Statement have been examined by Eide Bailly, LLP, Dubuque, IA, to the extent and for the periods indicated in their report thereon. Such financial statements have been included herein without permission of said CPA, and said CPA expresses no opinion with respect to the Notes or the Official Statement.

UNDERWRITING

The Notes are being purchased, subject to certain conditions, by _____ (the "Underwriter"). The Underwriter has agreed, subject to certain conditions, to purchase all, but not less than all, of the Notes at an aggregate purchase price of \$ _____ plus accrued interest to the Closing Date.

The Underwriter may offer and sell the Notes to certain dealers (including dealers depositing the Notes into unit investment trusts, certain of which may be sponsored or managed by the Underwriter) at prices lower than the initial public offering prices stated on the cover page. The initial public offering prices of the Notes may be changed, from time to time, by the applicable Underwriters.

The Underwriter intend to engage in secondary market trading of the Notes subject to applicable securities laws. The Underwriter is not obligated, however, to repurchase any of the Notes at the request of the holder thereof.

THE PROJECT

The Notes are being issued to provide funds for i) capital improvement projects (see table below), and ii) paying the costs associated with the issuance of the Notes.

CAPITAL PROJECTS

<u>(Project Amounts in 000's)</u>	<u>DS Levy</u>	<u>TIF Portion</u>	<u>2026A CIP</u>
65th St Storm Sewer Improvements	1,525,000		1,525,000
Annual Street Rehabilitation Program	1,266,800		1,266,800
Parkview Dr Reconstruction: 86th St to Alpine Dr	600,000		600,000
Roseland Dr Storm Sewer Improvements	1,610,000		1,610,000
86th St Trail: Douglas Ave to Walnut Creek (DUNA TIF)		250,000	250,000
Downtown Master Plan Implementation (DUNA TIF)		600,000	600,000
106th St and Prairie Dr Preservation (NWMkt TIF)		400,000	400,000
Douglas Ave Preservation: 111th to 121st St (NWMkt TIF)		600,000	600,000
NW Urbandale Dr Preservation (NWMkt TIF)		1,000,000	1,000,000
Community Entrance Signage (Westover TIF)		250,000	250,000
TOTALS	\$5,001,800	\$3,100,000	\$8,101,800

FUTURE FINANCING

As of the date of the Official Statement, the City does not anticipate issuing any additional debt within the next six months.

SOURCES AND USES OF FUNDS *

<u>Sources of Funds</u>	
Note Proceeds	\$8,040,000
Cash Balance on Hand	TBD
Reoffering Premium	TBD
Total Sources of Funds	TBD
<u>Uses of Funds</u>	
Project Funds	8,101,800
Estimated Costs of Issuance	TBD
Estimated Underwriter's Discount	TBD
Contingency	TBD
Total Uses of Funds	TBD

* Preliminary, subject to change

TAX MATTERS

Tax Exemptions and Related Considerations: Federal tax law contains a number of requirements and restrictions that apply to the Notes. These include investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of Note proceeds and facilities financed with Note proceeds, and certain other matters. The Issuer has covenanted to comply with all requirements that must be satisfied in order for the interest on the Notes to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Notes to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

Subject to the Issuer's compliance with the above referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Notes is excludable from gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Bond Counsel will not express any

opinion as to such collateral tax consequences. Prospective purchasers of the Notes should consult their tax advisors as to collateral federal income tax consequences.

Interest on the Notes is NOT exempt from present Iowa income taxes.

Ownership of the Notes may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Notes. Prospective purchasers of the Notes should consult their tax advisors regarding the applicability of any such state and local taxes.

NOT-Qualified Tax-Exempt Obligations: The City will NOT designate the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) relating to the ability of financial institutions to deduct from income for federal income tax purposes a portion of the interest expense that is allocable to tax-exempt obligations.

Tax Accounting Treatment of Discount and Premium on Certain Notes: The initial public offering price of certain Notes (the “Discount Notes”) may be less than the amount payable on such Notes at maturity. An amount equal to the difference between the initial public offering price of Discount Notes (assuming that a substantial amount of the Discount Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Notes. Purchasers of Discount Notes should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Notes for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Notes. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Notes may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Notes (“Premium Notes”) may be greater than the amount of such Notes at maturity. An amount equal to the difference between the initial public offering price of Premium Notes (assuming that a substantial amount of the Premium Notes of that maturity are sold to the public at such price) and the amount payable at maturity constitutes a premium to the initial purchaser of such Premium Notes. Purchasers of the Premium Notes should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Notes for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Notes.

Other Tax Advice: In addition to the income tax consequences described above, potential investors should consider the additional tax consequences of the acquisition, ownership, and disposition of the Notes. For instance, state income tax law may differ substantially from state to state, and the foregoing is not intended to describe any aspect of the income tax laws of any state. Therefore, potential investors should consult their own tax advisors with respect to federal tax issues and with respect to the various state tax consequences of an investment in Notes.

Audits: The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Notes. If an audit is commenced, under current procedures the Service may treat the Issuer as a taxpayer and the noteholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Notes until the audit is concluded, regardless of the ultimate outcome.

Withholdings: Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Notes, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Note owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Note owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Legislation: Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may be considered by the Iowa legislature. Judicial interpretation of state or federal laws, rules or regulations may also affect the tax treatment. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Notes will not have an adverse effect on the tax status of interest or other income on the Notes or the market value or marketability of the Notes. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Notes from gross income for federal or state income tax purposes for all or certain taxpayers.

From time to time, current and future legislative proposals, including some that carry retroactive effective dates, if enacted into law, court decisions, or clarification of the Code may cause interest on the Notes to be subject, directly or indirectly, to federal income taxation, or otherwise prevent owners of the Notes from realizing the full current benefit of the tax status of such interest. From time-to-time proposals are made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Notes. The introduction or enactment of any such legislative proposals, court decisions or clarification of the Code may also affect,

perhaps significantly, the market price for, or marketability of the Notes. The prospective purchaser of the Notes should consult their own tax advisors regarding any pending or proposed tax legislation, as to which Bond Counsel expresses no opinion except as set forth in **APPENDIX B** to this Official Statement.

Enforcement: Holders of the Notes shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa and of the United States of America for the enforcement of payment of the Notes, including, but not limited to, the right to a proceeding in law or in equity by suit, action or mandamus to enforce and compel performance of the duties required by Iowa law, and the Note Resolution. There is no bond trustee or similar person to monitor or enforce the terms of the Note Resolution. In the event of a default in the payment of principal of or interest on the Notes, there is no provision for acceleration of maturity of the principal of the Notes. Consequently, the remedies of the owners of the Notes may have to be enforced from year to year. The enforceability of the rights and remedies of owners of the Notes may be subject to limitation as set forth in Bond Counsel's opinion.

The obligation to pay general ad valorem property taxes is secured by a statutory lien upon the taxed property, but is not an obligation for which a property owner may be held personally liable in the event of a deficiency. The owners of the Notes cannot foreclose on property within the boundaries of the Issuer or sell such property in order to pay the debt service on the Notes. In addition, the enforceability of the rights and remedies of owners of the Notes may be subject to limitation as set forth in Bond Counsel's opinion. The legal opinion, to be delivered concurrently with the delivery of the Notes, will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and public policy and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally, and to the exercise of judicial discretion in appropriate cases.

No representation is made, and no assurance is given, that the enforcement of any remedies with respect to such assets will result in sufficient funds to pay all amounts due under the Note Resolution, including principal of and interest on the Notes.

The Opinion: Bond Counsel's opinion is not a guarantee of a result, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the Issuer described in this section. No ruling has been sought from the Service with respect to the matters addressed in the opinion of Bond Counsel and Bond Counsel's opinion is not binding on the Service. Bond Counsel assumes no obligation to update its opinion after the issue date to reflect any further action, fact or circumstance, or change in law or interpretation, or otherwise.

ALL POTENTIAL PURCHASERS OF THE NOTES SHOULD CONSULT WITH THEIR TAX ADVISORS WITH RESPECT TO FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF OWNERSHIP OF THE NOTES (INCLUDING BUT NOT LIMITED TO THOSE LISTED ABOVE).

MUNICIPAL ADVISOR

The Issuer has retained Piper Sandler & Co. as municipal advisor (the "Municipal Advisor") in connection with the issuance of the Notes. The Municipal Advisor has not been engaged, nor has it undertaken, to independently verify the accuracy of the Official Statement. The Municipal Advisor is not a public accounting firm and has not been engaged by the Issuer to compile, review, examine or audit any information in the Official Statement in accordance with accounting standards.

CONTINUING DISCLOSURE

In order to permit bidders for the Notes and other participating underwriters in the primary offering of the Notes to comply with paragraph (b)(5) of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), the Issuer will covenant and agree, for the benefit of the registered holders or beneficial owners from time to time of the outstanding Notes, in the Note Resolution, to provide reports of specified information and notice of the occurrence of certain events, as hereinafter described (the "Disclosure Covenants"). The information to be provided on an annual basis, and the events as to which notice is to be given, is summarized below under the caption "**APPENDIX C - Form of Continuing Disclosure Certificate**" herein for more information.

Breach of the Disclosure Covenants will not constitute a default or an "Event of Default" under the Notes or Resolution. A broker or dealer is to consider a known breach of the Disclosure Covenants, however, before recommending the purchase or sale of the Notes in the secondary market. Thus, a failure on the part of the Issuer to observe the Disclosure Covenants may adversely affect the transferability and liquidity of the Notes and their market price.

During the previous five years, the Issuer has not failed to comply, in all material respects, with any previous undertakings it has entered into with respect to the Rule.

LEGAL MATTERS

The Notes are subject to approval as to certain legal matters by Ahlers & Cooney, P.C., Des Moines, Iowa, as Bond Counsel. Bond Counsel has not participated in the preparation of this Official Statement except to the extent described in the section herein entitled "PREPARATION OF THE OFFICIAL STATEMENT". Bond Counsel has not examined nor attempted to examine or verify any of the financial or statistical statements, or data contained in this Official Statement, and will express no opinion with respect thereto. The form of legal opinion, in substantially the forms set forth in APPENDIX B to this Official Statement, will be delivered at closing.

The legal opinion to be delivered concurrently with the delivery of the Notes express the professional judgment of the attorneys rendering the opinion as to legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, or of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

There is no bond trustee or similar person to monitor or enforce the provisions of the Resolution for the Notes. The owners of the Notes should, therefore, be prepared to enforce such provisions themselves if the need to do so arises. In the event of a default in the payment of principal of or interest on the Notes, there is no provision for acceleration of maturity of the principal of the Notes. Consequently, the remedies of the owners of the Notes (consisting primarily of an action in the nature of mandamus requiring the City and certain other public officials to perform the terms of the Resolution for the Notes) may have to be enforced from year to year. The obligation to pay general ad valorem property taxes is secured by a statutory lien upon the taxed property, but is not an obligation for which a property owner may be held personally liable in the event of a deficiency. The owners of the Notes cannot foreclose on property within the boundaries of the City or sell such property in order to pay the debt service on the Notes. See "TAX COLLECTION HISTORY", "COMBINED HISTORIC TAX RATES" and "LEGISLATION – Property Tax Matters" tables included in "APPENDIX A – INFORMATION ABOUT THE ISSUER", herein, for a description of property tax collection and enforcement, and "THE NOTES – Source of Security for the Notes" herein for a discussion on the pledged ad valorem property tax.

In addition, the enforceability of the rights and remedies of owners of the Notes may be subject to limitation as set forth in the Bond Counsel's opinion. The opinion will state, in part, that the obligation of the City with respect to the Notes may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and to the exercise of judicial discretion in appropriate cases.

PREPARATION OF THE OFFICIAL STATEMENT

Bond Counsel has not participated in the preparation of this Official Statement other than to review or prepare information describing the terms of the Notes, Iowa and Federal law pertinent to the validity of the Notes, and the tax status of interest on the Notes which can be found generally under the sections "THE NOTES" (excluding the sections entitled "Book Entry Only System"), "THE NOTES – Source of Security for the Notes" "THE PROJECT", and "TAX MATTERS". Additionally, Bond Counsel has provided its form of bond opinion and form of Issuer's continuing disclosure certificate, found in Appendices B and C, respectively. Ahlers & Cooney, P.C. is also serving as Disclosure Counsel to the Issuer in connection with the issuance of the Notes.

All other information contained in this Official Statement has been obtained by (or on behalf of) the Issuer from sources which the Issuer considers to be reliable but it makes no warranty, guaranty, or other representation with respect to the accuracy or completeness of such information.

This Official Statement is not to be construed as a contract or agreement amongst the Issuer, the Underwriter, or the holders of any of the Notes. Any statements made in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended merely as opinions and not as representations of fact. The information and expressions of opinions contained herein are subject to change without notice and neither the delivery of this Official Statement or the sale of the Notes made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof. The information contained in this Official Statement is not guaranteed.

I have reviewed the information contained within the Official Statement of Urbandale, Iowa, and said Official Statement does not contain any material misstatements of fact nor omissions of any material fact regarding the issue of \$8,040,000* General Obligation Capital Loan Notes, Series 2026A of said Issuer to be issued under date of delivery.

URBANDALE, IOWA

/s/ Nicole Lamb
Finance Director

* Preliminary, subject to change

APPENDIX A - INFORMATION ABOUT THE ISSUER

URBANDALE, IOWA

City Officials

MAYOR: Robert Andeweg

COUNCIL MEMBERS: Patricia Boddy
Amy Croll
Joe Cacciatore
Bridget Carberry Montgomery
Blake Rozendaal

CITY MANAGER: David Jones

FINANCE DIRECTOR: Nicole Lamb

CITY CLERK: Nicole Lunders

CITY ATTORNEY: Ahlers & Cooney, P.C.

CONSULTANTS

BOND & DISCLOSURE COUNSEL: Ahlers & Cooney, P.C.
Des Moines, Iowa

MUNICIPAL ADVISOR: Piper Sandler & Co.
Des Moines, Iowa

REGISTRAR & PAYING AGENT: UMB Bank, n.a.
Kansas City, Missouri

General Information

The City of Urbandale is located in Polk and Dallas Counties, with the east corporate line of the City being the northwestern corporate line of the City of Des Moines. The City was incorporated in 1917 and for many years thereafter was a small suburban residential community, with a population of only 1,777 in 1950. Urbandale has been one of Iowa's fastest growing communities since the late 1950's. Its 2020 Special Census population is 45,580. The corporate limit of the City is 22.92 square miles, containing some of the finest residential and light industrial development in the Des Moines metropolitan area. Sufficient land is available to support growth to a population of approximately 70,000 persons. In 1981, Urbandale adopted nationally recognized "Fiscal Performance Goals" designed to guide the City's financial management practices and also became one of the first, if not the first, municipality in Iowa to adopt a detailed multi-year budget format.

Government

The City of Urbandale is governed under a Council-Manager form of government. The Mayor and five Council Members are elected to four-year terms with the Mayor's and two Council Members' terms expiring at the same time. The remaining three Council Members' terms expire two years later, thus ensuring continuity of experienced members. The City Manager is appointed by the Council and serves at its pleasure. The City Manager is in charge of the administration of the City Government.

Parks and Recreation

The City owns and operates a significant park system with 63 park areas, 41 playgrounds, and over 1,080 acres of park ground. The parks provide residents of all ages with a wide variety of facilities to engage in passive and active recreational activities, including baseball and softball diamonds, Miracle League Field, All-Inclusive Playground, disc golf course, tennis/pickleball courts, playgrounds, picnic equipment, shelter houses, senior recreation center, skateboard park, soccer fields, indoor gym space and 64 miles of off-street bike/walking paths.

The City acquired 200 acres of a planned 224 total acre Walnut Creek Regional Park in the western part of the City. The Master Plan for the regional park was approved by the City Council in November 2006, and includes all of the proposed trails, facilities, and park amenities to be constructed in the park during the next 10+ years.

In 2018, the City completed a Parks, Recreation and Open Space Master Plan which provides for the expansion and development of Urbandale's park system and recreational facilities.

The recreation programs offered through the Parks and Recreation Department provide enrichment and quality of life opportunities for people of all ages. Preschoolers to senior citizens are offered a wide variety of leisure programs to meet their social, recreational, educational, and fitness needs. Each year over 35,000 people participate in City recreation programs and events, and over 45,000 take advantage of the senior citizen programming.

Planning and Zoning

The City's government has for many years controlled the development of the City by the adoption of a Comprehensive Plan and Zoning Ordinance ("The Plan"). The Plan is administered by a Planning and Zoning Commission whose nine members are appointed by the Mayor and affirmed by the Council. The Plan was previously updated in 1988, 2003 and partially updated in 2006 through a market study prepared by Camiros, Ltd. for the properties lying along the Interstate.

In 2015, a subcommittee, appointed by the Mayor, reviewed The Plan to determine if any updates were appropriate. The subcommittee affirmed most of the City's existing Plan but did designate the opportunity for additional retail land uses in the vicinity of the new 100th Street interchange. The City Council approved a contract in 2022 with Houseal Lavigne, a Chicago based planning consultant, to lead the process of a complete update of the City's Comprehensive Plan, which was formally adopted in December 2023.

Community Development Department

Under the direction of several full-time experienced planners, the Community Development Department administers programming for the controlled development of the area, including long range planning, development project review, permit administration, and Code Enforcement.

Economic Development

The Economic Development Department was formed in April 2013 and is comprised of two full-time staff. The Mayor appoints twelve members of the City of Urbandale Economic Development Advisory Board (EDAB) that represent key perspectives related to Urbandale's economic development. The EDAB created an Economic Development Plan which the City Council originally approved in March 2014, with the most recent revision in 2023. Staff is implementing that plan with the goal of increasing investment and employment in the community. The plan has defined actions in five major areas: existing business; investment attraction; competitive policies; workforce

development; and creating/maintaining a high-performance economic development organization. The economic development department markets the “Urban Loop,” a geography anchored by Interstate 35/80 and comprising the main interstate-served commercial development areas in Urbandale. The Economic Development Department is also beginning reinvestment efforts along existing commercial corridors, most notably along the Douglas Avenue corridor between the eastern municipal boundary and 75th Street.

Engineering and Public Works Department

The City operates a complete Engineering and Public Works Department with 55 employees headed by a registered engineer. The Engineering Division has five additional registered engineers, six Engineering Technicians, a Storm Water Technician, a Right of Way Technician/Utility Locator, a GIS Technician, and a Staff Engineer. This group is responsible for review of all plans and specification for public infrastructure and also inspects public infrastructure when it is being installed. The Public Works Division is responsible for the maintenance of all public infrastructure, which includes sanitary sewer, storm sewer, streets, street lighting and traffic signals. This division also oversees the fleet maintenance function for the city and also provides Solid Waste and Yard Waste collection for all residential properties in Urbandale. Water distribution is provided and maintained by the Urbandale Water Utility. The Urbandale Sanitary Sewer District and Urbandale-Windsor Heights Sanitary District provide sanitary sewer service, with sanitary waste treated in the Des Moines Metro Wastewater Reclamation Authority treatment facility.

The engineering staff works closely with the Community Development Department, the City Manager, and Finance Director to annually update and develop a long-term capital improvement program for the City.

Library

The Urbandale Public Library, constructed in 2000, is a 55,000-square-foot facility dedicated to serving the community’s educational, informational, and recreational needs. The library underwent a renovation in 2015, enhancing its spaces and resources. It features a 700-square-foot children's reading area, a 10,278-square-foot adult collection, and a 4,540-square-foot youth collection, along with an art gallery, a large reading room, and a drive-thru for convenient material pickup and drop-off. The library offers private and group study rooms, as well as large meeting rooms and a conference room available for organizational use. Managed by a seven-member Board of Trustees, appointed by the Mayor with the approval of the Council, the library is home to over 154,000 print items and 148,000 digital resources. Each year, the library welcomes 180,000 visitors, provides access to 17 online databases, offers 48 public computers, and has three public printers available for use. Additionally, the library features a DIY studio equipped with a variety of technology and creative tools. With an annual circulation of approximately 650,000 items, the library remains a vital resource for the community. It also hosts a variety of events for children, teens, and adults, including its popular winter and summer reading programs, fostering a love for reading and lifelong learning.

Public Safety

Public safety is maintained through the dedicated efforts of an outstanding Police Department consisting of 61 full-time police officers, 9 civilian support staff, 10 police reserve volunteers, and two volunteer police chaplains. The department has modern communication equipment and operates 16 marked patrol cars and 29 fleet vehicles to ensure effective law enforcement throughout the city. The police station, originally constructed in 1982, underwent significant expansion in 2008. This expansion doubled the building’s square footage and included remodeling the older section to match the new addition, providing enhanced facilities for the department’s operations. Urbandale Police Department continues to be committed to excellence leadership, resource management, and service delivery through accreditation. In November 2013, the department achieved national accreditation through the Commission on Accreditation for Law Enforcement Agencies (CALEA). It has since been reaccredited in 2016, 2020, and again in November 2024. Plans are underway to pursue a fifth accreditation in November 2028.

Urbandale actively collaborates with neighboring cities to strengthen public safety services. The City is a participant, along with Clive, West Des Moines, Waukee, Norwalk, and Windsor Heights, in the operation of WestCom—a joint dispatch center and shared radio system. WestCom provides improved service quality as these communities expand, with all six cities entering into an intergovernmental agreement to jointly manage and fund the dispatch center. Urbandale plays a key role in resource collaboration for the Suburban Emergency Response Team (SERT), a special tactical response unit involving ten agencies. Participating agencies include the police departments of Altoona, Ankeny, Johnston, Waukee, West Des Moines, Clive, Norwalk, Windsor Heights, and the Dallas County Sheriff’s Office. The department also works in partnership with other police and sheriff departments to combat illegal drug trafficking. The Mid Iowa Narcotics Enforcement (MINE) Task Force, which consists of 18 agencies, has established itself as Iowa’s premier drug task force. MINE conducts investigations at the federal, state, and local levels, and Urbandale Police Department has been an active participant since the task force's inception in 2002.

The department partnered with the Heart of Iowa Region in January 2023 to form a Crisis Intervention Team (CIT). This team pairs a full-time police officer with a certified mental health professional to respond to and follow up on mental health-related calls for service. The CIT assists community members experiencing mental health crises and ensures continuity of care to prevent future incidents. In July 2025, the State of Iowa reorganized its behavioral health system, prompting Urbandale to establish its own CIT team. This team receives partial funding from the newly structured behavioral health system managed by the Iowa Primary Care Association.

The City is served by a full-service, full-time fire department that provides multi-hazard fire and rescue service, paramedic-level response and transport emergency medical service (EMS), and fire prevention/community risk service. The department provides services from three fire stations strategically located throughout the community. Each station is staffed with an ambulance and fire apparatus and daily staffing cumulatively of 15 to 18 in-station personnel, plus an on-duty Battalion Chief. Fire station #41 was built in 1975 and renovated in FY2010-2011, Station #42 was built in 1997 and renovated in FY2014-2015 and is home to the First And Safety Training (FAST) facility (FY2009-2010) shared with two other communities. Station #43 was approved by referendum in 2017 and opened in March of 2020. As a part of the effort to be as efficient as possible, station #43 is funded in part by an agreement with the City of Clive and that station serves both the City of Urbandale and the northwestern area of Clive. Clive and Urbandale also utilize a closest-unit-response model allowing response from either department depending on which is closest to the incident. The City currently enjoys an ISO fire classification of 2/2x and received Commission on Fire Accreditation International (CFAI) Accreditation in August 2024.

Utilities

The following utilities operate within Urbandale providing the services indicated:

Electric/Natural Gas:	MidAmerican Energy
Telephone:	Century Link
Water:	Urbandale Water Utility ¹
Sanitary Waste:	Urbandale Sanitary Sewer District and Urbandale-Windsor Heights Sanitary District
Telegraph:	Western Union
Express:	Railway Express

Source: City of Urbandale

¹ The Urbandale Water Utility voted on January 12, 2022 to become an inaugural member (along with the cities of Des Moines and West Des Moines) of a new joint, cooperative entity, Central Iowa Water Works (CIWW). On December 13, 2023, Urbandale Water Utility signed the 28E agreement and formally joined CIWW. CIWW commenced operations as a wholesale water supplier to member agencies on January 1, 2025. CIWW establishes a shared regional system of drinking water production and supply facilities under regional governance to produce safe, sufficient, reliable, and reasonably priced drinking water. The Urbandale Water Utility has certain membership costs as a member agency including without limitation, amounts equal to an allocated share of CIWW’s reserve funds, debt service payments, capital contributions and operating expenses. The City (through the Water Utility) pays its membership costs to CIWW each fiscal year from Net Revenues of the Water Utility. When CIWW issues additional debt in the future, the City’s operations costs in Water Utility will increase per the terms of the Agreement.

Pensions

The City participates in two public pension systems, Iowa Public Employees’ Retirement System (IPERS) and Municipal Fire and Police Retirement System of Iowa (MFPRSI). Summary descriptions of each Plan follow, for more detail as to each available see “APPENDIX D- AUDITED FINANCIAL STATEMENTS OF THE ISSUER”

IPERS Plan Description - IPERS membership is mandatory for employees of the City. City employees are provided with pensions through a cost-sharing multiple employer defined pension plan administered by IPERS. IPERS benefits are established under Iowa Code, Chapter 97B and the administrative rules thereunder. A City employee who completed seven years of covered service or has reached the age of 65 while in IPERS covered employment becomes vested. If a City employee retires before normal retirement age, the employees’ monthly retirement benefit will be permanently reduced by an early-retirement reduction. IPERS provides pension benefits as well as disability benefits to City employees and benefits to the employees’ beneficiaries upon the death of the eligible employee.

IPERS Contributions - Although the actuarial contribution rates are calculated each year, the contribution rates were set by state law through June 30, 2012 and did not necessarily coincide with the actuarially calculated contribution rate. As a result, from June 30, 2002 through June 30, 2013, the rate allowed by statute was less than the actuarially required rate. Effective July 1, 2012, as a result of a 2010 law change, IPERS contribution rates for the City and its employees are established by IPERS following the annual actuarial valuation (which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization method.) State statute, however, limits the amount rates can increase or decrease each year to one (1) percentage point. Therefore, any difference between the actuarial contribution rates and the contributions paid is due entirely to statutorily set contributions that may differ from the actual contribution rates. As a result, while the contribution rate in the fiscal year ended June 30, 2019 equaled the actuarially required rate, there is no guarantee, due to this statutory limitation on rate increases, that the contribution rate will meet or exceed the actuarially required rate in the future.

In fiscal year 2025, pursuant to the IPERS’ required rate, the City’s employees contributed 6.29% of covered payroll and the City contributed 9.44% of covered payroll for a total rate of 15.73%. The City’s contributions to IPERS for the year ended June 30, 2025 were \$1,185,578, which amount is not less than its actuarially determined calculated annual actuarial valuation. For fiscal year 2026, the employee contribution will be 6.29% and the City contribution rate of 9.44% for a total rate of 15.73%. The City has currently budgeted

a contribution of \$1,228,645 to IPERS for the year ended June 30, 2026. The City’s share of the contribution, payable from the applicable funds of the City, is provided by a statutorily authorized annual levy of taxes without limit or restriction as to rate or amount. The City has always made its full required contributions to IPERS.

The following table sets forth the contributions made by the City and its employees to IPERS for the period indicated. The City cannot predict the levels of funding that will be required in the future.

City and Its Employees Contributions to IPERS

<u>Fiscal Year</u>	<u>Amount Contributed</u>	<u>City Contribution % of Covered Payroll</u>	<u>City Employees’ Contribution % of Covered Payroll</u>
2025	\$1,185,578	9.44%	6.29%
2024	1,115,551	9.44	6.29
2023	1,081,616	9.44	6.29
2022	971,101	9.44	6.29
2021	922,666	9.44	6.29

Source: City of Urbandale

The City cannot predict the levels of funding that will be required in the future as any IPERS unfunded pension benefit obligation could be reflected in future years in higher contribution rates. The investment of moneys, assumptions underlying the same and the administration of IPERS is not subject to the direction of the City. Thus, it is not possible to predict, control or prepare for future unfunded accrued actuarial liabilities of IPERS (“UAALs”). The UAAL is the difference between total actuarially accrued liabilities and actuarially calculated assets available for the payment of such benefits. The UAAL is based on assumptions as to retirement age, mortality, projected salary increases attributed to inflation, across-the-board raises and merit raises, adjustments, cost-of-living adjustments, valuation of current assets, investment return and other matters. Such UAAL could be substantial in the future, requiring significantly increased contributions from the City which could affect other budgetary matters.

Net IPERS Pension Liabilities- Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The City was required to implement GASB 68 in their year end June 30, 2015 financial statements.

At June 30, 2025, the City reported a liability of \$4,611,534 for its proportional share of the IPERS 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 pension plan relative to the contributions of all IPERS participating employers. At June 30, 2024, the City’s collective proportion was 0.126638%, which was a decrease of 0.001860% from its proportion measured as of June 30, 2023. See “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER – NOTE 7 – Pension Plan: Iowa Public Employees Retirement System (IPERS)**” for additional information related to IPERS benefits, the City’s deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity; and specific data related to the Water Utility’s IPERS disclosures.

Detailed information about the IPERS pension plan’s fiduciary net position is available in the separately issued IPERS financial report which is available to the public by mail at P.O. Box 9117, Des Moines, Iowa 50306-9117 or on IPERS’ website at www.ipers.org. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

MFPRSI Plan description - The Municipal Fire and Police Retirement System of Iowa (MFPRSI), established pursuant to Chapter 411.35 of the Code of Iowa and the administrative rules thereunder, is the administrator of a multiple-employer, cost sharing, defined benefit pension plan for the exclusive benefit of eligible employees of participating cities (substantially all full-time employees of the respective fire and police departments). It is governed by a nine-member board of trustees who are elected by the employers and participants of MFPRSI. The City’s responsibility is limited to payment of contributions.

MFPRSI Contributions - Member contribution rates are established by State statute. For the fiscal year ending June 30, 2025, members contributed 9.55% of earnable compensation. That rate increased to 9.675% of reportable compensation for fiscal year 2026.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated on the basis of the entry age normal method as adopted by the Board of Trustees as permitted under Chapter 411 of the Code of Iowa. The normal contribution rate is provided by state statute to be the actuarial liabilities of the plan less current plan assets, with such total divided by 1 percent of the actuarially determined present value of prospective future compensation of all members, further reduced by member contributions and state appropriations. Under the Code of Iowa the employer’s contribution rate cannot be less than 17.00% of earnable compensation.

If approved by the state legislature, state appropriations 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.

The contribution paid by the City for the fiscal year ended June 30, 2025 totaled \$2,494,502, which represents 22.66% of earnable compensation. For fiscal year beginning July 1, 2025, the City’s contribution will be 22.66% of the earnable compensation of each member.

The City has currently budgeted a contribution of \$2,737,239 to MFPRSI for the year ended June 30, 2026.

Net MFPRSI Pension Liabilities - At June 30, 2025, the City reported a liability of \$16,898,243 for its proportionate share of the net MFPRSI pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net MFPRSI pension liability was determined by an actuarial valuation as of that date. The City’s proportion of the net MFPRSI pension liability was based on the City’s share of contributions to the MFPRSI pension plan relative to the contributions of all MFPRSI participating employers. At June 30, 2024, the City’s collective proportion was 2.557308% which was a decrease of .039072% from its proportion measured as of June 30, 2023. See “**APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER – NOTE 7 – Pension Plan: Municipal Fire and Police Retirement Systems of Iowa (MFPRSI)**” for additional information related to MFPRSI benefits, the City’s deferred outflows and inflows of resources related to pensions, actuarial assumptions, discount rate and discount rate sensitivity.

Detailed information about the MFPRSI pension plan’s fiduciary net position is available in the separately issued MFPRSI financial report which is available to the public by mail at 7155 Lake Drive, Suite 201, West Des Moines, Iowa 50266 or on MFPRSI’s website at www.mfprsi.org. However, the information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Bond Counsel, Disclosure Counsel, the Issuer and the Municipal Advisor undertake no responsibility for and make no representations as to the accuracy or completeness of the information available from the MFPRSI or IPERS discussed above or included on the MFPRSI or IPERS website, including, but not limited to, updates of such information on the State Auditor’s website or links to other Internet sites accessed through the MFPRSI or IPERS websites. Information presented in such financial reports or on such websites is not incorporated into this Official Statement by any reference.

Other Postemployment Benefits (OPEB)

Plan Description - The City operates a partially self-insured single-employer benefit plan which provides medical/prescription drug benefits for active employees, qualified retirees, and their spouses/families. Participants must meet IPERS/MFPRS retirement system eligibility requirements, or be age 55 or older at retirement to participate in the retiree benefit plan. Plan benefits are not available for retirees past age 65.

Inactive employees or beneficiaries currently receiving benefit payments	7
Active employees	251
Total	<u>258</u>

OPEB Benefits - The medical/prescription drug coverage is provided through a partially self-insured plan with Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability. The City also offers qualified retirees one month of single health insurance coverage, free of charge, for each full year of continuous employment with the City, thus resulting in an explicit subsidy and additional OPEB liability.

Total OPEB Liability – The City’s total OPEB liability of \$2,169,126 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2023.

Changes to the Total OPEB Liability

Total OPEB liability beginning of year, as restated	\$1,920,869
Changes for the year:	
Services cost	139,085
Interest	96,418
Differences between expected and actual experiences	45,698
Changes in assumptions	-
Benefit payments	(32,944)
Net changes	<u>248,257</u>
Total OPEB liability end of the year	<u>\$2,169,126</u>

See “APPENDIX D–AUDITED FINANCIAL STATEMENTS OF THE ISSUER – NOTE 8 – Other Post Employment Benefits (OPEB)” for additional information related to the City’s deferred outflows and inflows of resources related to OPEB, actuarial assumptions, discount rate and discount rate sensitivity.

Population

The following table sets forth population trends for the City of Urbandale.

<u>Year</u>	<u>Population</u>
2020	45,580
2015 - Special	42,449
2010	39,463
2005 - Special	35,904
2000	29,072
1996 – Special	27,565
1990	23,500
1985 – Special	19,443
1980	17,869
1975 – Special	16,410
1970	14,434
1965 – Special	10,310
1960	5,821

Source: Bureau of the Census

Population by Age

Presented below are the estimated 2022 ACS figures according to age group for Polk and Dallas Counties and the State of Iowa:

<u>Age Group</u>	<u>Polk County</u>	<u>Dallas County</u>	<u>State of Iowa</u>
Under 19 years of age	26.3%	27.5%	25.4%
20 to 24 years of age	6.4	5.9	7.0
25 to 44 years of age	29.6	30.6	25.4
45 to 64 years of age	23.0	22.6	23.4
65 to 85 years of age	12.8	12.0	16.6
85 and over	1.8	1.5	2.3
Median Age	36.2	36.6	39.0

Source: U.S. Census

Employment Statistics

The State of Iowa Department of Job Service reports unemployment unadjusted rates as follows (December 2025)

National Average	4.40%*
State of Iowa	3.50%
Des Moines MSA	3.30%
City of Urbandale	2.90%

* Seasonally adjusted

Source: Iowa Workforce Development

Historical Employment Statistics

Presented below are the historical unadjusted unemployment rates for the years indicated for the City of Urbandale, Des Moines MSA and the State of Iowa.

<u>Calendar Year</u>	<u>City of Urbandale</u>	<u>Des Moines MSA</u>	<u>State of Iowa</u>
2024	2.70%	3.00%	3.00%
2023	2.40	2.70	2.90
2022	2.40	2.70	2.80
2021	3.10	3.80	3.90
2020	4.70	5.30	5.20

Source: Iowa Workforce Development

Major Employers

Some of the more prominent employers within the City include:

<u>Employer</u>	<u>Type of Business</u>	<u>Approximate Employees</u>
Urbandale CSD	Education	700-800
Quality Manufacturing Corporation	Manufacturing	700-800
MidAmerican Energy	Utilities	700-800
U.S. Postal Service	Government	500-700
John Deere Intelligent Solutions	Engineering & Design	500-600
Unity Point at Home	Health services	500-600
Worldwide Logistics	Shipping	300-400
Homemakers Furniture	Retail furniture sales	300-400
Rain and Hail	Insurance	200-300
Berkley Technologies	IT Services	200-300
Bob Brown Chevrolet	Retail vehicle sales	150-250
Stew Hansen Chrysler Jeep Dodge Ram	Retail vehicle sales	150-250
Continental Western Group	Insurance	150-250
Pepsi-Cola Bottling Co.	Beverage manufacturing	150-250
Delta Dental of Iowa	Insurance	150-250
Interstate Batteries	Distribution & Call Center	150-250
Marsh & McLennan Companies	Insurance	100-200
Express Logistics	Logistics	75-150

SOURCE: Urbandale Department of Economic Development

Legislation – Collective Bargaining

The City has three bargaining units, police, fire and laborers. An approved contract with the police bargaining unit is in place through June 30, 2028. Approved contracts with the fire and laborers bargaining units are in place through June 30, 2027 and June 30, 2029, respectively.

Local Option Sales and Services Tax (LOSST)

Once approved, a LOSST can only be repealed through a public referendum at which a majority voting approves the repeal or tax rate change (or upon motion of the governing body), provided no obligations secured by the LOSST are outstanding. If a LOSST is not imposed county-wide, then the question of repeal is voted upon only by voters in such areas of a county where the tax has been imposed. A LOSST may not be repealed within one year of the effective date.

The State of Iowa Director of Revenue (the "Director") administers collection and disbursement of all local option sales and services taxes in conjunction with administration of the State-wide sales, services and use tax presently assessed at 6%. The Director credits the LOSST Revenues to the City's account in the local option sales and services tax fund. The Director by the last day of each month shall transfer to each city or county where the local option tax is imposed the amount of tax moneys remitted to the department attributable to each city or county from the preceding month. Remittance of collections within a county are based upon the following statutory formula for county-wide collections:

- 75 percent: Based on a pro rata share of population (the most recent certified federal census) of those incorporated or unincorporated areas in a county which have approved a LOSST.
- 25 percent: Based on a pro rata share of total property tax dollars levied during the three-year period beginning July 1, 1982, through June 30, 1985, for those incorporated or unincorporated areas of a county which have approved a LOSST.

LOSST – Dallas County

On November 7, 2017, a referendum was held for imposition of a one percent (1%) local option sales and services tax (LOSST) to be collected within Dallas County. Imposition of the LOSST was approved by the voters within a contiguous block of cities, including the Issuer, within Dallas County, by a vote of approximately 61.21% in favor.

The LOSST in Dallas County became effective on July 1, 2018. The City's LOSST receipts are to be utilized for as follows:

- 50% for property tax relief;
- 50% for Capital Improvement Projects which may include, but is not limited to, public safety facilities, aquatic center, street improvements, park and trail improvements, storm water improvements, and related debt retirement as mandated in the referendum.

For fiscal year 2025, the City collected \$2,580,426 of additional funds through imposition and collection of LOSST in Dallas County.

LOSST – Polk County

On August 6, 2019, a referendum was held for imposition of a one percent (1%) local option sales and services tax (LOSST) to be collected within Polk County. Imposition of the LOSST was approved by the voters within contiguous block of cities, including the Issuer, within Polk County, by a vote of approximately 65.2% in favor.

The LOSST in Polk County became effective on January 1, 2020. The City's LOSST receipts are to be utilized for as follows:

- 50% for property tax relief;
- 50% for Capital Improvement Projects which may include, but is not limited to, public facilities, street improvements, park and trail improvements, stormwater improvements, and related debt service, public safety, economic development, equipment and any lawful purpose of the City of Urbandale. All expenditures will be subject to regular audit, public comment, and review.

For fiscal year 2025, the City collected \$7,692,108 of additional funds through imposition and collection of LOSST in Polk County.

Retail Sales

Part of one of the largest shopping centers in the State of Iowa, the Merle Hay Mall, is within the corporate limits of Urbandale. Since the larger part of this commercial complex is not located within the City, taxes collected on retail sales are not included in the computation of sales taxes collected in Urbandale as set forth below:

<u>Year Ended</u>	<u>Retail Sales</u>
2025	\$1,100,489,578
2024	1,141,215,396
2023	1,149,513,327
2022	1,120,925,453
2021	967,804,610
2020	826,263,273
2019	817,621,969
2018	804,971,715
2017	790,710,349
2016	752,452,126
2015	732,119,796
2014	672,013,925
2013	630,794,708
2012	619,399,037
2011	605,922,097
2010	591,433,940

Source: Iowa Department of Revenue

Banking Statistics

Urbandale has 9 banks and 2 credit unions serving the financial needs of the community. In addition, the banks and savings banks operating throughout the Des Moines Metropolitan Area are readily available to provided financial service to the citizens of Urbandale.

Building Permits

Presented below are the building permits issued in the City during the past eighteen calendar years:

<u>Year</u>	<u>Number of Permits Issued</u>	<u>Value</u>
2026*	174	\$26,864,599
2025	1,522	269,312,396
2024	1,277	184,917,908
2023	1,172	200,826,630
2022	1,203	148,076,250
2021	1,388	220,613,196
2020	1,149	140,719,455
2019	904	97,830,410
2018	943	140,223,231
2017	894	110,893,989
2016	869	68,664,218
2015	864	104,908,779
2014	833	93,305,482
2013	934	135,815,315
2012	914	121,275,156
2011	755	87,792,489
2010	696	70,483,100

* Year to Date as of February 28, 2026

Source: City of Urbandale

Residential Growth

The 2020 Census resulted in a population of 45,580 persons and 18,366 housing units. A Special Census conducted in the Fall 2015 resulted in a population of 42,449 persons and 17,609 housing units. The 2010 Census population was 39,463 persons and 16,319 housing units. Urbandale continues to be the 12th largest city in Iowa.

Urbandale continues to have a significant land supply remaining for residential growth in new neighborhoods west of Interstates 35/80 and is exploring the possibility of annexing additional territory. Most of the growth areas within the Corporate Limits are already served by City infrastructure, notably the major water mains and sanitary sewer trunks that are essential for development. Developers continue to acquire additional land for residential development in Urbandale and are developing new subdivisions, and therefore, Urbandale continues to be advantageously positioned for near-term subdivision development that will place it among the leaders for new housing construction.

During 2025, there were 8 final plats for residential subdivisions that will add 203 lots for single-family detached homes and 89 single family attached (townhome) units. In 2024, there were 9 final subdivision plats under development that will add 149 lots for single-family detached homes and 290 single-family attached (townhome) units, and an additional preliminary plat had been approved that would add another 19 single-family attached (townhome) units. In 2023 there were 10 final subdivision plats adding 426 lots for single-family detached homes and 52 single-family attached (townhome) units. In 2022, there were 11 final subdivision plats adding 602 lots for single-family detached homes and 95 single-family attached (townhome) units.

In 2025, permits for new single-family homes increased slightly to 311, while permits for new single-family attached (townhomes) increase to 120. In 2024, permits for new single-family homes increased significantly to 304, while permits for new single-family attached (townhome) units decreased slightly to 79. In 2023, permits were issued for 192 new single-family homes and 99 single-family attached (townhome) units. In 2022, permits were issued for 184 new single-family homes, and 46 single-family attached (townhome) units.

Commercial Growth

Urbandale continues to have sufficient land to support commercial and industrial development for decades, and nearly all of it is owned by successful, long-time developers of commercial real estate. Significant, established commercial and industrial parks include the Paragon Office Park, Urbandale Marketplace, Northpark Business Centre, Crossroads Business Park, the Walnut Ridge Business Park, Highland Pointe Office Park, Landmark Office Park, and Center Pointe Business Park, on 100th Street just north of Interstates 35/80.

The 100th Street Interchange project on Interstate 35/80, along with the Highway 141 flyover ramp and the half-diamond interchange at Meredith Drive, are all open for use. This infrastructure investment significantly enhances economic development efforts and provides improved interstate access to the more than 650 acres of land available for commercial and industrial development.

Construction permitted in 2025 totaled 279,480 square feet of new commercial and office development, as follows: a 15,881 square foot

industrial warehouse condominium, a 10,358 square foot multi-tenant commercial building for Urban Loop South (which is the first of three multi-tenant buildings), a 241,836 square foot mixed use building for the Urban Loop with 215 apartment units and underground parking (along with a permit for the five detached garages with the Urban Loop project totaling 9,411 square feet), a 1,994 square foot addition at Pizza Ranch for the Fun Zone. Additionally, two permits for the Des Moines Christian School System were issued in 2025 - a 133,670 square foot new high school and a 28,415 square foot early education center.

Construction permitted in 2024 totaled 254,286 square feet of new commercial and office development, and includes a 134,765 square foot U-Haul storage facility, a 44,100 square foot building addition for Quality Manufacturing, a 44,100 square foot retail development in Urbandale Marketplace II at 100th Street and Plum Drive, a 9,900 square foot Cultivation Center on the Living History Farms property, an 11,617 square foot Everbrook Academy daycare facility, a 5,534 square foot Pet Medical Center in the Prairie Tower development, a 1,920 square foot addition to the Des Moines Electrical Apprenticeship Building, a 1,550 square foot addition to the Urbandale Food Pantry building, and an 800 square foot addition to a former bank building now being occupied for an office facility by Spraytec Fertilizers.

Construction permitted in 2023 totaled 833,922 square feet of new commercial and office development, and includes a 234,348 square foot warehouse in the Prairie Tower development at the northwest corner of the 128th Street and Meredith Drive intersection, another 450,644 square foot warehouse across 128th Street in the Urban Loop Commerce Park (formally a portion of the Paragon Office Park), 13,500 total square feet within two new buildings in the Urban Marketplace II development, a 12,136 square foot Timberline Wellness building at 142nd Street and Douglas Parkway, and the 22,000 square foot Iowa Chin Baptist church. Additionally, the 101,294 square foot Waterford Elementary school is being constructed north of Waterford Road on 156th Street. The City has also approved site plans for an additional 89,867 square feet of commercial projects that are expected to be permitted yet this year, which includes a 476 square foot addition to the Caldwell Parrish Funeral Home, a 960 square foot accessory building for Haggerty Windows, an 18,931 square foot Grace Breast Imaging and Medical Spa and a 69,500 square foot Autobarn Condominium project.

Construction permitted in 2022 totaled 500,244 square feet of new commercial and office development, and includes a 212,500 square foot warehouse for R&R at the Center Pointe Business Park development, a 3,626 square foot Premier Credit Union, an 82,200 square foot office headquarters for Worldwide Logistics, a 10,500 square foot retail building at 100th Street and Plum Drive, a 4,158 square foot Hy-Vee Fast & Fresh on Meredith Drive near 156th Street, another 8,254 square foot Hy-Vee Fast & Fresh at Meredith Drive and 129th Street, a 2,830 square foot addition to Graham Collision, a 13,862 square foot New Horizon Academy daycare, a 61,200 square foot Homewood Suites hotel, and a 616 square foot Hyper Energy bar drive thru facility.

Construction permitted in 2021 totaled 364,754 square feet of new commercial and office development, and includes the 55,559 square foot New Hope church addition, a 78,504 square foot Canoyer Garden Center, a 13,039 square foot Kiddie Academy, a 10,953 square foot new building for Ramsey Mazda, a 6,417 square foot addition for Pepsi and a 8,520 square foot addition for St. Pius church, a 13,540 square foot addition for Des Moines Christian school, a 40,500 square foot storage unit facility, a 8,100 square foot daycare facility, a 10,622 square foot addition for Probiofirm, and the 119,000 square foot new Valerius Elementary school.

Legislation – Property Tax Matters

Over time, the Iowa Legislature has modified the process and calculation of taxable valuations for various classifications of property. For example, in 2013 maximum annual taxable value growth due to revaluation of residential and agricultural property was reduced from 4% to 3%, rollback calculations were modified, a new multi-residential classification was created, and an appropriation made to replace some lost tax revenue due to rollbacks. In 2019, the process for hearings on total maximum property tax dollars under certain levies in the City's budget was modified and a super-majority vote required to raise taxes above a prescribed formula. In 2021, the multi-residential classification was removed, and a phase out of the appropriation for rollback initiated. In 2023, SF 181 reduced the residential rollback for the 2022 assessment year (affecting FY2023-2024) from 56.4919% to 54.6501%. This resulted in a reduction in taxable valuation in the residential, commercial, industrial and railroad property classes upon which the City levied property taxes for fiscal year 2023/24. In FY2024/2025, the residential rollback decreased from 54.6501% to 46.3428%. Residential rollback in FY2025-2026 increased to 47.4316%.

On May 4, 2023, the Governor signed House File 718 ("HF 718"), a property tax reform law aimed at reducing property tax growth in Iowa. Among other things, HF 718 permanently consolidated a number of existing city property tax levies and created a new adjusted city general fund levy ("ACGFL"). Property tax provisions were further amended by Senate File 2442 ("SF 242"), adopted during the 2024 Legislative Session and signed into law May 1, 2024. To control the growth of property taxes, the new ACGFL is subject to potential limitation or reduction by constraining growth to 2% or 3% each year depending on if certain growth triggers are met or exceeded during the prior year. The levy limitation is only applicable FY2024-2025 through FY2027-2028 and will be specific to each city. In Fiscal Year 2023-24, the City calculated the new ACGFL as the baseline rate and the first annual ACGFL adjustment begins in FY2024-2025. The ACGFL rates for FY2024-2025 through FY2027-2028 are based on growth in city taxed value and the previous year's city tax rate. Beginning in FY2028-2029, all cities go to a \$8.10 ACGFL maximum and the levy limitation calculation ceases. Certain levies like debt service, pensions, employee benefits and capital improvement reserve fund are not included in the new ACGFL limitation. For Fiscal Year 2024-25, the City's non-TIF tax valuation growth was 6.39% causing the City's property tax revenue growth to be mitigated by the calculations imposed by SF 2442. The City's Budget for Fiscal Year 2024-25 accommodated this mitigation of tax revenue relative to its non-TIF tax valuation growth. For Fiscal Year 2025-26, the City's non TIF tax valuation growth was 3.66% causing the City's property

tax revenue growth to be mitigated by the calculations imposed by SF 2442. The City’s Budget for Fiscal Year 2025-26 accommodated this mitigation of tax revenue relative to its non-TIF tax valuation growth.

From time to time, legislative proposals are pending in Congress and the Iowa General Assembly that would, if enacted, alter or amend one or more of the property tax matters described herein. It cannot be predicted whether or in what forms any of such proposals, either pending or that may be introduced, may be enacted, and there can be no assurance that such proposals will not apply to valuation, assessment or levy procedures for taxes levied by the City or have an adverse impact on standing appropriations or the future tax collections of the City. Purchasers of the Notes should consult their tax advisors regarding any pending or proposed federal or state tax legislation. The opinions expressed by Bond Counsel are based upon existing legislation as of the date of issuance and delivery of the Notes and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending federal or state tax legislation.

Notwithstanding any modifications to property tax revenues that may result from prior, pending or future legislation, the Notes are secured by an unlimited ad valorem property tax. See "**THE NOTES – Source of Security for the Notes**" for more details herein.

Property Tax Assessment

In compliance with section 441.21 of the Code of Iowa, as amended, the State Director of Revenue annually directs all county auditors to apply prescribed statutory percentages to the assessments of certain categories of real property. The final values, called Actual Valuation, are then adjusted by the County Auditor. Assessed or Taxable Valuation subject to tax levy is then determined by the application of State determined rollback percentages, principally to residential and commercial property.

Beginning in 1978, the State required a reduction in Actual Valuation to reduce the impact of inflation on its residents. The resulting value is defined as the Assessed or Taxable Valuation. The rollback percentages for various classes of property have been as follows:

Fiscal Year	Residential	Ag. Land & Bldgs	Commercial	Multi-residential *	Railroad	Chap 437	Chap 428/438	Industrial
						Utilities	Utilities	
2026-27	44.5345	59.4401	90.0000	NA	90.0000	94.2059	98.0000	90.0000
2025-26	47.4316	73.8575	90.0000	NA	90.0000	100.0000	NA	90.0000
2024-25	46.3428	71.8370	90.0000	NA	90.0000	100.0000	NA	90.0000
2023-24	54.6501	91.6430	90.0000	NA	90.0000	100.0000	NA	90.0000
2022-23	54.1302	89.0412	90.0000	63.7500	90.0000	100.0000	NA	90.0000

Source: Iowa Department of Revenue

* During the 2021 Iowa legislative session, House File 418 was signed into law on March 8, 2021, applicable to valuations beginning January 1, 2022. HF418 removed the multi-residential property classification by reclassifying certain properties as a subdivision of “residential” property. The multi-residential classification was created as part of the January 1, 2015 valuations, and became unnecessary due to the equalization of the residential and multi-residential classifications as of January 1, 2022 (impacting FY2023-24).

Property is assessed on a calendar year basis. The assessments finalized as of January 1 of each year are applied to the following fiscal year. For example, the assessments finalized on January 1, 2024 are used to calculate tax liability for the tax year starting July 1, 2025 through June 30, 2026. Presented below are the historic property valuations of the Issuer by class of property.

Property Valuations

Actual Valuation					
Valuation as of January	2025	2024	2023	2022	2021
<u>Fiscal Year</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	6,703,561,688	6,120,218,185	5,994,241,127	4,887,847,267	4,463,127,197
Agricultural Land:	4,966,710	3,898,847	4,293,320	3,894,470	4,013,660
Ag Buildings:	414,890	377,600	377,600	269,940	70,800
Commercial:	1,316,599,170	1,267,281,484	1,227,631,072	1,045,547,641	981,239,429
Industrial:	30,000,578	33,484,161	33,708,308	29,091,261	26,329,894
Multiresidential:	0	0	0	0	142,002,646
Personal RE:	0	0	0	0	0
Railroads:	0	0	0	0	0
Utilities:	0	19,769	19,587	11,600	2,574,008
Other:	0	0	0	0	0
Total Valuation:	8,055,543,036	7,425,280,046	7,260,271,014	5,966,662,179	5,619,357,634
Less Military:	4,740,174	4,980,000	5,152,000	2,468,716	2,568,724
Less Homestead:	24,082,638	24,407,713	12,194,000		
Net Valuation:	8,026,720,224	7,395,892,333	7,242,925,014	5,964,193,463	5,616,788,910
TIF Valuation:	509,104,518	382,153,153	359,880,612	283,618,234	329,438,244
Utility Replacement:	439,322,271	457,580,555	434,932,441	402,628,018	293,539,169
Taxable Valuation					
Valuation as of January	2025	2024	2023	2022	2021
<u>Fiscal Year</u>	<u>2026-27</u>	<u>2025-26</u>	<u>2024-25</u>	<u>2023-24</u>	<u>2022-23</u>
Residential:	2,969,960,212	2,897,812,435	2,773,013,108	2,668,355,625	2,414,326,009
Agricultural Land:	2,952,226	2,879,585	3,084,198	3,569,019	3,573,818
Ag Buildings:	246,610	278,884	271,256	247,382	63,040
Commercial:	1,102,117,856	1,071,368,689	1,037,277,475	887,977,098	852,237,559
Industrial:	25,150,164	28,125,122	28,249,252	24,507,630	22,637,164
Multiresidential:	0	0	0	0	88,123,337
Personal RE:	0	0	0	0	0
Railroads:	0	0	0	0	0
Utilities:	0	19,769	19,587	11,600	2,574,008
Other:	0	0	0	0	0
Total Valuation:	4,100,427,068	4,000,484,484	3,841,914,876	3,584,668,354	3,383,534,935
Less Military:	4,740,174	4,980,000	5,152,000	2,468,716	2,568,724
Less Homestead:	24,082,638	24,407,713	12,194,000		
Net Valuation:	4,071,604,256	3,971,096,771	3,824,568,876	3,582,199,638	3,380,966,211
TIF Valuation:	508,955,722	382,153,153	359,880,612	283,618,234	329,438,244
Utility Replacement:	140,079,335	132,376,726	134,480,526	139,877,103	141,332,705

Valuation Year	Fiscal Year	Actual Valuation w/Utilities	% Change in Actual Valuation	Total Taxable Value w/Utilities	% Change in Taxable Valuation
2025	2027	8,975,147,013	8.98%	4,720,639,313	5.24%
2024	2026	8,235,626,041	2.46%	4,485,626,650	3.86%
2023	2025	8,037,738,067	20.86%	4,318,930,014	7.82%
2022	2024	6,651,281,102	6.60%	4,005,694,975	4.00%
2021	2023	6,239,766,323	7.34%	3,851,737,160	4.74%
2020	2022	5,813,262,243	3.02%	3,677,588,787	4.04%

Source: Iowa Department of Management

Tax Rates

The City Council levied the following taxes for collection during the fiscal years indicated: (Source: Local Division, Iowa State Comptroller, Office)

Fiscal Year	General Fund	Outside	Emergency Levy	Debt Service	Employee Benefits	Capital Improve	Total Levy	Ag Levy
2026	7.78622	0.00000	0.00000	1.44000	0.80378	0.00000	10.03000	3.00375
2025	7.86408	0.00000	0.00000	1.49000	0.72592	0.00000	10.08000	3.00375
2024	8.10000	0.00000	0.00000	1.44000	0.47000	0.00000	10.01000	3.00375
2023	8.10000	0.00000	0.00000	1.44000	0.47000	0.00000	10.01000	3.00375
2022	8.10000	0.00000	0.00000	1.54000	0.47000	0.00000	10.11000	3.00375
2021	8.10000	0.00000	0.00000	1.64000	0.42000	0.00000	10.16000	3.00375

Source: Iowa Department of Management & City of Urbandale

Combined Historic Tax Rates

Presented below are the tax rates by taxing district for the major school district in the City (presented as within the Urbandale Sanitary Sewer District, small portion of City is within the Urbandale-Windsor Heights Sanitary District):

Dallas Center-Grimes CSD – Polk County

Fiscal Year	City	School	College	State	Assessor	Ag Extens	Hospital	SanSewer	County	Transit	Total Levy Rate
2026	10.03000	18.15013	0.78046	0.00000	0.24426	0.03143	2.38878	0.21444	6.70896	0.62778	39.17624
2025	10.08000	18.70359	0.75916	0.00180	0.25772	0.03175	2.39364	0.21338	6.77099	0.63500	39.84703
2024	10.01000	18.12857	0.74410	0.00180	0.22070	0.03346	2.63945	0.16111	6.77099	0.63138	39.34156
2023	10.01000	18.76435	0.69448	0.00240	0.22542	0.03328	2.57722	0.17497	6.77099	0.65643	39.90954
2022	10.11000	17.86800	0.67789	0.00260	0.19192	0.03486	2.57740	0.16258	7.13383	0.68190	39.44098
2021	10.16000	17.60801	0.63533	0.00270	0.24836	0.03502	2.67405	0.16683	7.30880	0.71200	39.55110

Johnston CSD – Polk County

Fiscal Year	City	School	College	State	Assessor	Ag Extens	Hospital	SanSewer	County	Transit	Total Levy Rate
2026	10.03000	14.91717	0.78046	0.00000	0.24426	0.03143	2.38878	0.21444	6.70896	0.62778	35.94328
2025	10.08000	13.88867	0.75916	0.00180	0.25772	0.03175	2.39364	0.21338	6.77099	0.63500	35.03211
2024	10.01000	13.00519	0.74410	0.00180	0.22070	0.03346	2.63945	0.16111	6.77099	0.63138	34.21818
2023	10.01000	17.75152	0.69448	0.00240	0.22542	0.03328	2.57722	0.17497	6.77099	0.65643	38.89671
2022	10.11000	17.76219	0.67789	0.00260	0.19192	0.03486	2.57740	0.16258	7.13383	0.68190	39.33517
2021	10.16000	17.75113	0.63533	0.00270	0.24836	0.03502	2.67405	0.16683	7.30880	0.71200	39.69422

Urbandale CSD – Polk County

Fiscal Year	City	School	College	State	Assessor	Ag Extens	Hospital	SanSewer	County	Transit	Total Levy Rate
2026	10.03000	17.93652	0.78046	0.00000	0.24426	0.03143	2.38878	0.21444	6.70896	0.62778	38.96263
2025	10.08000	17.94026	0.75916	0.00180	0.25772	0.03175	2.39364	0.21338	6.77099	0.63500	39.08370
2024	10.01000	17.99523	0.74410	0.00180	0.22070	0.03346	2.63945	0.16111	6.77099	0.63138	39.20822
2023	10.01000	17.99500	0.69448	0.00240	0.22542	0.03328	2.57722	0.17497	6.77099	0.65643	39.14019
2022	10.11000	17.98941	0.67789	0.00260	0.19192	0.03486	2.57740	0.16258	7.13383	0.68190	39.56239
2021	10.16000	17.94483	0.63533	0.00270	0.24836	0.03502	2.67405	0.16683	7.30880	0.71200	39.88792

West Des Moines CSD – Polk County

Fiscal Year	City	School	College	State	Assessor	Ag Extens	Hospital	SanSewer	County	Transit	Total Levy Rate
2026	10.03000	12.21780	0.78046	0.00000	0.24426	0.03143	2.38878	0.21444	6.70896	0.62778	33.24391
2025	10.08000	12.21816	0.75916	0.00180	0.25772	0.03175	2.39364	0.21338	6.77099	0.63500	33.36160
2024	10.01000	13.16057	0.74410	0.00180	0.22070	0.03346	2.63945	0.16111	6.77099	0.63138	34.37356
2023	10.01000	13.15798	0.69448	0.00240	0.22542	0.03328	2.57722	0.17497	6.77099	0.65643	34.30317
2022	10.11000	13.15921	0.67789	0.00260	0.19192	0.03486	2.57740	0.16258	7.13383	0.68190	34.73219
2021	10.16000	13.15863	0.63533	0.00270	0.24836	0.03502	2.67405	0.16683	7.30880	0.71200	35.10172

Waukee CSD – Dallas County

Fiscal Year	City	School	College	State	Assessor	Ag Extens	Hospital	SanSewer	County	Transit	Total Levy Rate
2026	10.03000	17.75876	0.78046	0.00000	0.31587	0.07241	0.58393	0.21444	3.50685	0.62778	33.89050
2025	10.08000	17.80429	0.75916	0.00180	0.33067	0.07629	0.58393	0.21338	3.58451	0.63500	34.06903
2024	10.01000	17.80342	0.74410	0.00180	0.31908	0.07868	0.58393	0.16111	2.96949	0.63138	33.30299
2023	10.01000	17.80254	0.69448	0.00240	0.21526	0.08590	0.54482	0.17497	3.05184	0.65643	33.23864
2022	10.11000	17.80270	0.67789	0.00260	0.22521	0.05732	0.52950	0.16258	3.46118	0.68190	33.71088
2021	10.16000	17.80043	0.63533	0.00270	0.24430	0.05999	0.44912	0.16683	3.70231	0.71200	33.93301
2020	10.52000	17.85609	0.65249	0.00280	0.27842	0.06314	0.39971	0.15929	4.16317	0.70700	34.80211

Source: Iowa Department of Management

Tax Collection History

Fiscal Year	Amount Levied	Amount Collected	Percentage Collected
2026	\$41,685,973	In Collection	NA
2025	40,419,699	\$40,630,963	100.52%
2024	37,639,659	37,953,570	100.83%
2023	35,707,139	35,535,335	99.52%
2022	34,487,790	34,453,152	99.90%
2021	33,188,991	33,710,941	101.57%
2020	32,433,323	31,690,103	97.71%
2019	28,994,598	29,434,125	98.57%
2018	28,049,246	28,087,312	100.14%
2017	26,597,054	26,556,460	99.85%
2016	24,951,755	24,887,676	99.74%
2015	23,710,456	23,729,138	100.08%
2014	23,063,528	22,794,448	98.83%
2013	22,215,288	22,230,226	100.07%
2012	22,603,765	22,514,293	99.60%
2011	21,672,527	21,658,531	99.94%

Average Percentage Collected: 99.79%

Source: City of Urbandale

Largest Taxpayers

Set forth in the following table are the persons or entities which represent the 2024 largest taxpayers within the City, as provided by the Polk and Dallas County Assessor’s Offices. No independent investigation has been made of and no representation is made herein as to the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City. The City’s mill levy is uniformly applicable to all of the properties included in the table, and thus taxes expected to be received by the City from such taxpayers will be in proportion to the assessed valuations of the properties. The total tax bill for each of the properties is dependent upon the mill levies of the other taxing entities which overlap the properties.

<u>Taxpayer</u>	<u>2024 Taxable Valuation</u>	<u>Percent of Total</u>
Mid American Energy *	\$131,279,096	2.93%
Aurora Business Park I LLC	\$54,379,091	1.21%
Homemakers Plaza Inc	\$46,603,307	1.04%
Hy-vee Inc.	\$28,312,296	0.63%
BAP 2018 LLC	\$28,076,357	0.63%
Lithia Real Estate Inc	\$27,985,827	0.62%
112th Street LC	\$25,375,906	0.57%
Deere & Company	\$24,828,441	0.55%
RGBALC	\$24,348,924	0.54%
Esday Oinesmay Partners LLC	\$23,587,206	0.53%
Total of Top 10 Taxpayers:		9.25%

Sources: County Auditor Offices

*** Utility Property Taxes**

Property owned by entities involved primarily in the production, delivery, service and sale of electricity, natural gas and rate-regulated water utilities (“Utilities”) pay a replacement tax based upon the delivery of electricity, natural gas, or water by Utilities in lieu of property taxes. All replacement taxes are allocated among local taxing bodies by the State Department of Revenue and Finance and the Department of Management. This allocation is made in accordance with a general allocation formula developed by the Department of Management on the basis of general property tax equivalents. Utility properties paying the replacement tax are exempt from the levy of property tax by political subdivisions. In addition to the replacement tax, Utility property will continue to be valued by a special method as provided in the statute and taxed at the rate of three cents per one thousand dollars for the general fund of the State.

By statute, the replacement tax collected by the State and allocated among local taxing bodies (including the Issuer) shall be treated as property tax when received and shall be disposed of by the county treasurer as taxes on real estate. It is possible that the general obligation debt capacity of the Issuer could be adjudicated to be proportionately reduced in future years if Utility property were determined to be other than “taxable property” for purposes of computing the Issuer’s debt limit under Article XI of the Constitution of the State of Iowa. There can be no assurance that future legislation will not (i) operate to reduce the amount of debt the Issuer can issue or (ii) adversely affect the Issuer’s ability to levy taxes in the future for the payment of the principal of and interest on its outstanding debt obligations, including the Notes. Approximately 3.23% of the City’s Fiscal Year 2025-26 taxable valuation currently is utility property.

Public Funds Investments

As of February 28, 2026, the City held investments in the following amounts:

<u>Amount</u>	<u>Investment</u>
\$48,347,986	CD’s
10	Savings
49,159,205	Money Market
14,459,205	US Treasury Bill

Source: City of Urbandale

Outstanding Debt - Direct Debt

Presented below is the principal on the City's outstanding general obligation bonds, including the Notes:

<u>Fiscal Year</u>	<u>Principal Existing</u>	<u>Plus: 2026A</u>	<u>Total Principal</u>
2026	8,700,000	0	8,700,000
2027	6,415,000	2,500,000	8,915,000
2028	5,950,000	2,035,000	7,985,000
2029	5,415,000	450,000	5,865,000
2030	4,955,000	450,000	5,405,000
2031	4,235,000	450,000	4,685,000
2032	3,630,000	450,000	4,080,000
2033	2,940,000	450,000	3,390,000
2034	2,040,000	450,000	2,490,000
2035	905,000	450,000	1,355,000
2036	0	355,000	355,000
Totals:	45,185,000	8,040,000	53,225,000

Source: City of Urbandale

* On June 1, 2026, the City will redeem \$5,060,000 of future principal coming due in FY2026 through 2030. The maturities being redeemed are not included in the tables above.

Presented below is the principal and interest on the City's outstanding general obligation bonds, including of the Notes*:

<u>Fiscal Year</u>	<u>P & I Existing</u>	<u>Plus: 2026A</u>	<u>Total P&I</u>
2026	10,702,915	0	10,702,915
2027	7,870,618	2,832,550	10,703,168
2028	7,097,018	2,262,200	9,359,218
2029	6,316,568	590,200	6,906,768
2030	5,646,868	572,200	6,219,068
2031	4,735,305	554,200	5,289,505
2032	3,985,600	536,200	4,521,800
2033	3,166,400	518,200	3,684,600
2034	2,157,800	500,200	2,658,000
2035	941,200	482,200	1,423,400
2036	0	369,200	369,200
Totals:	52,620,290	9,217,350	61,837,640

Source: City of Urbandale

* On June 1, 2026, the City will redeem \$5,328,6500 of future principal and interest coming due in FY2027 through 2030. The maturities being redeemed are not included in the tables above.

Outstanding Debt Self-Supporting Debt **

Portions of the direct debt are self-supported by various financing districts within the City as reflected in the following table, including the Notes:

Principal Portion:

<u>Fiscal Year</u>	<u>NW Market</u>	<u>DUNA</u>	<u>Westover</u>	<u>Total</u>
2026	2,890,000	405,000	0	3,295,000
2027	2,630,000	710,000	125,000	3,465,000
2028	2,190,000	745,000	130,000	3,065,000
2029	760,000	185,000		945,000
2030	430,000	195,000		625,000
2031	0	205,000		205,000
2032	0	215,000		215,000
2033	0	225,000		225,000
2034	0	230,000		230,000
Totals:	8,900,000	3,115,000	255,000	12,270,000

Principal & Interest Portion:

<u>Fiscal Year</u>	<u>P & I NW Market</u>	<u>P & I DUNA</u>	<u>P&I Westover</u>	<u>P&I Total</u>
2026	3,330,535	521,150	0	3,851,685
2027	2,910,400	836,750	137,750	3,884,900
2028	2,348,750	836,250	136,500	3,321,500
2029	819,500	239,000	0	1,058,500
2030	451,500	239,750	0	691,250
2031	0	240,000	0	240,000
2032	0	241,800	0	241,800
2033	0	243,200	0	243,200
2034	0	239,200	0	239,200
Totals	9,860,685	3,637,100	274,250	13,772,035

Source: City of Urbandale

** On June 1, 2026, the City will redeem \$5,060,000 of future principal (and the corresponding interest) coming due in FY2027 through 2030. The maturities being redeemed are not included in the tables above.

Other Obligations – TIF-backed Development Agreements and Other Agreements

From time to time the City, pursuant to Chapter 403 of the Code of Iowa and the Issuer’s urban renewal plans, has entered into Development Agreements which contain payment obligations from the Issuer to a third party. The Issuer’s payment requirements under these contracts are not structured as general liabilities of the Issuer, but rather are exclusively secured by and payable from a pledge of the City’s incremental property tax revenues (TIF) to be derived from the taxable properties (or some subset thereof) contained within an urban renewal area of the Issuer pursuant to Section 403.19 of the Code of Iowa. The City’s payment obligations under these contracts are routinely contingent upon development or redevelopment performance requirements of the developer and at times are made subject to annual appropriation rights by the City Council. The amounts reported herein includes amounts payable under rebate agreements that may not be debt. Some development agreements are subject to the right of annual appropriation by the City, thereby limiting the extent of possible debt to only amounts currently due and appropriated in the current fiscal year. Additionally, amounts payable under a particular development agreement may not constitute legal indebtedness, or may not be dependent on TIF revenues (as noted below in Other Agreements), but are memorialized in the table to conservatively state the City’s possible financial exposure. Payment of future installments may be dependent upon undertakings by the developers, which may have not yet occurred.

A summary of the City’s current TIF-Backed Development Agreements is listed in the following table:

<u>Party</u>	<u>Approved by City Council</u>	<u>Date Agreement ends</u>	<u>Anticipated total value of agreement</u>	<u>Balance remaining to be paid as of 2/28/26</u>
DEERE AND COMPANY	12/5/2017	12/31/2031	5,736,578	\$3,577,431
PARAGON SOUTH, LLC	11/21/2017	12/31/2032	1,683,083	1,087,192
8851 NORTH PARK DRIVE, LLC	7/31/2018	12/31/2026	67,969	4,952
ANDERSON HOLDINGS LLC	10/9/2018	12/31/2026	175,078	14,612
9400 PLUM LLC	11/6/2018	12/31/2031	378,632	240,881
SOURCE ALLIES, INC.	12/4/2018	12/31/2025	137,659	8,865
HICKMAN STORAGE LLC	12/4/2018	12/31/2027	174,171	34,141
ERICKSON FAMILY L.C.	8/28/2018	12/31/2026	66,742	6,772
D.R.A. PROPERTIES, L.C.	10/8/2019	12/31/2026	317,030	27,623
MEREDITH POINTE LLC	10/8/2019	12/31/2028	361,271	146,816
MEREDITH POINTE LLC	10/8/2019	12/31/2029	98,200	98,200
UNITY CENTER POINTE, LLC	4/7/2020	12/31/2028	211,514	89,163
IOWA BANKERS INSURANCE SERVICES	4/7/2020	12/31/2034	2,479,891	1,998,008
8860 NORTH PARK DRIVE, LLC	4/7/2020	12/31/2027	85,613	18,661
7501, LLC	9/22/2020	12/31/2027	247,700	104,865
7501, LLC	9/22/2020	12/31/2027	51,937	11,177
PREMIER TECH PRAIRIE	9/9/2021	12/31/2030	216,315	216,315
WW INTEGRATED SUPPLY CHAIN SOL.	11/2/2021	12/31/2035	3,184,323	3,184,323
CENTERPOINTE BUSINESS PARK II	8/23/2022	12/31/2030	1,108,708	1,108,708
AURORA BUSINESS PARK	8/23/2022	12/31/2028	151,517	151,517
PRAIRIE TOWER I, LLC	8/22/2023	12/31/2031	1,145,513	1,145,513
MARSH I, LLC	8/22/2023	12/31/2029	413,474	413,474
URBAN LOOP BUILDING I, LLC	8/22/2023	12/31/2031	2,742,628	2,742,628
MARKETPLACE 4820, LLC	8/22/2023	12/31/2031	191,346	191,346
SPRAYTEC FERTILIZERS, LLC	12/17/2024	12/31/2031	75,758	75,758
MP South LLC	10/22/2025	12/31/2030	91,000	91,000
Total:				\$16,789,941

A summary of the City’s current Other Agreements is listed in the following table:

<u>Party</u>	<u>Approved by City Council</u>	<u>Date Agreement ends</u>	<u>Anticipated total value of agreement</u>	<u>Balance remaining to be paid as of 2/28/26</u>
Hubbell Realty/Line Seven Apartments LLC*	2/18/2025	12/31/2042	750,000	750,000
Des Moines Airport Authority – New Terminal**	12/28/2021	6/30/2028	1,331,370	665,685
				\$1,415,685

* Represents development agreements for workforce housing projects that are not backed by TIF revenue. The City has cash on hand to fund these obligations.

** This represents a commitment of financial support to the Airport Authority to construct a new airport terminal at the Des Moines International Airport to be paid over six years. The City has cash on hand to fund this obligation.

Outstanding Debt - General Fund Obligations

The Issuer does not have any outstanding General Fund Obligations.

Debt Limit

The amount of general obligation debt a political subdivision of the State of Iowa can incur is controlled by the constitutional debt limit, which is an amount equal to 5% of the actual value of taxable property within the corporate limits as of the Closing date, taken from the last County Tax list. The Issuer's debt limit, based upon said valuation, amounts to the following:

	FY26
Actual Valuation 1/1/2024:	8,235,626,041
X	0.05
<hr/>	
Statutory Debt Limit:	411,781,302
Total General Obligation Debt:	53,225,000
Development Agreements: (1)	16,789,941**
<hr/>	
Total Debt Subject to Limit:	70,014,941
Percentage of Debt Limit Obligated:	17.00%

¹ As reported by the City pursuant to development agreements for urban renewal projects under the authority of Iowa Code Chapter 403 or other intergovernmental agreements (under chapter 28E, etc.). The Iowa Supreme Court has not formally ruled on the question of whether contracts to rebate the tax increment generated by a particular development constitutes indebtedness of a City for constitutional debt limit purposes. The amount reported above includes amounts payable under rebate agreements that may not be debt. Some development agreements are subject to the right of annual appropriation by the City, thereby limiting the extent of possible debt to only amounts currently due and appropriated in the current fiscal year. Amounts payable under a particular development agreement may not constitute legal indebtedness, but are memorialized in the table above to conservatively state the City's possible financial exposure. Payment of future installments may be dependent upon undertakings by the developers, which may have not yet occurred. The City actively pursues opportunities consistent with the development goals of its various urban renewal plans, which may be amended from time to time, and the City may enter into additional development agreements committing to additional rebate incentive in calendar year 2026 or after. See "Other Obligations – TIF-backed Development Agreements and Other Agreements" table herein for more information.

Source: Iowa Department of Management, and the City

** Rebates payments represented above are based on property valuations as of January 1, 2024 (for fiscal year 2025/2026)

Overlapping Debt

Presented below is a listing of the overlapping and underlying debt outstanding of other municipal issuers within the City.

<u>Taxing Authority</u>	<u>Outstanding Debt</u>	<u>2024 Taxable Valuation</u>	<u>Taxable Value Within Issuer</u>	<u>Percentage Applicable</u>	<u>Amount Applicable</u>
Urbandale CSD	70,525,000	1,815,820,702	1,815,055,240	99.96%	\$70,495,270
Waukee CSD	279,420,000	8,186,319,345	1,144,521,394	13.98%	39,065,440
Johnston CSD	0	3,524,044,822	640,986,068	18.19%	0
West Des Moines CSD	40,105,000	6,233,944,636	553,804,615	8.88%	3,562,806
Dallas Center-Grimes CSD	48,241,292	1,880,770,684	305,739,439	16.26%	7,842,139
Des Moines CSD	0	10,678,039,770	25,519,894	0.24%	0
Urbandale Sanitary Sewer	4,850,000	4,245,241,735	3,871,360,055	91.19%	4,422,857
Urbandale/Windsor HTS Sanitary Sewer	0	572,622,686	212,444,376	37.10%	0
Dallas County	374,670,000	37,160,273,935	3,339,933,110	8.99%	33,675,014
Polk County	16,970,000	10,807,117,645	1,145,693,540	10.60%	1,799,038
Des Moines Area Regional Transit	2,907,305	38,041,979,654	4,103,473,497	10.79%	313,602
Des Moines Area CC	68,145,000	70,226,515,406	4,485,626,650	6.39%	4,352,673
Heartland AEA	0	69,999,578,107	4,485,626,650	6.41%	0
Total Overlapping & Underlying Debt:					\$165,528,839

Source: Iowa Department of Management

Financial Summary

Actual Value of Property, 1/1/2025:	\$8,975,147,013
Taxable Value of Property, 1/1/2025:	4,720,639,313
Direct General Obligation Debt:	\$53,225,000
Less Self-Supported General Obligation Debt:	-12,270,000
Net Direct General Obligation Debt:	\$40,955,000
Overlapping Debt:	165,528,839
Net Direct & Overlapping General Obligation Debt:	\$206,483,839
Population, 2020 US Census:	45,580
Direct Debt per Capita:	\$1,167.73
Total Debt per Capita:	\$4,530.14
Net Direct Debt to Taxable Valuation:	0.87%
Total Debt to Taxable Valuation:	4.37%
Net Direct Debt to Actual Valuation:	0.46%
Total Debt to Actual Valuation:	2.30%
Actual Valuation per Capita:	\$196,910
Taxable Valuation per Capita:	\$103,568

Source: Iowa Department of Management

APPENDIX B – FORM OF LEGAL OPINION

DRAFT

We hereby certify that we have examined a certified transcript of the proceedings of the City Council and acts of administrative officers of the City of Urbandale, State of Iowa (the "Issuer"), relating to the issuance of General Obligation Capital Loan Notes, Series 2026A, by said City, dated May 21, 2026, in the denomination of \$5,000 or multiples thereof, in the aggregate amount of \$ _____ (the "Notes").

We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion as bond counsel to the Issuer.

As to questions of fact material to our opinion, we have relied upon representations of the Issuer contained in the resolution authorizing the Loan Agreement and issuance of the Notes (the "Resolution") and in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

Based on our examination and in reliance upon the certified proceedings and other certifications described above, we are of the opinion, under existing law, as follows:

1. The Issuer is duly created and validly existing as a body corporate and politic and political subdivision of the State of Iowa with the corporate power to adopt and perform the Resolution and Loan Agreement and issue the Notes.
2. The Loan Agreement and Notes are valid and binding general obligations of the Issuer.
3. All taxable property in the territory of the Issuer is subject to ad valorem taxation without limitation as to rate or amount to pay the Notes. Taxes have been levied by the Resolution for the payment of the Notes and the Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes to the extent the necessary funds are not provided from other sources.
4. Interest on the Notes is excludable from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Notes in order that the interest thereon be, and continue to be, excludable from gross income for federal income tax purposes under Section 103 of the Code. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Notes to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability of the Notes, Resolution and Loan Agreement are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX C – CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Urbandale, State of Iowa (the "Issuer"), in connection with the issuance of \$ _____ General Obligation Capital Loan Notes, Series 2026A (the "Notes") dated May 21, 2026. The Notes are being issued pursuant to a Resolution of the Issuer approved on May 5, 2026 (the "Resolution"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate; Interpretation. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Notes and in order to assist the Participating Underwriters in complying with S.E.C. Rule 15c2-12(b)(5). This Disclosure Certificate shall be governed by, construed and interpreted in accordance with the Rule, and, to the extent not in conflict with the Rule, the laws of the State. Nothing herein shall be interpreted to require more than required by the Rule.

Section 2. Definitions. In addition to the definitions set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Financial Information" shall mean financial information or operating data of the type included in the final Official Statement, provided at least annually by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

"Business Day" shall mean a day other than a Saturday or a Sunday or a day on which banks in Iowa are authorized or required by law to close.

"Dissemination Agent" shall mean the Issuer or any Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Financial Obligation" shall mean a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with S.E.C. Rule 15c2-12.

"Holders" shall mean the registered holders of the Notes, as recorded in the registration books of the Registrar.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Municipal Securities Rulemaking Board" or "MSRB" shall mean the Municipal Securities Rulemaking Board, 1300 I Street NW, Suite 1000, Washington, DC 20005.

"National Repository" shall mean the MSRB's Electronic Municipal Market Access website, a/k/a "EMMA" (emma.msrb.org).

"Official Statement" shall mean the Issuer's Official Statement for the Notes, dated _____, 2026.

"Participating Underwriter" shall mean any of the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

"Rule" shall mean Rule 15c2-12 adopted by the Securities and Exchange Commission (S.E.C.) under the Securities Exchange Act of 1934, and any guidance and procedures thereunder published by the S.E.C., as the same may be amended from time to time.

"State" shall mean the State of Iowa.

Section 3. Provision of Annual Financial Information.

- a. The Issuer shall, or shall cause the Dissemination Agent to, not later than the 15th day of April each year, commencing with information for the 2025/2026 fiscal year, provide to the National Repository an Annual Financial Information filing consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Financial Information filing must be submitted in such format as is required by the MSRB (currently in "searchable PDF" format). The Annual Financial Information filing may be submitted as a single document or as separate documents comprising a package. The Annual Financial Information filing may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial

statements of the Issuer may be submitted separately from the balance of the Annual Financial Information filing and later than the date required above for the filing of the Annual Financial Information if they are not available by that date. If the Issuer's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

- b. If the Issuer is unable to provide to the National Repository the Annual Financial Information by the date required in subsection (a), the Issuer shall send a notice to the Municipal Securities Rulemaking Board, if any, in substantially the form attached as Exhibit A.
- c. The Dissemination Agent shall:
 - i. each year file Annual Financial Information with the National Repository; and
 - ii. (if the Dissemination Agent is other than the Issuer), file a report with the Issuer certifying that the Annual Financial Information has been filed pursuant to this Disclosure Certificate, stating the date it was filed.

Section 4. Content of Annual Financial Information. The Issuer's Annual Financial Information filing shall contain or incorporate by reference the following:

- a. The last available audited financial statements of the Issuer for the prior fiscal year, prepared in accordance with generally accepted accounting principles promulgated by the Financial Accounting Standards Board as modified in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under State law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with generally accepted accounting principles, noting the discrepancies therefrom and the effect thereof. If the Issuer's audited financial statements for the preceding years are not available by the time Annual Financial Information is required to be filed pursuant to Section 3(a), the Annual Financial Information filing shall contain unaudited financial statements of the type included in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Financial Information when they become available.
- b. A table, schedule or other information prepared as of the end of the preceding fiscal year, of the type contained in the final Official Statement under the caption "Property Valuations", "Tax Rates", "Combined Historic Tax Rates", "Tax Collection History", "Outstanding Debt", "Other Obligations", "Debt Limit" and "Financial Summary".

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities, which have been filed with the National Repository. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

- a. Pursuant to the provisions of this Section, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Notes in a timely manner not later than 10 Business Days after the day of the occurrence of the event:
 - i. Principal and interest payment delinquencies;
 - ii. Non-payment related defaults, if material;
 - iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
 - iv. Unscheduled draws on credit enhancements relating to the Notes reflecting financial difficulties;
 - v. Substitution of credit or liquidity providers, or their failure to perform;
 - vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series Notes, or material events affecting the tax-exempt status of the Notes;
 - vii. Modifications to rights of Holders of the Notes, if material;
 - viii. Note calls (excluding sinking fund mandatory redemptions), if material, and tender offers;
 - ix. Defeasances of the Notes;
 - x. Release, substitution, or sale of property securing repayment of the Notes, if material;
 - xi. Rating changes on the Notes;
 - xii. Bankruptcy, insolvency, receivership or similar event of the Issuer;
 - xiii. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - xv. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and

- xvi. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.
- b. Whenever the Issuer obtains the knowledge of the occurrence of a Listed Event, the Issuer shall determine if the occurrence is subject to notice only if material, and if so shall as soon as possible determine if such event would be material under applicable federal securities laws.
- c. If the Issuer determines that knowledge of the occurrence of a Listed Event is not subject to materiality, or determines such occurrence is subject to materiality and would be material under applicable federal securities laws, the Issuer shall promptly, but not later than 10 Business Days after the occurrence of the event, file a notice of such occurrence with the Municipal Securities Rulemaking Board through the filing with the National Repository.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate with respect to each Series of Notes shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Notes of that Series or upon the Issuer's receipt of an opinion of nationally recognized bond counsel to the effect that, because of legislative action or final judicial action or administrative actions or proceedings, the failure of the Issuer to comply with the terms hereof will not cause Participating Underwriters to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- a. If the amendment or waiver relates to the provisions of Section 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Notes, or the type of business conducted;
- b. The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- c. The amendment or waiver either (i) is approved by the Holders of the Notes in the same manner as provided in the Resolution for amendments to the Resolution with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Notes.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Financial Information filing, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(c), and (ii) the Annual Financial Information filing for the year in which the change is made will present a comparison or other discussion in narrative form (and also, if feasible, in quantitative form) describing or illustrating the material differences between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Financial Information filing or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Financial Information filing or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Certificate to update such information or include it in any future Annual Financial Information filing or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Holder or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. Direct, indirect, consequential and punitive damages shall not be recoverable by any person for any default hereunder and are hereby waived to the extent permitted by law. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action

to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

Section 13. Rescission Rights. The Issuer hereby reserves the right to rescind this Disclosure Certificate without the consent of the Holders in the event the Rule is repealed by the S.E.C. or is ruled invalid by a federal court and the time to appeal from such decision has expired. In the event of a partial repeal or invalidation of the Rule, the Issuer hereby reserves the right to rescind those provisions of this Disclosure Certificate that were required by those parts of the Rule that are so repealed or invalidated.

Date: _____ day of _____, 2026.

CITY OF URBANDALE, STATE OF IOWA

By: _____
Mayor

ATTEST:

By: _____
City Clerk

EXHIBIT A

NOTICE TO NATIONAL REPOSITORY OF FAILURE TO FILE ANNUAL FINANCIAL INFORMATION

Name of Issuer: City of Urbandale, Iowa.

Name of Note Issue: \$ _____ General Obligation Capital Loan Notes, Series 2026A

Dated Date of Issue: May 21, 2026

NOTICE IS HEREBY GIVEN that the Issuer has not provided Annual Financial Information with respect to the above-named Notes as required by Section 3 of the Continuing Disclosure Certificate delivered by the Issuer in connection with the Notes. The Issuer anticipates that the Annual Financial Information will be filed by _____.

Dated: _____ day of _____, 20____.

CITY OF URBANDALE, STATE OF IOWA

By: _____
Its: _____

APPENDIX D – AUDITED FINANCIAL STATEMENTS OF THE ISSUER

This Appendix contains the entire 2025 audited financial statement of the issuer. The Auditor of State of the State of Iowa (the "State Auditor") maintains a webpage that contains prior years' audits of city, county, school district and community college, including audits of the Issuer.

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City of Urbandale, Iowa



Annual Comprehensive Financial Report

Fiscal Year Ending June 30, 2025



Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025
City of Urbandale, Iowa

Prepared by the Finance Department



Introductory Section

June 30, 2025

City of Urbandale, Iowa



Introductory Section

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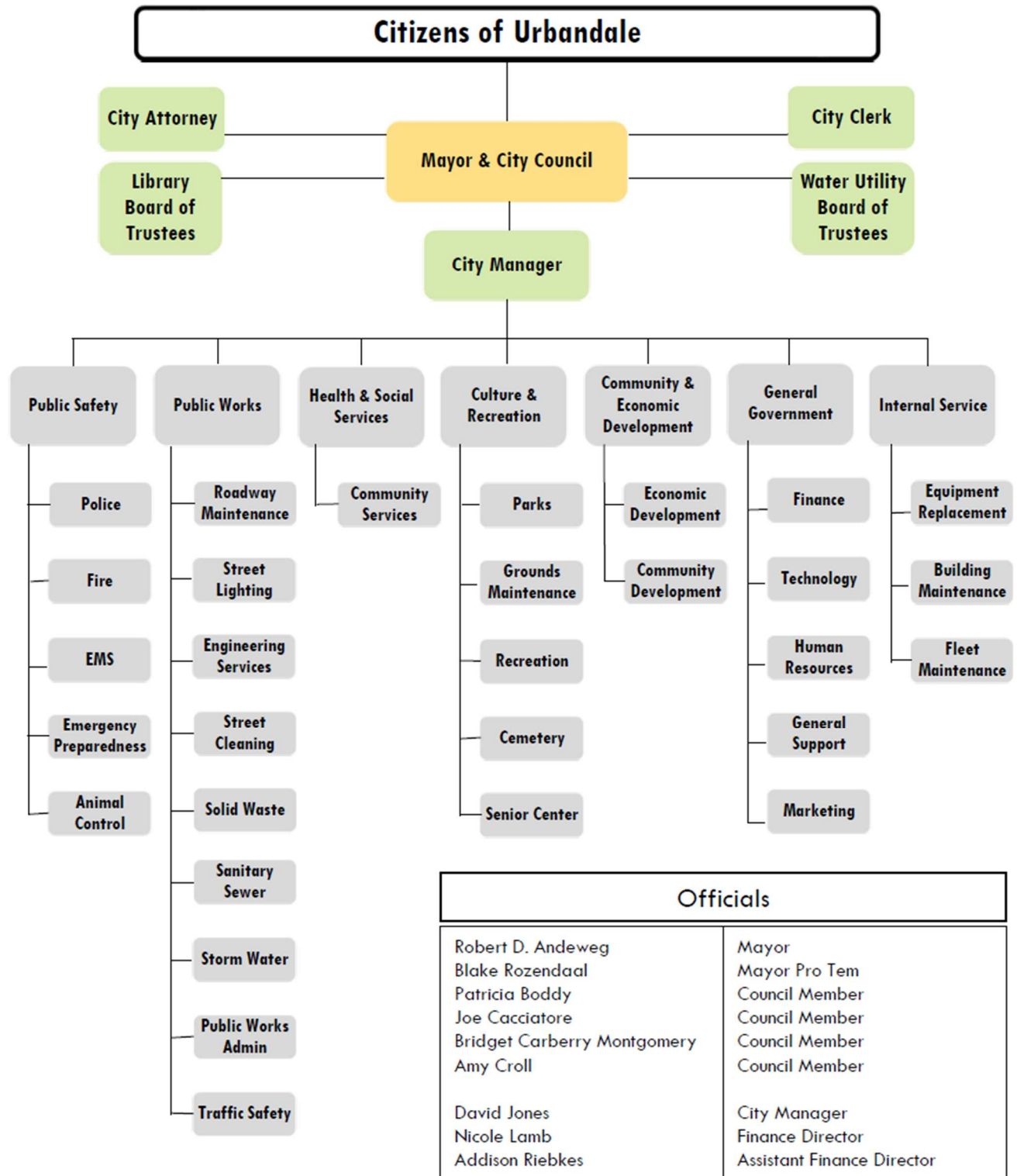
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CITY OF URBANDALE ORGANIZATIONAL CHART

- Elected by the Citizens of Urbandale
- Appointed by the Mayor/City Council
- Hired by the City Manager



Officials	
Robert D. Andeweg	Mayor
Blake Rozendaal	Mayor Pro Tem
Patricia Boddy	Council Member
Joe Cacciatore	Council Member
Bridget Carberry Montgomery	Council Member
Amy Croll	Council Member
David Jones	City Manager
Nicole Lamb	Finance Director
Addison Riebkes	Assistant Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Urbandale
Iowa

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Urbandale, Iowa, for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. This represents the City's 42nd consecutive year of receiving this distinguished award.

In order to receive a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, which contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.



December 4, 2025

Citizens, Honorable Mayor and
Members of the City Council
City of Urbandale, Iowa

We are pleased to submit the Annual Comprehensive Financial Report of the City of Urbandale, Iowa, (the City) for the fiscal year ended June 30, 2025 (FY25), consistent with the requirements of Chapter 11 of the Code of Iowa that requires the City to publish within nine months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2025.

The City is responsible for the accuracy of the data presented in the Annual Comprehensive Financial Report. To the best of our knowledge and belief, the government-wide financial statements, fund financial statements, budgetary comparison, pension and health plan schedules, management's discussion and analysis and statistical tables included in this report, present fairly the financial condition of the City. To provide a reasonable basis for making these representations, internal controls have been established within the Finance Department. The internal control framework is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the City's internal control system has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We believe that the City's internal accounting controls are adequate to ensure the continued integrity of the City's financial management practices.

The Annual Comprehensive Financial Report includes all governmental activities, organizations, and functions controlled by or dependent upon the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. The Urbandale Water Utility (Water Utility) is reported as a discretely presented component unit of the City. While the Water Utility is legally separate, it provides water service exclusively to the citizens of Urbandale on behalf of the City, its three-member governing board is appointed by the Mayor and the Water Utility's operating budget is subject to the approval of the City Council.

The Code of Iowa requires an annual audit be made of the books of accounts, financial records, and transactions of all administrative departments of the City by the State Auditor or by a certified public accountant selected by the City Council. Eide Bailly LLP, Certified Public Accountants, conducted the audit for FY25. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audits, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for FY25 are fairly presented in conformity with GAAP. The independent auditors' report has been included in this report.

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

PROFILE OF THE GOVERNMENT

The City of Urbandale, incorporated in 1917, is located in central Iowa, adjacent to the City of Des Moines. The City also shares common borders with five other communities. The City occupies a land area of 22.66 square miles in Polk and Dallas Counties.

The City's 2020 Census population rose to 45,580 people. The 2015 Special Census population was 42,449 people and its numerical population gain during the 2000 decade ranked second among all Iowa cities. Urbandale's 2010 Census population was 39,463 people, and the 2000 Census population was 29,072 people.

In 1965, the City Council adopted the Mayor-Council, with City Manager, form of government by ordinance. The policy making and legislative authority is vested in the City Council, which consists of five members. The City Council Members are elected on an at-large basis and serve four-year staggered terms. The Mayor serves as the chief executive officer for the City and presides over the City Council meetings. The City Council is responsible for adopting ordinances and resolutions, appointing board and commission members, adopting the annual operating budget and capital improvements program, authorizing contracts and hiring the City Manager, City Attorney and City Clerk. The City Manager serves as the chief administrative officer and is responsible for executing the policies of the City Council, supervising the day-to-day operations of the organization and hiring, firing and disciplining the organization's employees. However, the City Manager does not directly supervise the activities of the Water Utility and Library. These operations are governed by separate boards, which are appointed by the Mayor and City Council. Each board appoints a director to oversee the administrative operations of the department.

The City provides a wide range of public services, including police, fire and emergency medical service, library, parks and recreation, animal control, street maintenance, solid waste collection, code enforcement, water, and sanitary and storm sewer. Additionally, the organization is supported by several administrative operations, including technology, community development, economic development, city manager, human resources, finance, city clerk, marketing, and legal. The annual budget represents the operating plan for all these functions. Additionally, this document serves as a financial planning and control mechanism for the City. All departments are required to submit budget requests to the City Manager's office by early December. These requests are reviewed by the City Manager and a recommended operating budget is formulated for the City Council's consideration. In January and February, the Mayor and City Council participate in a series of work sessions to review the budget recommendations and to formulate a final budget document. The Code of Iowa requires the City Council to conduct two public hearings on the proposed budget and to adopt the final document by April 30. The City's expenditures are grouped into functions. The expenditure levels approved in the budget may not be exceeded on a function level unless a budget amendment is approved by the City Council. To assist the City Council with monitoring City expenditures and revenues, monthly budget summaries are prepared by the Finance Department. Budget to actual comparisons are provided in the required supplementary information section of this report.

ASSESSMENT OF ECONOMIC CONDITION

To better understand the context of the City's financial statements, the following background information is provided for the reader.

Local Economy

Urbandale's residential construction in FY25 continued to rebound from the prior years with permits for new single-family detached homes increasing to 308 homes. Permits for single-family attached (townhouse) homes decreased slightly to 89 units. FY25's valuation for residential construction increased to a valuation of \$166.3 million. Valuation in FY24 was \$143.6 million, FY23 valuation was \$58.2 million, and FY22 valuation was \$140.15 million. Rezoning and land platting activity in FY25 remained steady with the construction of public improvements nearing completion in 9 new developments creating another 246 lots for single-family detached homes, along with 191 single-family attached (townhome) lots.

FY25's total valuation for commercial and industrial permits decreased dramatically to \$22.77 million. FY24's total valuation for commercial and industrial permits was \$60.68 million. FY23 total valuation for commercial and industrial permits was \$68.21 million. FY22 total valuation for commercial and industrial permits was \$96.23 million.

Permit and valuation data for the previous two fiscal years are summarized in the following table:

	Fiscal Year 2025		Fiscal Year 2024	
	# of Permits	Valuation	# of Permits	Valuation
Residential	576	\$ 166,318,206	539	\$ 143,619,172
Nonresidential	100	22,768,996	93	60,680,862
Miscellaneous Minor	768	2,406,294	577	4,467,824
	<u>1,444</u>	<u>\$ 191,493,496</u>	<u>1,209</u>	<u>\$ 208,767,858</u>

Long Term Financial Planning

In 1981, the City Council approved fiscal performance goals for the City's operations. These goals concentrated on revenue, expenditure, reserve, investment, capital improvement, debt and financial reporting performance and were designed to maintain or improve the City's financial position. In approving the fiscal performance goals, the City Council emphasized the need for balancing current economic conditions in the community with the residents' demands for effective service delivery. In 2008, and again in 2016, these goals were updated to reflect current financial performance standards and benchmarks. The preparation of the City's annual operating budget and the five-year capital improvements program are governed by the fiscal performance goals. As a result of these goals, the annual operating budget has been prepared on a two-year basis, fund balances have been maintained at adequate levels and the property tax levy rate has remained relatively stable for many years. To further assist the planning process for the operating budget, the City Council has approved long-term staffing and long-term financial plans and adopted a strategic plan for technology.

The long-term improvement of the City's infrastructure is outlined in the five-year capital improvements program (CIP). The 2025-30+ CIP was adopted by the City Council in January 2024. The approved 2025 CIP anticipated the expenditure of \$37,746,200 various art, park, bridge, sidewalk, storm water, street, street lighting, traffic signal, public building, equipment, technology, and water system improvements. Property tax supported general obligation bonds would provide approximately \$10,586,200 of the needed funding, with the remaining funds to come from local operating revenues, tax increment debt, and other public and private sources.

The 2026-2031+ CIP is currently under development and will be reviewed by the City Council in December 2025, with final adoption by the City Council anticipated in January 2026. This preliminary 2026 CIP proposes the expenditure of \$35,078,500 for various art, park, bridge, sidewalk, storm water, street, street lighting, traffic signal, public building, technology, equipment, and water system improvements in 2026. Property tax supported general obligation bonds would provide approximately \$5,001,800 of needed funding. Since the new CIP for 2026-2031+ is still under development, the referenced amounts may change. It is anticipated that the 2026-2031+ CIP will be substantially completed before the development of the FY26-27 annual operating budget.

FY25 and FY26 Initiatives

The Mayor and City Council implemented programs and policies in FY25 and FY26 that will influence the City's financial operations during these two fiscal years and into the future. While many of the key initiatives reflect specific City projects and benefits, many reinforce the efforts by the Mayor and City Council to enhance the City's quality of life and to build cooperative partnerships on a local and regional basis. The key recognitions and initiatives include the following:

- July 2024, City staff undertook an eight-month process to receive designs and input to develop and approve a new City flag. Over 440 designs were submitted for consideration, with the final design was revealed at the State of the City address on July 2, 2024.
- October 2024, the City Council approved the Preconstruction Agreement for US 6/Hickman Road Interchange with the Iowa Department of Transportation. Included in the current Capital Improvements Program in 2027 is an allocation of \$4,284,500 for the proposed reconfiguration of the Hickman Road Interchange as a diverging diamond interchange. The Cities of Clive and Urbandale will be adding aesthetic and trail enhancements at the interchange. The Iowa Department of Agriculture and Land Stewardship (IDALS) awarded the City \$279,500 in Water Quality Initiative (WQI) funds for this project. IDALS has prepared an agreement to provide this WQI grant funding. The funding is granted post-construction on a 50% matching basis with city costs.
- May 2025, the City applied for and received the Iowa Finance Authority (IFA) designation under IFA's 2026 Iowa Thriving Communities program. This program provides additional points to applications submitted by developers to IFA for projects proposed in designated "Iowa Thriving Communities."
- May 2025, the City approved amendments to existing 28E agreements with BRAVO Greater Des Moines and the Convention and Visitors Bureau to adjust hotel motel tax allocation to each entity from the existing 2/7th calculation to a flat 25% of actual receipts by each participating city.

Economic Development:

- February 2025, Hubbell Realty Co. proposed a multifamily development on approximately 13 acres at the southwest corner of 142nd Street and Waterford Road in the Dallas County portion of Urbandale. A site plan proposes the construction of five, 45-unit multifamily buildings for a total of 225 units at project completion. It is expected the project will be built in two phases with the first phase including the construction of three of the 45-unit residential buildings for a total of 135 units.
- April 2025, 28E agreement with the Iowa Economic Development Authority for the Iowa Reinvestment Act regarding reinvestment in the Merle Hay campus in Urbandale and Des Moines.
- May 2025, the Urbandale Downtown Master Plan was approved, which includes eight primary recommendations as follows: reconfigure Douglas Avenue as a three-lane road, focus redevelopment at strategic locations, establish a district character and identity, create a downtown district parking management plan, pursue a sub-regional stormwater strategy, facilitate "Middle Housing" on single-family parcels off Douglas Ave and within Downtown, encourage bicycle use, and pursue a phased strategy for redevelopment.
- June 2025, a Professional Services Agreement with Bolton & Menk for data gathering, planning, and analysis to formulate specific action steps to implement the recommendations of the Downtown Urbandale focus area.
- Approved the following development agreements during the year:
 - September 2024, Loan agreement with Kading Properties LLC and Madison Flats, LLC to assist in the acquisition of 3821 71st Street.

- December 2024, Spraytec Fertilizers LLC for redevelopment and expansion to the building at 3219 99th Street.
- January 2025, 427B Industrial Property Tax Exemption for a new investment located at 12501 Plum Drive.
- Approved the following real estate purchase agreements during the year:
 - August 2024, for 2.05 acre property at 10841 Douglas Avenue.
 - May 2025, for 1.455 acres of property located at 4700 86th Street.
 - June 2025, for 14,000 square feet of property located at 3834 70th Street.
 - June 2025, for the property located at 7015-7025 Douglas Avenue.

Finance:

- September 2024, Authorized execution of a 28E Agreement with Living History Farms for receipt and public purpose use of Event Sponsorship and Participation Policy funding for a 5-year capital campaign pledge starting in FY25.
- January 2025, Adopted Urbandale's Capital Improvements Program (CIP), a ten-year program that prioritizes the City's maintenance and development of public art, buildings, equipment, technology, parks, bridges, sidewalks, storm water, streets, street lighting, traffic signals and water system. The recommended CIP anticipates expenditures of \$37,746,200 in the 2025 construction year, and \$322,055,300 for the improvements of the City's infrastructure across all years presented in the document.
- April 2025, Approved the FY26 budget reflects a total levy rate of \$10.03, which is a 5-cent decrease from the FY25 levy. The HF718 legislation placed several revenue limitations on the City's General Fund revenues, which caused a shuffling of tax levies away from the General fund and into the specific levies available for those related uses. The FY26 budget recommends the following: the Consolidated General Fund Levy (CGFL) lowers to \$7.78622, the Debt Service levy decreases to \$1.44, the Police & Fire Pension levy increases to \$0.66 and the Employee Benefits levy increases to \$0.14378.
- May 2025, The City Council directed the sale of \$12,215,000 in general obligation capital loan note series 2025A to finance the construction of various public improvement projects during construction year 2025. At that time, the bid of Huntington Securities Inc., of Chicago, IL was accepted for the sale of Series A. The 2025-2030+ Capital Improvements Program anticipates the expenditure of approximately \$12,636,200 for various public improvement projects during construction year 2025 that required general obligation debt to be issued; \$10,586,200 in debt levy supported general obligation debt, and \$2,050,000 in urban renewal (Tax Increment Financing, or "TIF") supported debt.
- June 2025, General obligation urban renewal bond Series 2019B were retired using available TIF revenue. General obligation 2018A bonds were retired using LOSST revenue.

Public Safety:

- August 2024, Approve the State of Iowa bid from Motorola Solutions for \$196,156 for the purchase of 14 mobile radios, 30 portable radios, and 25 spare portable batteries.
- August 2024, Professional Services Agreement with All City Management Services for \$183,808 for school crossing guard services.
- October 2024, Approve Motorola Solutions in the amount of \$274,990 for a five-year lease agreement for video management system and cloud storage related to 70 body worn cameras and accompanying equipment.
- May 2025, Approve amendment to the existing 28E between Urbandale and Clive for Closest Unit Response. The updated 28E includes an operational alignment component for the sharing of reserve apparatus and alignment of future apparatus purchasing. Having maintenance and repairs handled

through one facility by the same group of mechanics who are experienced and trained in emergency vehicles is a logical next step in the process. Thus, a new 28E agreement is being created to allow for the maintenance aspect of the equipment outlined in the Closest Unit Response 28E. The new agreement will go into effect July 1, 2025.

- July 2025, Approve 28E agreement to provide Crisis Intervention Team (CIT) response to the City of Windsor Heights for FY26. The Urbandale Police Department established a CIT in 2023 comprised of a police officer and a mental health professional that are equipped to respond to mental health crisis situations as they occur.
- July 2025, Approve revised 28E to provide two school resource officers for the Urbandale High School and Middle School for the FY26 school year. The school district covers 75% of the cost.
- July 2025, The Capital Improvements Program approved January 21, 2025, includes a replacement headquarters building for the Urbandale Police Department anticipated for completion in late 2028. This is estimated to be a 70,000+ square foot building at an approximate cost of \$50 million. The City acquired an approximately 4-acre parcel at the southwest corner of Douglas Avenue and 100th Street in 2024 for blight remediation purposes to be used for the construction of the proposed Police Department headquarters.

Parks, Recreation and Public Art:

- May 2024, South Karen Acres Park at 77th Street and Roseland Avenue was renamed as Rick Boals Park.
- December 2024, Contract with artists Jan Hutchison and Sarah Del Campo to create and paint the mural on the Urbandale American Legion Building.
- Park projects final approvals – the City Council accepted the following major projects as completed during the year:
 - August 2024, the Lions Park Splash Pad Project with Concrete Connection LLC.
 - November 2024, Acadia Park Improvements project with Concrete Connection, LLC.
 - February 2025, Rick Boals Park Restroom Project with Concrete Connection, LLC.
 - February 2025, Purchase of playground equipment for Horizons Ridge Park.
 - February 2025, Purchase of playground equipment for Ashleaf Park.
 - February 2025, Purchase of playground equipment for Coronado Park.
 - March 2025, Dog Park Project with Concrete Professionals.
 - March 2025, Walnut Creek Regional Playground Improvements with Concrete Professionals.
 - March 2025, Walnut Creek Regional Playground Equipment with Cunningham Recreation.
- Park projects awarded – the City Council awarded contracts for the following major projects that are not yet completed:
 - March 2025, to Outdoor Recreation Products for \$340,749 including Alternate #1 for the Lions Park Playground Project.
 - March 2025, to Concrete Connection, LLC for \$519,637 including Alternates #1 and 2 for the Lions Park Improvements Phase 3 Sitework construction.
 - May 2025, Professional Services Agreement with Confluence for not to exceed \$68,000 for the Walker Johnston Park Master Plan.
 - June 2025, to Henkel Construction Co., for \$847,000 for the Urbandale Shelter & Restroom Improvements Project.
 - July 2025, to Mosca Design in the amount of \$44,988 for the purchase of new lighting features for Miracle on 86th Street.

Facilities Maintenance:

- Facilities Maintenance projects awarded - the City Council awarded contracts for the following major projects that are not yet completed:

- December 2024, Engineering Services Agreement with QstN, for not to exceed \$59,081 for the Solar Feasibility Study.
- March 2025, to Accurate Commercial, for \$647,499 for the Parks & Public Works Storage Building Renovations Project.
- May 2025, to Baker Group, for \$52,585 for the Engineering IDF Fiber Retermination and Expansion project.
- July 2025, to Excel Mechanical Inc., for \$212,200 for the Library Chiller Replacement Project.
- August 2025, Architectural Services Agreement with SVPA Architects for not to exceed \$41,115 for the Fire Station 42 Interior Renovations Project.

Public Works:

- Public improvement projects final approvals - the City Council accepted the following major projects as completed during the year:
 - July 2024, 2023 Sidewalk Program as constructed to Concrete Connection LLC.
 - September 2024, Storm Water Outfalls Project to Nagel Construction.
 - October 2024, 2024 Colby Woods Park Trail Repairs to Howrey Construction, Inc.
 - October 2024, Aurora Avenue Pavement Preservation - 86th Street to Tanglewood Drive Project to Alliance Construction Group, LLC.
 - November 2024, 2024 Sanitary Sewer Lining Program to Hydro-Klean, LLC Inc.
 - November 2024, 114th Street PCC Sidewalk Aurora Avenue to Meredith Drive project to Howser Concrete Unlimited.
 - November 2024, Community Entrance Signs Phase 3 project to Edge Commercial.
 - November 2024, 2024 PCC Patch Program Phase 1 to Brothers Concrete.
 - December 2024, Hopkins Road - 70th Street Storm Sewer Repairs to Nagel Construction LLC.
 - December 2024, 2024 PCC Patch Program Phase 3 to Brothers Concrete.
 - January 2025, 156th Street Signals project to Iowa Signal Inc.
 - January 2025, 2023 Looped Fiber Project to Van Maanen Electric, Inc.
 - January 2025, 2024 Looped Fiber Project to Kline Electric, Inc.
 - May 2025, 10841 Douglas Avenue Asbestos Removal to REW Services Corporation.
 - May 2025, 2025 Trail Improvements to Caliber Concrete, LLC.
 - June 2025, Urbandale Avenue Trail: 68th Street to 70th Street project to Omega Solutions, LLC.
 - August 2025, 128th Street Culvert Improvements to Rognes Corp.
 - September 2025, 2025 Sewer Lining Program to Municipal Pipe Tool Co. LLC.
 - October 2025, 2025 Sanitary Sewer Manhole Lining Program to Midwest Vac Professionals.
- Street projects awarded – the City Council awarded contracts for the following major projects that are not yet completed:
 - July 2024, RW Excavating Solutions for \$409,838 for the Walnut Creek Regional Park Trail and Bridge project.
 - July 2024, Edge Commercial for \$227,540 for Community Entrance Signs Phase 4.
 - August 2024, RW Excavating Solutions for \$388,604 for the Bank Stabilization Improvements - Walnut Creek and Sunflower Park.
 - February 2025, Brothers Cleaning Corporation dba Brothers Concrete, for \$1,595,375 for the 2025 PCC Patch Program Phase 1.
 - February 2025, Brothers Cleaning Corporation dba Brothers Concrete, for \$1,427,324 for the 2025 PCC Patch Program Phase 2.
 - February 2025, Brothers Cleaning Corporation, dba Brothers Concrete, for \$1,453,439 for the Justin Drive Preservation project.
 - February 2025, Howrey Construction, Inc., for \$1,991,334, for the Meredith Drive Preservation - 86th Street to 104th Street project.
 - February 2025, Brothers Cleaning Corporation dba Brothers Concrete, for \$653,013 for the 2025 Storm Sewer Intake Rehabilitation Program.
 - February 2025, Caliber Concrete, LLC, for \$129,581 including Alternate #1 for the 2025 Trail Improvements.

- February 2025, REW Services Corporation, for \$259,757 for the 10841 Douglas Avenue Asbestos Removal.
- March 2025, Midstate Solution, LLC, for \$168,071 including Alternates 1 & 2, for the 114th Street PCC Sidewalk Aurora Avenue to Douglas Avenue project.
- March 2025, MidAmerican Energy, for \$155,319 for the installation of street lights on Douglas Avenue between 86th Street and Elm Drive.
- April 2025, Municipal Pipe Tool Co., for \$556,675 for the 2025 Sewer Lining Program.
- May 2025, InRoads, LLC, for \$555,333 for the Complete Streets, Aurora Avenue and 70th Street project.
- August 2025, Nagel Construction LLC, for \$192,586 for the Bank Stabilization Improvements - Walnut Creek.
- August 2025, Nagel Construction LLC, for \$341,880 for the Bank Stabilization Improvements - Golfview Creek.

Cash Management Policies and Practices

Cash temporarily idle for operations for more than thirty days was invested in time certificates of deposit at least at the minimum rate as prescribed monthly by the State Treasurer's office and in financial instruments of the federal government. The City Council's investment policy is to offer these investments to local banks. During FY25, all temporarily idle cash was accepted by local banks. If not accepted by local banks, the investments would have been offered to banks in Des Moines, Iowa. Interest income from investments in FY25, exclusive of the Component Unit, was \$5,621,931, compared to \$6,284,464 in FY24.

Risk Management

In 1983, the City converted to a self-funded group health insurance plan. This program was designed to reduce health insurance costs through the assumption of additional risk. During the past thirty years, the City has realized significant savings from self-funding and has been able to establish an insurance reserve fund. The City has seen an increase in health insurance reinsurance renewal rates in each of the last several years and has had growth in claims experience that has drawn down the reserve funds. The City adjusted both City and employee contributions to the fund in order to maintain a healthy reserve balance.

The City has participated in the Iowa Communities Assurance Pool since 1989. This program combines traditional insurance coverage with a risk pooling arrangement. The City's comprehensive general liability, automobile, police, property, and public official's liability coverage are provided directly by the pool. The remaining portion of the City's insurance program, workers compensation, was once again placed with the Iowa Municipalities Workers Compensation Association (IMWCA). This program also utilizes a pooling concept to provide cities and counties with workers compensation coverage. Both public sector pools are in sound financial condition and should present the City with long-term premium savings. The City has been self-insured for the public safety uniformed staff's workers compensation coverage since FY13 but continues to use IMWCA to service and process these claims.

The City's risk management program also involves a loss control and accident review program. Through the property and casualty insurance pools, the City receives loss control services. The pools review City operations on a periodic basis and submit recommendations for safety improvements. All claims submitted against the City are also reviewed to determine if changes are needed in the safety program. The City created a Director of Risk Management position in FY18 to oversee and refine the City's safety program. This includes creating various City-wide committees of management and non-management staff to review all employee near-miss incidents and accidents and to review and establish a consolidated safety policy manual. All these actions should reduce the City's potential for personal injury, property damage and liability claims.

Pension Benefits

The City contributes to the Municipal Fire and Police Retirement System of Iowa for its sworn officers in the Police Department and full-time staff in the Fire Department. The City contributes to the Iowa Public Employees Retirement System for all other employees. Both State-wide systems provide retirement,

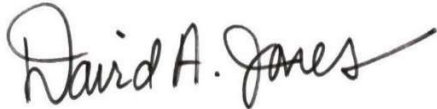
disability and death benefits for its members and beneficiaries, which are established by State statute. The City is required to contribute a percentage of an employee's annual income, as established by the systems. Additional information regarding the two retirement systems is contained in the notes to the financial statements.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for FY24. This is the highest form of recognition around governmental financial reporting and is the 42nd consecutive year the City has received this prestigious award. The Annual Comprehensive Financial Report for the year ended June 30, 2025, will be submitted to GFOA for review.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the staff of the Finance Department. We would like to express our appreciation to all members of the department, as well as staff throughout the City who assisted with the audit process and contributed to the preparation of this report. We also wish to thank the Mayor and members of the City Council for their interest and support of our efforts in conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



David A. Jones - City Manager



Nicole M. Lamb - Finance Director



Financial Section
June 30, 2025

City of Urbandale, Iowa





Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council
City of Urbandale, Iowa

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Urbandale, Iowa (City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

Adoption of New Accounting Standard

As discussed in Note 14 to the financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, for the year ended June 30, 2025. Accordingly, a restatement has been made to the governmental activities, business-type activities, Storm Water Utility Fund, and Internal Service Funds net position as of July 1, 2024, to restate beginning net position. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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'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's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; budgetary comparison schedule of receipts, disbursements and changes in balances budget and actual; schedule of changes in the City of Urbandale's total OPEB liability and related ratios; schedule of the city's proportionate share of the net pension liability – IPERS; schedule of city contributions – IPERS; schedule of the city's proportionate share of the net pension liability – MFPRSI; and schedule of city contributions – MFPRSI as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Dubuque, Iowa
December 4, 2025

This section of the City of Urbandale's (the City) Annual Comprehensive Financial Report presents management's discussion and analysis of the City's fiscal performance during the fiscal year that ended on June 30, 2025 (FY25). It should be read in conjunction with the transmittal letter at the front of this report and the City's financial statements, which immediately follow this section.

Financial Highlights

- The assets and deferred outflows of resources of the City of Urbandale exceeded its liabilities and deferred inflows of resources at the close of FY25 by \$364,910,153. The total unrestricted net position of the City was \$37,806,492. This was comprised of unrestricted governmental net position of \$32,183,810 and business type activities net position of \$5,622,682.
- The City's total net position increased by \$25,907,010 in FY25. This increase was mostly attributable to increased property tax revenues, interest income, and donated infrastructure.
- For FY25, the City's governmental funds reported combined ending fund balances of \$92,908,309. The FY25 fund balance represented a decrease of \$3,088,415 and was primarily attributed to a \$0.7 million increase in the general fund, and a \$3.14 million increase in the nonmajor fund balances, offset by a \$4.46 million decrease in the tax increment financing fund and a \$3.17 million decrease in the capital projects fund. At the end of FY25, unassigned fund balance for the general fund was \$24,086,647 or 55.56% of total general fund expenditures.

Overview of the Financial Statements

The basic financial statements consist of four parts:

- Management's Discussion and Analysis (this section),
- Government Wide Financial Statements,
- Fund Financial Statements, and
- Notes to the Financial Statements.

This report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Urbandale's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City of Urbandale's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position may indicate whether the City's financial position is improving or deteriorating.

The Statement of Activities shows how the City's net position has changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal years.

The government-wide financial statements report on functions of the City of Urbandale that are principally supported by taxes and intergovernmental revenues, known as governmental activities. The governmental activities of the City include Public Safety, Public Works, Culture and Recreation, Community and Economic Development, General Government and interest and fiscal charges.

The government-wide financial statements also report the functions that are intended to recover all or a significant portion of their costs through user fees and charges, known as business-type activities. The City of Urbandale has one business-type activity to report for fiscal year 2025.

The government-wide financial statements include not only the City of Urbandale itself, known as the primary government, but also a legally separate Water Utility for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government. See footnote 1 of the financial statements for further information.

The government-wide financial statements can be found on pages 16 and 17 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Urbandale, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds

Most of the City's basic services are included in governmental funds, which focus on:

1. The inflows and outflows of cash and other financial assets that can be readily converted to cash, and
2. The balances left at year-end that are available for spending.

The governmental funds statements provide a detailed short-term view of the City of Urbandale's finances, indicating whether more or fewer financial resources can be spent in the near future to finance the City's programs. Since this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in a reconciliation following the governmental funds statements that explains the relationship (or differences) between them.

The City of Urbandale maintains 26 individual governmental funds. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the general fund, road use fund, tax increment financing fund, debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other 21 governmental funds are combined into a single aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 18 through 21 of this report.

Proprietary funds

The City maintains two different types of proprietary funds. An enterprise fund is used to report the same function presented as the business-type activity in the government-wide financial statements. The City uses an enterprise fund to account for its Storm Water Utility. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of Urbandale uses internal service funds to account for equipment replacement, technology, building maintenance, fleet management, risk management and the general liability insurance program. Because these services benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

The City maintains six internal service funds, which are presented individually in the combining proprietary fund statements. The summary proprietary fund financial statements can be found on pages 22 through 24 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held in custodial capacity for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Urbandale's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary funds financial statements can be found on page 25 and 26 of this report.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 through 59 of this report.

Required Supplementary Information

The City of Urbandale presents required supplementary information which further explains and supports the financial statements with a comparison of the City's budget for the year, the City's proportionate share of the net pension liability and related contributions for both of the City's pension plans, as well as presenting the Schedule of Changes in the City's Total OPEB Liability and Related Ratios. These items are presented on pages 60 through 67 of this report.

Other information

In addition to the financial statements and the accompanying notes, this report also presents certain other supplementary information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information section. Combining fund statements can be found on pages 68 through 75 of this report. Statistical information related to the City's financial position can be found on pages 76 through 94 of this report.

Government Wide Financial Analysis

The following condensed financial information serves as the key financial data and indicators for management, monitoring, and planning. Financial data for FY25 and FY24 is presented for comparative purposes.

	Governmental Activities		Business-type Activities		Total	
	2024		2024		2024	
	2025	Not Restated	2025	Not Restated	2025	Not Restated
Current Assets	\$ 175,941,000	\$ 176,075,552	\$ 5,878,234	\$ 6,475,926	\$ 181,819,234	\$ 182,551,478
Noncurrent Assets	2,252,980	472,307	—	—	2,252,980	472,307
Capital Assets	314,728,183	299,949,953	—	—	314,728,183	299,949,953
Total assets	492,922,163	476,497,812	5,878,234	6,475,926	498,800,397	482,973,738
Deferred Outflows of Resources	8,307,199	8,452,440	62,061	77,394	8,369,260	8,529,834
Long-term Liabilities	68,891,454	80,128,270	189,399	213,097	69,080,853	80,341,367
Other Liabilities	18,620,204	18,538,926	101,674	33,772	18,721,878	18,572,698
Total liabilities	87,511,658	98,667,196	291,073	246,869	87,802,731	98,914,065
Deferred Inflows of Resources	54,430,233	52,657,353	26,540	28,889	54,456,773	52,686,242
Net Position						
Net investment in capital assets	271,902,741	247,031,816	—	—	271,902,741	247,031,816
Restricted	55,200,920	55,905,064	—	—	55,200,920	55,905,064
Unrestricted	32,183,810	30,688,823	5,622,682	6,277,562	37,806,492	36,966,385
Total net position	\$ 359,287,471	\$ 333,625,703	\$ 5,622,682	\$ 6,277,562	\$ 364,910,153	\$ 339,903,265

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Urbandale, assets exceeded liabilities by \$364,910,153 and \$339,903,265 at the close of FY25 and FY24, respectively.

The largest portion of the City's net position in FY25 (74.51%) reflects its investment in capital assets (e.g. land, buildings, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to residents; therefore, they are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The City's investment in capital assets increased by \$24,870,925 from FY24 to FY25.

An additional portion of the City's net position (15.13%) represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is \$37,806,492. The business-type activity has a positive unrestricted net position. In FY24, restricted assets represented 16.45% of the City's net position and unrestricted net position totaled \$36,966,385.

At the end of the current fiscal year, the City can report positive balances in the net position for the government as a whole, which comprises its governmental activities and business-type activity. The same situation held true for the prior fiscal year.

As noted above, the City's net position, when compared to the FY24 net position balance, increased by \$25,907,010 from FY24 to FY25. This increase can be attributed primarily to continued strong investment interest revenue, non-major governmental fund balance increases related to local option sales tax revenues and growth in general property tax revenues. All these changes are included in the restricted net position total.

Changes in Net Position

The following table depicts that change in net position.

	Governmental Activities		Business-Type Activities		Total	
	2024		2024		2024	
	2025	Not Restated	2025	Not Restated	2025	Not Restated
Revenues:						
Program revenues:						
Charge for services	\$ 10,324,326	\$ 9,955,004	\$ 3,007,136	\$ 2,888,564	\$ 13,331,462	\$ 12,843,568
Operating grants & contributions	6,954,684	7,064,176	-	-	6,954,684	7,064,176
Capital grants & contributions	7,026,573	12,763,214	-	-	7,026,573	12,763,214
General revenues:						
Taxes	63,636,537	59,332,199	-	-	63,636,537	59,332,199
Other	8,140,591	8,461,960	217,935	301,090	8,358,526	8,763,050
Total revenues	<u>96,082,711</u>	<u>97,576,553</u>	<u>3,225,071</u>	<u>3,189,654</u>	<u>99,307,782</u>	<u>100,766,207</u>
Expenses:						
Public safety	25,068,545	23,108,497	-	-	25,068,545	23,108,497
Public works	23,399,781	21,507,258	1,051,991	955,377	24,451,772	22,462,635
Health and social services	283,403	874,624	-	-	283,403	874,624
Culture and recreation	11,300,720	10,466,401	-	-	11,300,720	10,466,401
Community & econ development	4,767,924	4,210,060	-	-	4,767,924	4,210,060
General government	6,455,735	5,392,437	-	-	6,455,735	5,392,437
Interest and fiscal charges	1,072,673	1,554,491	-	-	1,072,673	1,554,491
Total expenses	<u>72,348,781</u>	<u>67,113,768</u>	<u>1,051,991</u>	<u>955,377</u>	<u>73,400,772</u>	<u>68,069,145</u>
Increase in net position before transfers	23,733,930	30,462,785	2,173,080	2,234,277	25,907,010	32,697,062
Transfers	2,820,000	1,785,000	(2,820,000)	(1,785,000)	-	-
Net position, beginning, as prev. presented	333,625,703	301,377,918	6,277,562	5,828,285	339,903,265	307,206,203
Restatement	(892,162)	-	(7,960)	-	(900,122)	-
Net position, beginning, as restated	<u>332,733,541</u>	<u>301,377,918</u>	<u>6,269,602</u>	<u>5,828,285</u>	<u>339,003,143</u>	<u>307,206,203</u>
Net position – ending	<u>\$ 359,287,471</u>	<u>\$ 333,625,703</u>	<u>\$ 5,622,682</u>	<u>\$ 6,277,562</u>	<u>\$ 364,910,153</u>	<u>\$ 339,903,265</u>

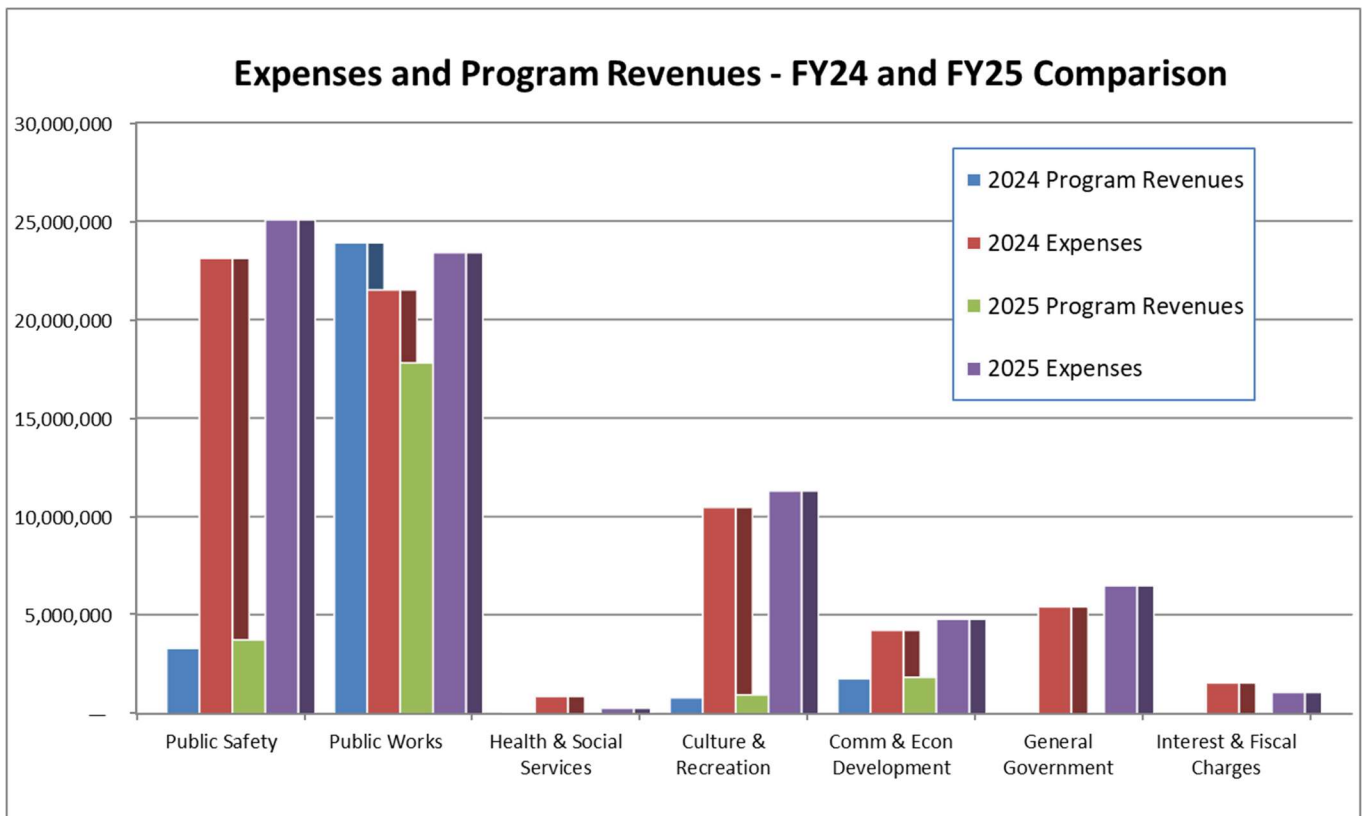
Governmental activities

Governmental activities increased the City's net position by \$25,907,010 for FY25. Key elements of the increase in net position are as follows:

- Total taxes increased by \$4,304,338 (7.25%) during FY25. The receipts for FY25 reflect 6.39% growth in taxable valuation of property throughout the City, which resulted in an overall property tax increase of \$2,773,636. The increase was bolstered by \$1,977,551 in additional tax increment financing tax revenues collected. The overall increase was offset by stabilized local option sales tax and lower hotel motel collected.
- Other revenue decreased by \$321,369 (-3.8%) in FY25 primarily due to interest revenues received on investments.
- Operating grants and contributions decreased by \$109,492 (-1.55%) in FY25 due primarily to the federal fewer federal grants in effect during the year.
- Capital grants and contributions decreased by \$5,736,641 (-44.95%) in FY25 due primarily to fluctuation in infrastructure constructed by private parties (e.g. developers) and donated to the City. The value of items can fluctuate based on the timing and number of projects completed in any given year. The donations have increased net position by \$5,263,590 and \$10,499,770 in FY25 and FY24, respectively.

- Total expenses were higher in FY25 by \$5,235,013 (7.8%), primarily in the public safety function due to phase 3 of radio equipment purchases and high overtime use due to open positions in the police department. The general government function also increased due to the upgrade of the City's servers and data backup infrastructure, coupled with the FY25 transition of legal services to a new firm after retirement of the City's long-time counsel.
- FY25 showed a transfer of \$2,820,000 into capital projects fund from the business-type fund, Storm Water Utility. This transfer reflects the movement of funds contributed towards larger storm water projects being built with multiple funding sources. FY24 reflected a transfer of \$1,785,000 for the same reason.

The following charts depict the expenses and program revenues attributed to each budgetary function for fiscal years 2025 and 2024:



Business-type activities

The Storm Water Utility was created in July 2010 as the City's first enterprise fund. This fund encompasses the activities formerly handled by the City's street cleaning and storm sewer departments, as well as storm water run-off inspections. As the fund matures and funding becomes available, more construction projects related to storm water drainage throughout the City are being handled. To fund these activities, a storm water user fee was established for all businesses and residences in Urbandale. Beginning July 1, 2023, rates increased by \$1 to \$7 per ERU/per month for residential properties. Commercial property rates are also \$7 for the first 100 ERUs, then at \$6 per ERU over 100. These user fees are the sole source of funding in the charges for services line, generating \$3,007,136 and \$2,888,564 in revenue for FY25 and FY24, respectively. Business-type activities decreased the City's net position by \$646,920 for FY25.

Financial Analysis of the Government's Funds

The City of Urbandale uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

In FY25 and FY24, the City's governmental funds reported combined fund balances of \$92,908,309 and \$95,996,724, respectively. The fluctuations in fund balance can primarily be attributed to the timing of bond issuances and related capital improvement projects payments from year to year. In addition, the following changes in fund balances should be noted:

- The general fund balance increased by \$739,270 (3.16%) in FY25. The City experienced an overall increase in taxable property value of approximately 6.39% for FY25 which resulted in \$969,181 of additional general levy tax revenue for the year.
- The road use tax fund balance increased by \$385,730 (10.65%) in FY25. The fund experienced higher road use tax receipts offset by higher expense levels and higher transfers out to capital projects funds to provide funding for various street improvement projects.
- The fund balance for the tax increment financing (TIF) fund decreased \$4,462,041 (-32.97%) in FY25. Over the past several years, as TIF supported bonds become callable, TIF funds are being used to call and pay off those bonds instead of refinancing them. In FY25, TIF fund balance was used to retire the Series 2019B bonds.
- The fund balance of the debt service fund increased by \$272,833 (36.07%) in FY25. The City's debt service levy increased \$0.05 to \$1.49 for FY25, which results in higher property tax revenues due to 6.39% property valuation growth and continued strong investment interest income.
- For FY25, the \$3,168,050 (-7.28%) decrease in the capital projects fund balance is primarily attributable to timing of project payments associated with construction projects and investment interest income. The City conducts its annual bond offering in the spring, which results in less time to draw down new bond funds. The City's spring 2025 bond offering was \$12.2 million compared to \$13.1 in FY24. Project expenditures were \$25,550,273, which is up \$10,127,156 from FY24, reflecting an active, but stable construction environment.
- The nonmajor governmental funds fund balance increased \$3,143,843 (28.18%) due to the increased interest income and local option sales and service tax (LOSST) revenue but offset by the correlating transfers of those LOSST dollars to other funds for council directed purposes.

Proprietary funds

Unrestricted net position of the proprietary funds was \$26,335,365 and \$25,284,627 in FY25 and FY24, respectively. An additional \$7,462,075 and \$6,729,344 in FY25 and FY24, respectively, of net position was restricted for funds invested in capital assets within the equipment replacement, fleet maintenance and building maintenance funds. In FY25, the net increase of \$1,808,118 in net position for proprietary funds resulted primarily from higher interest rates and asset additions.

Budgetary Highlights (FY25)

There were no amendments to the original FY25 budget. Actual disbursements were \$14,274,932 less than final budget amounts. The major factor for this was timing of actual capital project payments. The City did not exceed budgeted expenditures in any of its functions.

On the revenue side, the actual receipts were \$1,020,895 more than budgeted. This was primarily due to interest income revenue, local option sales tax receipts and strong building permit revenue in FY25.

Budget to actual schedule for the City is located on page 60 of this report.

Capital Asset and Debt Administration

Capital assets

In FY25 and FY24, the City had invested \$462,113,866 and \$435,881,705, respectively, in a broad range of capital assets, including land, public buildings and improvements, machinery and equipment, artwork, IT subscriptions, and infrastructure (streets, parks, trails, and traffic safety equipment). This amount represents a net increase, including additions and deletions, of \$26,232,161 and \$23,943,668, respectively. The value of these capital assets, net of depreciation at June 30, 2025 and 2024, is depicted below.

City of Urbandale's Capital Assets (net of depreciation)		
	Governmental Activities	Governmental Activities
	2025	2024
Land	\$ 13,388,956	11,251,266
Buildings and Improvements	79,887,270	76,685,937
Machinery and Equipment	23,391,028	20,378,808
Artwork	658,609	645,434
Infrastructure	334,776,059	315,760,756
Share of Undivided Equity Interest Assets	3,671,842	3,831,611
Construction in Progress	5,700,422	6,709,941
IT Subscription Asset	639,680	617,952
Total	462,113,866	435,881,705
Accumulated Depreciation/Amortization	(147,385,683)	(135,931,752)
	\$ 314,728,183	299,949,953

This year's major capital asset additions included:

Purchase of:

- Fire Ladder Truck (\$652,700)
- Various public art projects throughout the City of Urbandale (\$479,800)

Construction and renovation of:

- The donation of construction improvements by private parties (\$5,264,000)
- The completion of Merle Hay Reinvestment District Stormwater Improvements (\$5,229,000)
- The completion of Douglas Ave. Urbanization from 100th St. to 92nd St. (\$4,980,000)
- The completion of Meredith Dr. Preservation – 104th St. to 121st St. (\$2,008,000)
- The completion of Hickman Rd. intersection improvements at 128th Street (\$1,148,000)
- The completion of the Urbandale dog park project (\$842,000)
- The completion of a Lions Park improvement project - Phase III (\$790,000)
- The completion of multiple community entrance signs (\$617,000)

- The completion of Walnut Creek Regional Park playground (\$480,000)
- The completion of Rick Boals Park shelter and restroom (\$308,000)

Additional information on the City's capital assets can be found on page 39 (footnote 5) of this report.

Long-term debt

In FY25 and FY24 the City had total long-term debt of \$53,590,886 and \$66,144,214, respectively. Of these amounts, \$50,245,000 and \$61,860,000, represented general obligation bond debt.

	Balance June 30, 2024	Issued	Retired	Balance June 30, 2025
General Obligation Bonds	\$ 61,860,000	\$ 12,215,000	\$ 23,830,000	\$ 50,245,000
Premium on Bonds	3,921,309	422,749	1,415,656	2,928,402
IT subscription liability	362,905	261,358	206,779	417,484
	\$ 66,144,214	\$ 12,899,107	\$ 25,452,435	\$ 53,590,886

	Balance June 30, 2023	Issued	Retired	Balance June 30, 2024
General Obligation Bonds	\$ 71,585,000	\$ 13,105,000	\$ 22,830,000	\$ 61,860,000
Premium on Bonds	4,356,958	678,789	1,114,438	3,921,309
IT subscription liability	158,227	378,322	173,644	362,905
	\$ 76,100,185	\$ 14,162,111	\$ 24,118,082	\$ 66,144,214

During FY25, the City's total debt decreased by a net \$12,553,328 including unamortized bond premiums. The key factors in this net decrease was debt service payments of \$23,830,000 which included \$16.67 million to retire three outstanding bonds and offset by the issuance of \$12,215,000 in new general obligation bonds.

In FY25, the projects funded by the Series 2025A bond issue included:

Purchase of:

- Various public art projects throughout the City of Urbandale

Construction and renovation of:

- ADA Pedestrian Access Route Transition Plan
- Annual Street Rehabilitation Program
- 142nd Street Paving: Meredith Drive to Waterford Road
- Meredith Drive Preservation: 86th Street to 104st Street
- Roseland Drive Storm Sewer Improvements: Ashwood Drive to 74th Street
- 66th Street Storm Sewer Improvements: Meredith Drive to Town Avenue
- Justin Drive Preservation: 100th Street to 109th Street (NW Mkt UR)
- Northwest Urbandale Drive Preservation: Douglas Avenue to Meredith Drive (NW Mkt UR)
- 10841 Douglas Avenue Demolition (NW Mkt UR)
- Parks Shelters and Flushable Restrooms at various locations
- Lions Park Improvements
- Jackaline Baldwin Dunlap Restroom

The City of Urbandale maintains an Aa1 rating from Moody's Investors Service for its general obligation debt. This rating was most recently affirmed on April 3, 2025.

State statutes limit the amount of debt that a governmental entity may issue to 5% of the actual value of property within the corporate limits. The current maximum debt limitation for the City of Urbandale is \$401,886,903 which is more than the City's current outstanding debt. Additional information on the City's long-term debt can be found in note 6 on pages 40 through 42 of this report.

Economic Factors and Next Year's Budget and Rates

Urbandale continues to have a significant land supply remaining for residential growth in new neighborhoods west of Interstates 35/80. Most of the growth areas within the current Corporate Limits are already served by City infrastructure. In FY25, a total of 9 final subdivision plats that will add 246 single-family detached homes were approved and under development, along with 191 single-family attached (townhome) lots. In FY24, a total of 12 final subdivision plats adding 228 single-family detached homes and 240 single-family attached (townhome) lots were under development. In FY23, a total of 4 final subdivision plats adding 229 single-family detached homes were under development, and 2 additional preliminary plats were approved that would add another 6 single-family detached lots, along with 110 single-family attached (townhome) lots. In FY22, robust platting activity resulted in a total of 14 final subdivision plats adding 606 single-family detached homes and 78 single-family attached (townhome) lots being developed, and 8 additional preliminary plats were approved that would add another 752 single-family detached lots, along with 276 single-family attached (townhome) lots.

In FY25, permits had been issued for 308 new single-family detached homes, and 89 single-family attached (townhome) units. In FY24, permits were issued for 265 new single-family detached homes, and 122 single-family attached (townhome) units. In FY23, permits were issued for 150 new single-family detached homes, and 16 single-family attached (townhome) units. In FY22, permits were issued for 274 new single-family detached homes, 116 single-family attached (townhome) units, and 1 senior multi-family development with 80 units.

Urbandale also has a sufficient land supply to support continued commercial and industrial growth for at least the next 20 to 40 years, depending on the sector and historic trend line considered. An average of 371,924 square feet of commercial, industrial and office space has been constructed annually in Urbandale over the past five years.

Construction of new industrial, commercial and office development permitted in FY25 declined to 108,140 square feet, and included a 44,100 square foot addition to the Quality Manufacturing facility at 4200 NW Urbandale Drive, the new 11,617 square foot Everbrook Academy, the new 5,534 square foot Pet Medical Center, an 800 square foot addition to Spraytec Fertilizers, a 1,989 square foot addition to Pizza Ranch, and 44,100 square feet in 3 buildings for the Temple Real Estate development at the southwest corner of Plum Drive and 100th Street. Construction permitted in FY24 declined to a closer to typical, 236,376 square feet. Construction permitted in FY23 dramatically increased to 736,988 square feet, bolstered by the construction of two large warehouse buildings, and construction permitted in FY22 totaled 349,187 square feet.

The 100th Street Interchange project on Interstate 35/80, along with the Highway 141 flyover ramp and the half-diamond interchange at Meredith Drive, are open for use and provide increased access/functionality and encourage additional construction within Urbandale's economic development corridors.

Local option sales tax in both Polk and Dallas counties are in effect, with annual estimated revenues of \$10.4 million to be used 50% for property tax relief and 50% for capital projects, which includes debt service. In the short term, Council has elected to use the LOSST funds to call and pay off existing bonds, which serves both voter approved purposes of tax relief and capital projects.

For the FY25 budget, the HF718 property tax changes approved by the State legislature in 2023 made major changes to the property tax levy structure. Starting in FY25, the new Consolidated General Fund levy (CGFL)

was used to consolidate and eliminate many separate levies previously allowed under legislation. Additionally, HF718 imposed a limitation on allowable valuation growth, which will affect valuations and resulting property tax revenue the City relies on to fund the majority of its operations. Under the 2013 approved State legislature changes, the rollback for Commercial and Industrial properties decreased from 100% to 90% of the assessed value. The State promised to backfill this lost valuation revenue to cities at 100% for 2 years, then the backfill was capped at FY2016-17 levels. During the 2021 legislative session, action was taken to reduce the commercial property tax backfill standing appropriation over a 4-year period starting in FY23.

The City saw overall taxable valuation growth of 3.66% for FY26. Under new HF718 rules, cities with growth between 2.75% and 3.99% must use a 1 percentage point reduction to the growth rate on available CGFL revenue. This resulted in the City having a cap on CGFL rate of \$7.78622 instead of the previous \$7.86408. This resulted in restructuring the other City levies to absorb the costs not covered by the CGFL. The Debt Service Levy decreased 5 cents to \$1.44, the Chapter 411 Fire & Police pension levy adjusted from \$0.65 to \$0.66, and the Employee Benefits levy increased from \$0.07592 to \$0.14378 for a combined tax levy rate of \$10.03/\$1,000 valuation, with is a net 5 cent decrease over FY24 tax levy rate of \$10.08.

With the recommended total tax levy rate of \$10.03, the City will generate \$1.27 million (3.2%) more in property tax revenues when compared to FY2024-25. Residential rollback changed from 46.34% to 47.43% for FY26. This means the amount of residential property being taxed is greater than FY25 by 1.09%. Commercial rollback of 90% with the first \$150K of value taxed at residential rates is unchanged from FY25. Additionally, the homestead exemption credit for owners over age 65 increased from \$3,250 to \$6,500 for FY26.

Other factors impacting the FY26 budget include the continued improvement of local economic conditions spurring construction permit growth, the continued financing of infrastructure maintenance and improvement projects, the addition of 4 full-time positions, the introduction of new technologies in several departments, and operating equipment purchases in several departments. All of these factors were considered in preparing the City of Urbandale's budget for fiscal year 2026. The fiscal year 2026 budget anticipated a decrease of \$1,906,712 (-2.45%) in operating expenditures over the fiscal year 2025 adopted budget.

Contacting the City's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the City Manager's Office, 3600 86th Street, Urbandale, Iowa, 50322.

City of Urbandale, Iowa
Statement of Net Position
June 30, 2025

	Primary Government		Total	Component Unit
	Governmental Activities	Business-type Activities		
Assets				
Current assets				
Cash and pooled cash investments	\$ 115,479,480	\$ 5,829,809	\$ 121,309,289	\$ 314,190
Cash equivalents	-	-	-	16,578,391
Restricted cash	-	-	-	155,542
Accounts receivable	1,361,915	-	1,361,915	1,878,341
Taxes receivable				
Current	2,111,224	-	2,111,224	-
Succeeding year	52,838,139	-	52,838,139	-
Special assessments receivable				
Current	1,300,640	-	1,300,640	-
Succeeding year	831,261	-	831,261	-
Accrued interest	475,106	-	475,106	-
Due from other governments	831,652	-	831,652	-
Due from component unit	48,272	48,425	96,697	-
Due from primary government	-	-	-	45,849
Loan receivable	166,430	-	166,430	-
Lease receivable	31,103	-	31,103	105,336
Inventories	465,778	-	465,778	310,302
Restricted assets - due from primary government	-	-	-	1,850
Prepaid expense and other assets	-	-	-	56,281
Total current assets	175,941,000	5,878,234	181,819,234	19,446,082
Noncurrent assets				
Lease receivable	393,504	-	393,504	1,559,105
Loan receivable	1,859,476	-	1,859,476	-
Capital assets				
Equipment	23,391,028	-	23,391,028	1,404,991
Buildings	57,347,975	-	57,347,975	1,196,668
Distribution system	-	-	-	51,331,113
Improvements other than building	22,539,295	-	22,539,295	-
Land and right of way	13,388,956	-	13,388,956	1,328,000
Construction in progress	5,700,422	-	5,700,422	249,011
Artwork	658,609	-	658,609	-
Infrastructure	334,776,059	-	334,776,059	-
Share of undivided equity interest assets	3,671,842	-	3,671,842	-
Intangible assets	-	-	-	11,552,926
IT subscription asset	639,680	-	639,680	-
Accumulated amortization - IT subscription	(211,110)	-	(211,110)	-
Accumulated depreciation	(147,174,573)	-	(147,174,573)	(20,022,937)
Total capital assets	314,728,183	-	314,728,183	47,039,772
Total noncurrent assets	316,981,163	-	316,981,163	48,598,877
Total assets	492,922,163	5,878,234	498,800,397	68,044,959
Deferred Outflows of Resources				
Pension related deferred outflow	8,041,933	54,607	8,096,540	253,563
OPEB related deferred outflow	265,266	7,454	272,720	61,496
Total deferred outflows of resources	8,307,199	62,061	8,369,260	315,059

See accompanying notes to financial statements.

City of Urbandale, Iowa
Statement of Net Position
June 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Liabilities				
Current liabilities				
Accounts payable	\$ 5,746,762	\$ 64,381	\$ 5,811,143	\$ 59,053
General obligation bonds payable	8,700,000	-	8,700,000	-
Capital loan notes payable	-	-	-	76,000
IT subscription liability - current	149,814	-	149,814	-
Interest payable	173,357	-	173,357	720
Compensation and payroll taxes	751,732	10,079	761,811	52,819
Compensated absences - current	2,002,484	27,214	2,029,698	93,386
Unearned revenue	1,096,055	-	1,096,055	-
Due to City of Urbandale	-	-	-	96,697
Due to other governments	-	-	-	11,772,539
Customer deposits payable - restricted	-	-	-	123,540
Total current liabilities	<u>18,620,204</u>	<u>101,674</u>	<u>18,721,878</u>	<u>12,274,754</u>
Noncurrent liabilities				
General obligation bonds payable	41,545,000	-	41,545,000	-
Net unamortized premium on bonds	2,928,404	-	2,928,404	-
Capital loan notes payable	-	-	-	418,000
IT subscription liability	267,670	-	267,670	-
Net pension liability	21,374,659	135,118	21,509,777	644,340
Total OPEB liability	2,114,845	54,281	2,169,126	248,731
Compensated absences	660,876	-	660,876	112,730
Total noncurrent liabilities	<u>68,891,454</u>	<u>189,399</u>	<u>69,080,853</u>	<u>1,423,801</u>
Total liabilities	<u>87,511,658</u>	<u>291,073</u>	<u>87,802,731</u>	<u>13,698,555</u>
Deferred Inflows of Resources				
Succeeding year property taxes	52,838,139	-	52,838,139	-
IT subscription/lease related deferred inflow	556,946	-	556,946	1,664,441
OPEB related deferred inflow	797,434	24,441	821,875	150,928
Pension related deferred inflow	237,714	2,099	239,813	53,003
Total deferred inflows of resources	<u>54,430,233</u>	<u>26,540</u>	<u>54,456,773</u>	<u>1,868,372</u>
Net Position				
Net investment in capital assets	271,902,741	-	271,902,741	36,385,610
Restricted				
For capital projects	27,097,438	-	27,097,438	-
Purpose restricted by legislation				
Local option sales and service tax	11,407,348	-	11,407,348	-
Road Use tax	4,007,718	-	4,007,718	-
Tax increment financing district tax	9,072,087	-	9,072,087	-
Other	2,441,246	-	2,441,246	-
Donor restricted purposes	1,175,083	-	1,175,083	-
Unrestricted	32,183,810	5,622,682	37,806,492	16,407,481
Total net position	<u>\$ 359,287,471</u>	<u>\$ 5,622,682</u>	<u>\$ 364,910,153</u>	<u>\$ 52,793,091</u>

City of Urbandale, Iowa
Statement of Activities
For the fiscal year ending June 30, 2025

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities Total	Business-type Activities	Total	
Primary Government								
Governmental activities								
Public safety	\$ 25,068,545	3,505,954	211,935	5,029	(21,345,627)	-	(21,345,627)	-
Public works	23,399,781	4,306,670	6,476,133	7,015,424	(5,601,554)	-	(5,601,554)	-
Health and social services	283,403	-	-	-	(283,403)	-	(283,403)	-
Culture and recreation	11,300,720	682,378	266,616	-	(10,351,726)	-	(10,351,726)	-
Community and economic development	4,767,924	1,829,324	-	6,120	(2,932,480)	-	(2,932,480)	-
General government	6,455,735	-	-	-	(6,455,735)	-	(6,455,735)	-
Interest and fiscal charges	1,072,673	-	-	-	(1,072,673)	-	(1,072,673)	-
Total governmental activities	<u>72,348,781</u>	<u>10,324,326</u>	<u>6,954,684</u>	<u>7,026,573</u>	<u>(48,043,198)</u>	<u>-</u>	<u>(48,043,198)</u>	<u>-</u>
Business-type activities								
Storm Water Utility	1,051,991	3,007,136	-	-	-	1,955,145	1,955,145	
Total primary government	<u>\$ 73,400,772</u>	<u>13,331,462</u>	<u>6,954,684</u>	<u>7,026,573</u>	<u>(48,043,198)</u>	<u>1,955,145</u>	<u>(46,088,053)</u>	
Component Unit								
Urbandale Water Utility	<u>\$ 11,771,273</u>	<u>12,883,980</u>	<u>965,545</u>	<u>1,498,671</u>				<u>3,576,923</u>
General Revenues								
Taxes								
Property tax				\$ 39,350,638				
Tax increment financing district tax				10,480,781				
Local option sales and service tax				10,371,032				
Hotel Motel tax				1,930,160				
Franchise taxes				163,568				
Utility excise tax				1,340,358				
Total taxes					63,636,537	-	63,636,537	-
State Commercial/Industrial valuation replacement funds					394,618	-	394,618	-
Interest					5,403,996	217,935	5,621,931	727,418
Miscellaneous					2,341,977	-	2,341,977	192,437
Transfers					2,820,000	(2,820,000)	-	-
Total general revenues and transfers					<u>74,597,128</u>	<u>(2,602,065)</u>	<u>71,995,063</u>	<u>919,855</u>
Changes in net position					26,553,930	(646,920)	25,907,010	4,496,778
Net position, beginning, as previously presented					333,625,703	6,277,562	339,903,265	48,296,313
Restatements					(892,162)	(7,960)	(900,122)	-
Net position, beginning, as restated					<u>332,733,541</u>	<u>6,269,602</u>	<u>339,003,143</u>	<u>48,296,313</u>
Net position, ending					<u>\$ 359,287,471</u>	<u>5,622,682</u>	<u>364,910,153</u>	<u>52,793,091</u>

See accompanying notes to financial statements.

City of Urbandale, Iowa
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Road Use Tax Fund	Tax Increment Financing Fund	Debt Service Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
Assets							
Cash and pooled cash investments	\$ 24,725,675	\$ 3,382,491	\$ 9,030,345	\$ 1,006,205	\$ 42,217,443	\$ 13,850,378	\$ 94,212,537
Taxes receivable							
Current	102,927	497,936	7,596	19,878	-	1,482,887	2,111,224
Succeeding year	31,925,955	-	11,161,654	6,454,775	-	3,295,755	52,838,139
Special assessments receivable							
Current	-	-	-	-	1,300,640	-	1,300,640
Succeeding years	-	-	-	-	831,261	-	831,261
Accounts receivable	1,153,173	4,892	-	-	133,873	10	1,291,948
Accrued interest	264,406	-	34,146	3,230	159,658	13,666	475,106
Due from component unit	44,128	4,143	-	-	-	-	48,271
Due from other governments	29,634	6,964	-	-	617,351	2,100	656,049
Lease receivable	-	-	-	-	424,607	-	424,607
Loan receivable	-	-	-	-	1,839,305	186,601	2,025,906
Inventories	72,339	238,868	-	-	-	-	311,207
Total assets	<u>\$ 58,318,237</u>	<u>\$ 4,135,294</u>	<u>\$ 20,233,741</u>	<u>\$ 7,484,088</u>	<u>\$ 47,524,138</u>	<u>\$ 18,831,397</u>	<u>\$ 156,526,895</u>
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 1,021,852	\$ 86,180	\$ -	\$ -	\$ 3,812,263	\$ 267,810	\$ 5,188,105
Unearned revenue	-	-	-	-	126,888	969,167	1,096,055
Compensation and payroll taxes	596,846	35,908	-	-	-	-	632,754
Employee benefits	99,658	3,467	-	-	-	-	103,125
Total liabilities	<u>1,718,356</u>	<u>125,555</u>	<u>-</u>	<u>-</u>	<u>3,939,151</u>	<u>1,236,977</u>	<u>7,020,039</u>
Deferred inflows of resources							
Succeeding year property taxes	31,925,955	-	11,161,654	6,454,775	-	3,295,755	52,838,139
Lease receivable	-	-	-	-	424,608	-	424,608
Unavailable revenue - special assessments	-	-	-	-	2,131,901	-	2,131,901
Unavailable revenue - other	514,940	2,021	-	-	686,938	-	1,203,899
Total deferred inflows of resources	<u>32,440,895</u>	<u>2,021</u>	<u>11,161,654</u>	<u>6,454,775</u>	<u>3,243,447</u>	<u>3,295,755</u>	<u>56,598,547</u>
Fund balances							
Nonspendable	72,339	238,868	-	-	-	-	311,207
Restricted	-	3,768,850	9,072,087	1,029,313	37,862,882	13,994,364	65,727,496
Committed	-	-	-	-	-	304,301	304,301
Assigned	-	-	-	-	2,478,658	-	2,478,658
Unassigned	24,086,647	-	-	-	-	-	24,086,647
Total fund balances	<u>24,158,986</u>	<u>4,007,718</u>	<u>9,072,087</u>	<u>1,029,313</u>	<u>40,341,540</u>	<u>14,298,665</u>	<u>92,908,309</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 58,318,237</u>	<u>\$ 4,135,294</u>	<u>\$ 20,233,741</u>	<u>\$ 7,484,088</u>	<u>\$ 47,524,138</u>	<u>\$ 18,831,397</u>	<u>\$ 156,526,895</u>

See accompanying notes to financial statements.

City of Urbandale, Iowa
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position
June 30, 2025

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because

Total fund balances – governmental funds	\$	92,908,309
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in Governmental funds:		
Capital assets	\$	446,816,687
Less accumulated depreciation	<u>(139,979,151)</u>	306,837,536
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds		3,203,462
Debt issuance-related premiums are reported as "other financing sources" in the governmental funds, but as unamortized liabilities in the statement of net position		(2,928,404)
Pension and OPEB related deferred outflows of resources and deferred inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:		
Deferred outflows of resources	8,188,900	
Deferred inflows of resources	<u>(988,767)</u>	7,200,133
Internal service funds are used by management to charge the costs of equipment replacement, technology, building maintenance, general liability insurance, and the risk management program to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Cash	21,266,944	
Accounts receivable	245,572	
Inventory	154,569	
Capital assets, net of accumulated depreciation	7,462,075	
Deferred outflows - pension & OPEB	118,297	
Deferred inflows - pension & OPEB	(46,380)	
Net pension liability	(260,090)	
Total OPEB liability	(97,656)	
Accounts payable	<u>(668,573)</u>	28,174,758
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
General obligation bonds payable	50,245,000	
Accrued interest on the bonds and notes	173,357	
IT Subscriptions	(11,096)	
Other postemployment benefits	2,017,188	
Net pension liability	21,114,567	
Compensated absences	<u>2,569,307</u>	<u>(76,108,323)</u>
Net position of governmental activities		<u>\$ 359,287,471</u>

City of Urbandale, Iowa
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the fiscal year ending June 30, 2025

	General Fund	Road Use Tax Fund	Tax Increment Financing Fund	Debt Service Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues							
Taxes	\$ 31,466,366	\$ -	\$ 10,480,781	\$ 6,465,120	\$ -	\$ 15,190,262	\$ 63,602,529
Special assessments	-	-	-	-	76,064	-	76,064
Licenses and permits	2,114,476	-	-	-	-	-	2,114,476
Use of money and property	1,231,606	-	678,296	193,366	1,697,020	699,837	4,500,125
Intergovernmental	2,397,709	6,452,547	-	62,778	153,761	133,816	9,200,611
Charges for services	5,709,073	-	-	-	-	6,868	5,715,941
Miscellaneous	335,297	-	-	-	1,077,154	222,129	1,634,580
Total revenues	<u>43,254,527</u>	<u>6,452,547</u>	<u>11,159,077</u>	<u>6,721,264</u>	<u>3,003,999</u>	<u>16,252,912</u>	<u>86,844,326</u>
Expenditures							
Current operating expenditures							
Public safety	20,589,019	-	-	-	-	2,807,478	23,396,497
Public works	6,519,129	4,663,017	-	-	-	105,616	11,287,762
Health and social services	235,664	-	-	-	21,406	-	257,070
Culture and recreation	7,506,336	-	-	-	-	1,443,080	8,949,416
Community and economic development	2,673,314	-	1,499,137	-	-	30,725	4,203,176
General government	5,831,156	-	-	-	-	46,086	5,877,242
Capital outlay	-	-	-	-	25,550,273	-	25,550,273
Debt service							
Principal	-	-	-	23,830,000	-	-	23,830,000
Interest	-	-	-	2,300,412	-	-	2,300,412
Total expenditures	<u>43,354,618</u>	<u>4,663,017</u>	<u>1,499,137</u>	<u>26,130,412</u>	<u>25,571,679</u>	<u>4,432,985</u>	<u>105,651,848</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(100,091)</u>	<u>1,789,530</u>	<u>9,659,940</u>	<u>(19,409,148)</u>	<u>(22,567,680)</u>	<u>11,819,927</u>	<u>(18,807,522)</u>
Other financing sources (uses)							
General obligation bond issuance	-	-	-	-	12,215,000	-	12,215,000
Premium on bond issuance	-	-	-	-	422,749	-	422,749
Subscription IT	261,358	-	-	-	-	-	261,358
Transfers in	1,168,920	-	-	19,681,981	6,761,881	376,534	27,989,316
Transfers out	(590,917)	(1,403,800)	(14,121,981)	-	-	(9,052,618)	(25,169,316)
Total other financing sources (uses)	<u>839,361</u>	<u>(1,403,800)</u>	<u>(14,121,981)</u>	<u>19,681,981</u>	<u>19,399,630</u>	<u>(8,676,084)</u>	<u>15,719,107</u>
Net changes in fund balances	<u>739,270</u>	<u>385,730</u>	<u>(4,462,041)</u>	<u>272,833</u>	<u>(3,168,050)</u>	<u>3,143,843</u>	<u>(3,088,415)</u>
Fund balances at beginning of year	<u>23,419,716</u>	<u>3,621,988</u>	<u>13,534,128</u>	<u>756,480</u>	<u>43,509,590</u>	<u>11,154,822</u>	<u>95,996,724</u>
Fund balances at end of year	<u>\$ 24,158,986</u>	<u>\$ 4,007,718</u>	<u>\$ 9,072,087</u>	<u>\$ 1,029,313</u>	<u>\$ 40,341,540</u>	<u>\$ 14,298,665</u>	<u>\$ 92,908,309</u>

City of Urbandale, Iowa
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental
Fund to the Statement of Activities
For the fiscal year ending June 30, 2025

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because

Net change in fund balances – governmental funds		\$ (3,088,415)
<p>Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.</p>		
Capital outlays	\$ 24,916,229	
Depreciation expense	<u>(12,351,603)</u>	12,564,626
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.		1,424,055
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		604,313
<p>In the statement of activities, certain operating expenses are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (the amount actually paid). The current year differences are</p>		
Compensated absences - Sick leave and vacation	(58,876)	
Other postemployment benefits	<u>(157,391)</u>	(216,267)
The net effect of pension related activity, consisting of employer contributions which are reported as expenditures in the governmental funds, but reported as a deferred outflow of resources in the Statement of Net Position, and the pension expenses reported in the Statement of Activities that do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		177,883
Repayment of bond principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities.		23,830,000
Issuance of bond principal is an “other financing source” in the governmental funds, but it increases long-term liabilities in the statement of net position and does not affect the statement of activities.		(12,637,749)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however interest expense is recognized as the interest accrues, regardless of when it is due.		24,791
Bond issuance-related premiums/discounts are reported as “other financing uses” and expenditures in the governmental funds at the time of issuance in the government-wide financial statements, these costs are amortized over the life of the debt issue.		1,415,655
An internal service fund is used by the City's management to charge the costs of equipment replacement, technology, general liability insurance, building maintenance and the risk management program to the individual funds. The net loss of the internal service funds is reported with governmental activities.		<u>2,455,038</u>
Change in net position of governmental activities		<u>\$ 26,553,930</u>

City of Urbandale, Iowa
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities - Non-Major Enterprise Fund Storm Water Utility Fund	Governmental Activities Internal Service Funds
Assets		
Current assets		
Cash and pooled cash investments	\$ 5,829,809	\$ 21,266,944
Due from other governments	-	134,961
Accounts receivable	-	110,611
Inventory	-	154,569
Due from component unit	48,425	-
Total current assets	<u>5,878,234</u>	<u>21,667,085</u>
Noncurrent assets		
Capital assets, net	-	7,462,075
Total assets	<u>5,878,234</u>	<u>29,129,160</u>
Deferred Outflows of Resources		
Pension related deferred outflows	54,607	105,112
OPEB related deferred outflows	7,454	13,185
Total deferred outflows of resources	<u>62,061</u>	<u>118,297</u>
Liabilities		
Current liabilities		
Accounts payable	64,381	558,662
Compensation and payroll taxes	9,217	14,376
Compensated absences - current	27,214	59,537
Employee benefits payable	862	1,476
Total current liabilities	<u>101,674</u>	<u>634,051</u>
Noncurrent liabilities		
Compensated absences	-	34,522
Net pension liability	135,118	260,090
Total OPEB liability	<u>54,281</u>	<u>97,656</u>
Total noncurrent liabilities	<u>189,399</u>	<u>392,268</u>
Total liabilities	<u>291,073</u>	<u>1,026,319</u>
Deferred Inflows of Resources		
Pension related deferred inflows	2,099	4,042
OPEB related deferred inflows	24,441	42,338
Total deferred inflows of resources	<u>26,540</u>	<u>46,380</u>
Net Position		
Net investment in capital assets	-	7,462,075
Unrestricted	5,622,682	20,712,683
Total net position	<u>\$ 5,622,682</u>	<u>\$ 28,174,758</u>

See accompanying notes to the financial statements.

City of Urbandale, Iowa
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the fiscal year ending June 30, 2025

	Business-Type Activities - Non-Major Enterprise Fund Storm Water Utility Fund	Governmental Activities Internal Service Funds
Operating Revenues		
Charges for services	\$ 3,007,136	\$ 9,813,727
Intergovernmental	-	111,156
Other	-	2,201,132
Total operating revenues	<u>3,007,136</u>	<u>12,126,015</u>
Operating Expenses		
Insurance premiums and claims	-	7,402,471
Building maintenance	-	530,025
Data processing	-	37,548
Fleet maintenance	-	577,562
Storm water operations	518,082	-
Administration	533,909	932,298
Depreciation	-	1,424,585
Total operating expenses	<u>1,051,991</u>	<u>10,904,489</u>
Operating income	<u>1,955,145</u>	<u>1,221,526</u>
Nonoperating Revenues (Expenses)		
Interest income	217,935	1,157,917
Gain (loss) on sale of equipment	-	75,595
Total nonoperating revenues (expenses)	<u>217,935</u>	<u>1,233,512</u>
Income before transfers	2,173,080	2,455,038
Transfers out	<u>(2,820,000)</u>	-
Change in net position	<u>(646,920)</u>	2,455,038
Net Position, beginning, as previously presented	6,277,562	25,736,409
Restatement	<u>(7,960)</u>	<u>(16,689)</u>
Net position, beginning, as restated	<u>6,269,602</u>	<u>25,719,720</u>
Net Position at End of Year	<u>\$ 5,622,682</u>	<u>\$ 28,174,758</u>

City of Urbandale, Iowa
Statement of Cash Flows
Proprietary Funds
For the fiscal year ending June 30, 2025

	Business-Type Activities - Non-Major Enterprise Fund	Governmental Activities
	Storm Water Utility Fund	Internal Service Funds
Cash Flows from Operating Activities		
Receipts from internal customers and users	\$ -	\$ 11,999,975
Receipts from external customers and users	2,996,242	14,366
Payments to employees	(542,970)	(865,521)
Payments to suppliers	(459,793)	(8,622,797)
Net cash provided by operating activities	1,993,479	2,526,023
Cash Flows from Noncapital Financing Activities		
Transfers to other funds	(2,820,000)	-
Cash Flows from Capital and Related Financing Activities		
Purchase of capital assets	-	(2,167,128)
Proceeds from sale of capital assets	-	85,407
Net cash used in capital and related financing activities	-	(2,081,721)
Cash Flows from Investing Activities		
Interest on investments	217,935	1,157,917
Net increase in cash and cash equivalents	(608,586)	1,602,219
Cash and Cash Equivalents at Beginning of Year	6,438,395	19,664,725
Cash and Cash Equivalents at End of Year	\$ 5,829,809	\$ 21,266,944
Reconciliation of Operating Income to		
Net Cash provided by Operating Activities		
Operating income	\$ 1,955,145	\$ 1,221,526
Adjustments to reconcile operating income		
to net cash provided by operating activities:		
Depreciation	-	1,424,585
Change in inventory	-	4,899
Change in deferred inflows related to pension	(968)	(2,071)
Change in deferred inflows related to OPEB	(1,381)	(2,628)
Change in deferred outflows related to pension	16,094	35,793
Change in deferred outflows related to OPEB	(761)	(1,448)
Change in due from customers and users	(10,894)	(111,674)
Change in total OPEB liability	6,900	13,131
Change in net pension liability	(30,181)	(69,348)
Change in compensated absences	(447)	8,955
Change in compensation and benefits payable	1,683	2,262
Change in accounts payable	58,289	2,041
Net cash provided by operating activities	\$ 1,993,479	\$ 2,526,023

See accompanying notes to the financial statements.

City of Urbandale, Iowa
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	<u>Custodial Fund</u>
Assets	
Cash and pooled cash investments	\$ 720,769
Accounts receivable	<u>728</u>
Total assets	<u>721,497</u>
Liabilities	
Due to component unit	47,699
Due to other governments	<u>77,887</u>
Total liabilities	<u>125,586</u>
Net Position	
Restricted for individuals, organizations and other governments	\$ <u><u>595,911</u></u>

City of Urbandale, Iowa
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the fiscal year ending June 30, 2025

	Custodial Fund
Additions	
Connection service fees	\$ 1,369,339
Damage deposits/escrows	357,159
Total additions	1,726,498
Deductions	
Due to component unit	453,245
Due to other governments	1,101,147
Deposits and remittances due	187,998
Total deductions	1,742,390
Change in net position	(15,892)
Net position beginning of year	611,803
Net position end of year	\$ 595,911

Note 1 - Summary of Significant Accounting Policies

The following is a summary of significant accounting policies employed in the preparation of these financial statements.

Reporting Entity

The City of Urbandale, Iowa, (the City) is located in Polk County and was incorporated in 1917 under the laws of the state of Iowa (the State), later amended in July 1975 under the Home Rule City Act. The City operates by ordinance under the mayor-council-manager form of government and provides such services as are authorized by its charter to advance the welfare, health, comfort, safety, and convenience of the City and its inhabitants.

In accordance with the *Codification of Governmental Accounting and Financial Reporting Standards*, the basic financial statements include all funds, organizations, agencies, boards, commissions, and authorities for which the City is financially accountable. The reporting entity includes those of the City of Urbandale (the Primary Government) and its Component Unit. The City has also considered all other potential 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 that organization to provide specific benefits to or impose specific financial burdens on the City. The Urbandale Water Utility meets each of these financial accountability criteria. Based on these criteria, there are no organizations or agencies other than the Water Utility which should be included in these basic financial statements.

Discretely Presented Component Unit

The Water Utility column in the financial statements presents the financial data of the Urbandale Water Utility (the Water Utility). The Water Utility is governed by a three-member board appointed by the City Council (the Council), and the Water Utility's operating budget is subject to the approval of the Council. Accordingly, financial accountability, as defined in the preceding paragraph, exists and the Water Utility is presented in the reporting entity, although it is legally separate from the City. The Water Utility provides water service exclusively to the citizens of Urbandale on behalf of the City. Complete financial statements of the Water Utility can be obtained directly from its administrative office at the following address:

Urbandale Water Utility
3720 86th Street
Urbandale, Iowa 50322

Measurement Focus, Basis of Accounting and Basis of Presentation:

Under GASB 34, the annual financial report includes two separate sets of statements, the government-wide financial statements and the fund financial statements. The measurement focus, basis of accounting and basis of presentation differ between the government-wide financial statements and the fund financial statements. These differences, along with an explanation of the differing purposes and information provided by these separate financial statements, are described in the sections below.

Government-wide Financial Statements

The government-wide financial statements use the *economic resources measurement focus* and the *accrual basis of accounting*. The economic resources measurement focus results in the reporting of all inflows, outflows, and balances affecting or reflecting the fund net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Statement of Net Position and the Statement of Activities report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Any interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which are supported by property tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for services. The structure of the government-wide financial statements is described in the following two paragraphs.

Statement of Net Position – presents the City’s nonfiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Net position is reported in three categories.

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

Restricted net position results when constraints placed on net position use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

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

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

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

Fund Financial Statements

The accounts of the City are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Governmental Funds

Governmental Fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. The current financial resources measurement focus results in the reporting of only near-term (current) inflows, outflows, and balances of expendable (spendable) financial resources. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers property tax revenues to be available if they are collected within 60 days after year-end. Other revenues are considered to be available if they are expected to be received within 60 days. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes, investment earnings, and charges for services. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Fines, forfeitures, licenses, and permit revenues are recorded when the City receives cash because they are generally not measurable until actually received. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met as long as they have met the available and measurable criteria.

Property tax receivable is recognized in these funds on the levy or lien date, which is March 31 of each year, the date the tax asking is certified by the City to the County Board of Supervisors. Current year property tax receivable represents taxes collected by the County but not remitted to the City at June 30, 2025 and unpaid taxes. The succeeding year property tax receivable represents taxes certified by the City to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the City is required to certify its budget to the County Auditor in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied. Delinquent property taxes are not material and are not recorded as receivables.

Property tax revenues recognized in these funds become due and collectible in September and March of the current fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2023 assessed property valuations; is for the tax accrual period July 1, 2024 through June 30, 2025 and reflects tax asking contained in the budget certified to the County Board of Supervisors in April 2024.

The City reports the following major governmental funds:

General Fund – used to account for the general operations of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important activities of the City, including operation of the City’s general service departments, street and highway maintenance, public safety, sanitation, parks, library, and recreation programs, are accounted for in this fund.

Road Use Tax Fund – utilized to account for the operations of street maintenance. Financing is provided by the City’s share of state gasoline taxes, which are received on a per capita basis. State law requires these revenues to be received and disbursed in a special revenue fund.

Tax Increment Financing Fund – used to account for revenues from the tax authorized by ordinance in the urban renewal district and used to pay the principal and interest on the general obligation capital loan notes and other indebtedness incurred for urban renewal redevelopment projects.

Debt Service Fund – utilized to account for the funding and payment of interest and principal of general obligation debt of the City.

Capital Projects Fund – used to account for all resources used in the acquisition and construction of capital facilities and other capital assets, with the exception of those that are financed through internal service funds.

Proprietary Funds

The proprietary funds are used to account for a government's ongoing operations and activities which are similar to those often found in the private sector. The proprietary funds use the *economic resources measurement focus* and the *accrual basis of accounting*. The economic resources measurement focus results in the reporting of all inflows, outflows, and balances affecting or reflecting the fund net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from non-operating items.

Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges for services. Operating expenses include the cost of services and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The following comprises the City's proprietary funds, none of which are designated as major funds:

General Liability Fund – an internal service fund utilized to finance and account for the City's property and casualty and workers compensation insurance transactions.

Risk Management Fund – an internal service fund utilized to finance and account for the transactions related to the City's dental, life, long-term disability and self-insured employee health insurance plans.

Equipment Replacement Fund – an internal service fund utilized to finance and account for the acquisition of capital assets for designated departments within the City.

Building Maintenance Fund – an internal service fund utilized to finance and account for the various non-routine maintenance and large-scale repair activities associated with any City-owned buildings within the City.

Technology Fund – an internal service fund utilized to finance and account for the acquisition of major technology-related capital assets that are not funded through the Capital Projects or Equipment Replacement funds.

Fleet Maintenance Fund – an internal service fund utilized to finance and account for the maintenance of the City's fleet of vehicles and equipment.

Storm Water Utility Fund – an enterprise fund utilized to account for the operations and maintenance of the City's storm water program and improvements to the storm water system that are not funded through the Capital Projects fund.

Fiduciary Funds – Custodial Funds

Fiduciary Funds – Custodial Funds are used to account for assets held by the City as an agency for individuals, private organizations, certain jointly governed organizations, and other governmental units and/or funds. The custodial funds use the *economic resources measurement focus* and the *accrual basis of accounting*.

The City has the following fiduciary fund:

Collections and Deposits Fund – a custodial fund utilized to finance and account for refundable deposits and other flow-through funds collected by the City to be paid out to another party.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from these estimates.

Encumbrances

The fund balances in the governmental funds are charged for encumbrances when commitments are made. Fund balances are reserved for outstanding encumbrances because the City intends to honor these purchase commitments. The City does not treat encumbrances as expenditures for GAAP purposes.

Fund Balance

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

Nonspendable – Amounts which cannot be spent either because they are in a nonspendable form or 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 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 resolution approved prior to year-end. Those committed amounts cannot be used for any other purpose unless the City Council removes or modifies the specified use by approving a new resolution indicating the action intended.

Assigned – Amounts which the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. These amounts are designated by City Council through informal processes, such as by City policy.

Unassigned – All amounts not included in other spendable classifications. The general fund is the only fund that can report a positive unassigned fund balance amount.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

Components of Governmental Fund Balance

As of June 30, 2025, fund balances are composed of the following:

	General	Debt Service	Capital Projects	Special Revenues	Total
Nonspendable					
Inventory	\$ 72,339	\$ -	\$ -	\$ 238,868	\$ 311,207
Restricted for					
Debt service	-	1,029,313	-	9,072,087	10,101,400
Capital projects	-	-	37,862,882	-	37,862,882
Loan receivable	-	-	-	186,601	186,601
Employee benefit payments	-	-	-	34,453	34,453
LOSST - tax relief	-	-	-	5,191,154	5,191,154
LOSST - capital projects	-	-	-	6,216,194	6,216,194
Public works	-	-	-	3,768,850	3,768,850
Metro salt storage	-	-	-	198,133	198,133
Public safety retirement	-	-	-	183,142	183,142
Police activities	-	-	-	270,097	270,097
Fire activities	-	-	-	52,713	52,713
Cultural programs	-	-	-	735,013	735,013
Parks activities	-	-	-	101,048	101,048
Library activities	-	-	-	462,130	462,130
Economic development	-	-	-	11,126	11,126
Recreational programs	-	-	-	352,560	352,560
Total restricted	<u>-</u>	<u>1,029,313</u>	<u>37,862,882</u>	<u>26,835,301</u>	<u>65,727,496</u>
Committed for					
Economic development	-	-	-	304,301	304,301
Assigned to					
Capital Projects	-	-	2,478,658	-	2,478,658
Unassigned	<u>24,086,647</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,086,647</u>
Total fund balance	<u>\$ 24,158,986</u>	<u>\$ 1,029,313</u>	<u>\$ 40,341,540</u>	<u>\$ 27,378,470</u>	<u>\$ 92,908,309</u>

Cash and Pooled Cash Investments

Except for the Water Utility, the City maintains a cash and investment pool that is available for use by all funds. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with maturities of three months or less from the date of acquisition. These pooled deposits are invested on a short-term basis, and interest income is generally allocated to each participating fund based upon the percentage of its average balance.

For purposes of the statement of cash flows, the proprietary funds consider all investments with a maturity of three months or less when purchased to be cash equivalents.

Cash equivalents of the City and the Water Utility include U.S. Treasury obligations and a money market and investment in the Iowa Public Agency Investment Trust (IPAIT), which are valued at amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940, and is not subject to risk categorization. IPAIT was established under Iowa law to authorize cities, counties, and municipal utilities to jointly invest. IPAIT invests only in permitted investments as specified for public agencies by Iowa law. The board of trustees of IPAIT meets quarterly to monitor investment compliance and performance.

Inventories

Inventories of materials and supplies are valued at average cost. Inventories are recorded as expenditure at the time of consumption.

Unbilled Revenues

Utilizing the first billing subsequent to year-end, the Water Utility accrues unbilled revenues for services rendered subsequent to the last billing date and prior to year-end based upon the number of days unbilled.

Loans Receivable

Loans receivable consist of \$1,814,305 in forgivable loans. The City of Urbandale provided economic development loans to eligible corporations to increase affordable housing and support urban and community development. These loans are carried at their unpaid principal balance and are forgiven in accordance with agreement terms once all required conditions have been met. Management has evaluated the outstanding loans and determined that no allowance for uncollectible amounts is necessary due to the forgivable nature of these loans.

Capital Assets

Capital assets, which include real property, equipment and vehicles, artwork, buildings, IT subscriptions, infrastructure assets (e.g. roads, bridges, curbs, gutters, sidewalks and similar items which are immovable and of value only to the government), and the City’s share of assets in an undivided equity interest, are reported in the governmental activities column in the government-wide Statement of Net Position and in the Proprietary Funds Statement of Net Position. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair not adding to the value of the asset or materially extending asset lives are not capitalized. Reportable capital assets, other than intangible assets, are defined by the City as assets with initial, individual costs in excess of \$5,000 and estimated useful lives in excess of one year. The City defines intangible assets as those items with costs in excess of \$100,000.

Capital assets are depreciated using the straight-line method over their estimated useful lives. Capital assets not being depreciated include land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

	Years
Building	40 - 50
Improvements Other than Buildings	5 - 30
Vehicles and Equipment	3 - 20
Distribution System	50
Artwork	20
Infrastructure	10 - 65
Share of Undivided Equity Interest Assets	5 - 15
Intangibles	2 - 5

Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the employer after the measurement date, but before the end of the employer's reporting period.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Deferred inflows of resources in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since it is not available. Deferred inflows of resources at the governmental fund level consist of the succeeding year property tax receivable, lease receivable, and other receivables not collected within sixty days after year-end.

Deferred inflows of resources in the Statement of Net Position consist of succeeding year property tax receivable that will not be recognized as revenue until the year for which they are levied, the unamortized portion of the net difference between projected and actual earnings on pension plan investments, other unrecognized items not yet charged to pension and OPEB expense, and deferred amounts related to leases.

Long-Term Debt

In the government-wide financial statements, long-term debt obligations are reported as liabilities in the statement of net position. If deemed material, bonds payable are reported net of the applicable bond premium or discount.

Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the period issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources and discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as expenditures. Interest is reported as expenditure in the period in which the related payment is made.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's two pension systems, and additions to/deductions from the pensions' fiduciary net position have been determined on the same basis as they are reported by each respective pension system.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability attributable to the governmental activities will be paid primarily by the General Fund.

Total OPEB Liability

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

Compensated Absences

City employees accumulate vacation and sick leave hours for subsequent use or for payment upon termination, death, or retirement. Accumulated vacation and sick leave is reported as an expense and an accrued liability as the benefits accrue to employees in the government-wide financial statements as well as in the Water Utility. An estimate for the amount due in one year is reported as a current liability and reflects management’s best estimate of anticipated use of these types of leave hours in the next year, based on a 3-year trend. A liability for these amounts is reported in the governmental funds only if benefits have matured because of employee resignations and retirements.

Implementation of GASB Statement No. 101

As of July 1, 2024, the City adopted GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to require the recognition of certain compensated absence–related liabilities that were previously unrecognized. Implementation of this standard resulted in the City reporting a larger compensated absence liability related to sick leave. The effect of adopting this standard on the beginning net position is disclosed in Note 14.

Self-insurance

The City is partially self-insuring for employee health insurance through stop-loss insurance, which provides coverage for claims in excess of \$60,000 per employee and \$5,229,354 in the aggregate for June 30, 2025. The operating funds are charged premiums (based upon historical claim experience) by the Risk Management Fund, which is accounted for as an Internal Service Fund. The accrued liability for estimated claims represents an estimate of the eventual loss on claims arising prior to year-end, including claims incurred but not yet reported, and is classified with accounts payable.

The table below presents the changes in claim liabilities for the past two fiscal years for the City’s employee health insurance.

	2025	2024
Unpaid Claims and Claim Adjustment Expenses at Beginning of the Fiscal Year	\$ 400,000	\$ 300,000
Incurred Claims and Claim Adjustment Expenses	3,888,643	4,027,678
Payments	(3,913,643)	(3,927,678)
Total unpaid claims and claim adjustment expenses at end of the fiscal year	\$ 375,000	\$ 400,000

Leases

A lessor should recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. A lessor should not derecognize the asset underlying the lease. The lease receivable should be measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

Subscription-Based Information Technology Arrangements (SBITA)

The City of Urbandale has entered into contracts that convey control of the right-to-use information technology software. The City has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements. The City recognized IT subscription liabilities with an initial, individual value of \$100,000, or more.

At the commencement of the IT subscription term, the City initially measures the subscription liability at the present value of payment expected to be made during the subscription term. Subsequently, the IT subscription liability is reduced by the principal portion of payments made. The right-to-use an IT subscription asset is initially measured as sum of the initial IT subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus capitalization implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the right-to-use IT subscription asset is amortized on a straight-line basis over its useful life.

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

The City uses its estimated incremental borrowing rate as the discount rate.

The subscription term includes the noncancelable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

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

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long-term debt on the statement of net position.

Note 2 - Cash and Pooled Cash Investments and Cash Equivalents

The City's and its Component Unit's deposits at June 30, 2025 were entirely covered by federal depository insurance, collateralized with securities or letters of credit held by the City or the City's agent in the City's name, 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 investment interest income of the Road Use Tax Fund has been assigned to the City's General Fund.

The City is authorized by state statute to invest public funds in interest bearing savings, money market, or checking accounts at a bank, savings and loan association or credit union in the State of Iowa that is approved by the Council and the Treasurer of the State of Iowa, 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 Council and the Treasurer of the State of Iowa; The Iowa Public Agency Investment Trust (IPAIT), perfected repurchase agreements; and certain registered open-end management investment companies.

Certificates of deposit, money market accounts, government treasury bills, and an investment in IPAIT are classified as cash and pooled cash investments in the financial statements. The cash equivalents of the City’s non-fiduciary funds at June 30, 2025 are \$109,837,362. The City’s fiduciary funds had cash and pooled cash investments of \$720,769 at June 30, 2025.

At June 30, 2025, the City had investments, as follows:

Investments	Amortized Cost
Diversified portfolio (IPAIT)	\$ 1,473,337
Direct government obligations portfolio	9,998,590
	\$ 11,471,927

The City and Water Utility’s investments in IPAIT and money market investments, which include short term U.S. Treasury obligations, are valued at amortized cost. There were no limitations or restrictions on withdrawals for the IPAIT investments. The investments in IPAIT were rated AAAM by S&P Global Ratings. The investments in U.S. Treasury obligations are unrated.

At June 30, 2025 cash and cash equivalents balance of the Water Utility include a money market account of \$8,381,253 and an investment in the Iowa Public Agency Investment Trust (IPAIT) of \$8,320,678. Additionally, there is one checking account with \$346,193 as of June 30, 2025.

The City and Water Utility had no investments meeting the disclosure requirements of Governmental Accounting Standard Board Statement No. 72.

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) in 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.

Credit risk. The City’s investment policy prohibits investments in commercial paper and other corporate debt. The Water Utility’s investment in Iowa Public Agency Investment Trust is unrated. IPAIT was established under Iowa law to authorize cities, counties, and municipal utilities to jointly invest. IPAIT invests only in permitted investments as specified for public agencies by Iowa law. The board of trustees of IPAIT meets quarterly to monitor investment compliance and performance. All other investments held by the City at June 30, 2025 are in certificates of deposit, money market accounts, money market mutual funds, and obligations of the United States government held with depository institutions approved by the Council.

Concentration of credit risk. The City places dollar limits, currently \$45 million, on the amount that may be invested in any one approved depository institution. The City also has a diversification policy to reduce risk of loss resulting from over concentration of assets in a specific maturity, a specific issue, or a specific class of securities.

Custodial credit risk - deposits. This is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s deposits and investments held at year end are 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 insure there will be no loss of public funds.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City held no such investments during the year.

Note 3 - Restricted Assets

Customer deposits and a reserve fund as defined by the Water Utility’s water revenue bond covenants are separately disclosed in the balance sheet of the Water Utility.

Note 4 - Leases

The City leases a portion of its facilities for cellular tower antenna sites. The leases are non-cancelable for initial periods of five years, with five to seven renewal periods for five-year terms. The City believes the lessee will exercise the renewal options with reasonable certainty. The agreements allow for increases annually or at renewals. During the fiscal year, the City recognized \$40,661 in lease revenue related to the agreements. At June 30, 2025, the City recorded \$424,607 in lease receivables and deferred inflows of resources for the arrangement. The City used an interest rate of 2.28%, based on the rates available to finance construction projects over similar time periods.

Lease receivable activity for the Primary Government for the year ended June 30, 2025 is as follows:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025
Lease Receivable	\$ 504,347	\$ -	\$ 79,740	\$ 424,607

Remaining amounts to be received associated with these leases are as follows:

Year Ended June 30,	Lease Receivable	
	Principal	Interest
2026	\$ 31,103	\$ 10,834
2027	32,598	10,125
2028	34,151	9,382
2029	35,763	8,603
2030	39,011	7,788
2031-2035	215,091	24,581
2036-2038	36,890	4,359
	\$ 424,607	\$ 75,672

Note 5 - Capital Assets

Capital assets activity for the Primary Government for the year ended June 30, 2025 is as follows:

	June 30, 2024			June 30, 2025
	Balance	Increases	Decreases	Balance
Capital Assets Not Being Depreciated				
Land	\$ 8,612,939	\$ 2,059,350	\$ -	\$ 10,672,289
Construction in progress	6,709,941	23,604,368	24,613,887	5,700,422
Right of way	2,638,327	78,340	-	2,716,667
Total Capital Assets Not Being Depreciated	<u>17,961,207</u>	<u>25,742,058</u>	<u>24,613,887</u>	<u>19,089,378</u>
Capital Assets Being Depreciated				
Equipment	20,378,808	5,333,227	2,321,007	23,391,028
Buildings	57,351,384	-	3,409	57,347,975
Improvements other than buildings	19,334,553	3,317,376	112,634	22,539,295
Artwork	645,434	29,489	16,314	658,609
Infrastructure	315,760,756	19,015,303	-	334,776,059
Share of undivided equity interest assets	3,831,611	13,172	172,941	3,671,842
IT subscriptions	617,952	261,358	239,630	639,680
Total Capital Assets Being Depreciated	<u>417,920,498</u>	<u>27,969,925</u>	<u>2,865,935</u>	<u>443,024,488</u>
Less Accumulated Depreciation for				
Equipment	12,228,362	1,845,485	2,043,295	12,030,552
Buildings	12,128,412	1,340,801	3,409	13,465,804
Improvements other than buildings	7,238,285	1,225,690	105,322	8,358,653
Artwork	404,843	18,611	16,314	407,140
Infrastructure	100,009,832	9,375,452	-	109,385,284
Share of undivided equity interest assets	3,675,820	22,060	170,740	3,527,140
IT subscriptions	246,198	204,542	239,630	211,110
Total Accumulated Depreciation/Amortization	<u>135,931,752</u>	<u>14,032,641</u>	<u>2,578,710</u>	<u>147,385,683</u>
Total Capital Assets, Net	<u>\$ 299,949,953</u>	<u>\$ 39,679,342</u>	<u>\$ 24,901,112</u>	<u>\$ 314,728,183</u>

Depreciation and amortization expense of \$14,032,641 for the year ended June 30, 2025, was charged to the following governmental functions:

	2025
Public Safety	\$ 1,384,735
Public Works	10,051,583
Culture and Recreation	2,114,187
Community and Economic Development	72,541
General Government	409,595
Total depreciation/amortization expense	<u>\$ 14,032,641</u>

Capital asset activity for the Water Utility for the years ended June 30, 2025 is as follows:

	June 30, 2024			June 30, 2025	
	Balance	Increases	Decreases	Balance	
Capital Assets Not Being Depreciated					
Land	\$ 2,198,900	\$ -	\$ 870,900	\$ 1,328,000	
Construction in progress	70,287	218,253	39,529	249,011	
Intangible assets	-	11,552,926	-	11,552,926	
Total Capital Assets Not Being Depreciated	2,269,187	11,771,179	910,429	13,129,937	
Capital Assets Being Depreciated					
Equipment	1,239,690	205,702	40,401	1,404,991	
Buildings	1,196,668	-	-	1,196,668	
Distribution system	49,452,126	1,881,074	2,087	51,331,113	
Total Capital Assets Being Depreciated	51,888,484	2,086,776	42,488	53,932,772	
Less Accumulated Depreciation for					
Equipment	875,139	117,085	40,401	951,823	
Buildings	928,213	31,774	-	959,987	
Distribution system	17,105,124	1,008,090	2,087	18,111,127	
Total Accumulated Depreciation	18,908,476	1,156,949	42,488	20,022,937	
Total Capital Assets, Net	\$ 35,249,195	\$ 12,701,006	\$ 910,429	\$ 47,039,772	

Note 6 - Long-Term Obligations

Changes in the City's long-term obligations for the year ended June 30, 2025 are as follows:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Due Within 1 Year
Primary Government					
Bonds payable					
General obligation bonds	\$ 61,860,000	\$ 12,215,000	\$ 23,830,000	\$ 50,245,000	\$ 8,700,000
Premium on bonds	3,921,309	422,749	1,415,656	2,928,402	-
Total bonds payable	65,781,309	12,637,749	25,245,656	53,173,402	8,700,000
IT subscription liability	362,905	261,358	206,779	417,484	149,814
Compensated absences (restated)	2,612,215	\$ 2,292,125	2,240,980	2,663,360	2,002,484
	<u>\$ 68,756,429</u>	<u>\$ 15,191,232</u>	<u>\$ 27,693,415</u>	<u>\$ 56,254,246</u>	<u>\$ 10,852,298</u>
Business-Type Activities					
Compensated absences (restated)	\$ 27,661	\$ 36,402	\$ 36,849	\$ 27,214	\$ 27,214
Component Unit					
Direct borrowings					
Capital loan note	\$ 568,000	\$ -	\$ 74,000	\$ 494,000	\$ 76,000
Compensated absences*	192,165	13,951	-	206,116	93,386
	<u>\$ 760,165</u>	<u>\$ 13,951</u>	<u>\$ 74,000</u>	<u>\$ 700,116</u>	<u>\$ 169,386</u>

*The roll-forward schedule only reports the net change in the compensated absences liability.

General Obligation Bonds

Details of general obligation bonds payable at June 30, 2025 are as follows:

	Date of Issue	Interest Rates	Final Due Date	Annual Principal Payments	Amount Originally Issued	Amount Outstanding June 30, 2025
Streets, Parks Maint facility	04/07/20	2.00 to 3.00	6/30	265,000 to 405,000	\$ 4,965,000	\$ 1,885,000
Streets, PW facility	04/07/20	2.00 to 5.00	6/30	1,115,000 to 1,305,000	11,255,000	6,230,000
Streets, Fire Pumper, Trail	04/26/21	1.00 to 5.00	6/31	610,000 to 930,000	9,100,000	4,120,000
Streets, Parks, Trails, Pub Works	04/28/22	3.00 to 5.00	6/32	700,000 to 1,240,000	11,250,000	5,970,000
Streets, Parks, Trails	04/13/23	3.00 to 5.00	6/33	900,000 to 1,480,000	12,465,000	8,850,000
Streets, Parks, Trails, Fire Ladder	04/16/24	4.00 to 5.00	6/34	1,075,000 to 2,130,000	13,105,000	10,975,000
Streets, Parks, Trails	04/15/25	4.00 to 5.00	6/35	905,000 to 2,225,000	12,215,000	12,215,000
					<u>\$ 74,355,000</u>	<u>\$ 50,245,000</u>

The annual principal and interest requirements to maturity for the City's obligations at June 30, 2025 are as follows:

Years Ending June 30,	General Obligation Bonds	
	Principal	Interest
2026	\$ 8,700,000	\$ 2,002,915
2027	7,640,000	1,560,080
2028	7,205,000	1,226,980
2029	6,690,000	956,430
2030	6,260,000	721,230
2031-2035	13,750,000	1,236,305
	<u>\$ 50,245,000</u>	<u>\$ 7,703,940</u>

Subscription-Based Information Technology Arrangements (SBITA)

The City has entered into four IT subscription license and services information technology agreements with vendors for accounting/human resources ERP, asset management software, automated license plate detection services, and body camera video management services. An IT subscription liability is recorded in the amount of \$417,484. The agreements require annual payments totaling \$438,396 over 4 years with an estimated implicit interest rate of 2.28% and final payment due December 1, 2028. During the year ended June 30, 2025, the City paid principal of \$206,779 and interest of \$8,857 on the agreements.

Future principal and interest SBITA payments as of June 30, 2025 are as follows:

Years Ending June 30,	SBITA	
	Principal	Interest
2026	\$ 149,814	\$ 9,619
2027	103,488	6,167
2028	105,872	3,783
2029	58,310	1,343
	<u>\$ 417,484</u>	<u>\$ 20,912</u>

Drinking Water State Revolving Fund

The Water Utility applied for and received a capital loan note from the Drinking Water State Revolving Fund on February 17, 2010 for \$1,671,000. The funds were used solely for a meter replacement project as defined in the application. Funds were disbursed from the Iowa Finance Authority when invoices were submitted by the Utility and approved for the project. The first \$332,000 disbursed to the Utility represents the forgivable portion of the loan. The remaining \$1,339,000 was disbursed over the next 24 months and will be repaid semi-annually over a twenty-year period. A loan servicing fee is payable each June 1 at a rate of .25% of the principal amount of the loan outstanding. Interest is payable each December 1 and June 1 at a rate of 3.0%. Principal payments are due June 1 of each year and range from \$65,000 to \$89,000 with final maturity in 2031. Effective June 1, 2020, the interest rate was reduced to 1.75% that will result in an interest savings of \$66,312. At June 30, 2025 the restricted cash on the balance sheet includes \$32,002 in the Sinking Fund. The debt is owned by the Iowa Finance Authority and therefore constitutes a direct borrowing.

Principal and interest requirements to maturity for obligations at June 30, 2025 are as follows:

Years Ending June 30,	SRF Capital Loan	
	Principal	Interest
2026	\$ 76,000	\$ 8,645
2027	78,000	7,315
2028	81,000	5,950
2029	84,000	4,532
2030	86,000	3,063
2031	89,000	1,557
	\$ 494,000	\$ 31,062

Typically, the general fund has been used in prior years to liquidate long-term liabilities other than debt.

2023 Actual Value of Property (Unaudited)	\$ 8,037,738,067
Debt Limit - 5% of Assessed Valuation	\$ 401,886,903
Amount of Debt Applicable to Debt Limit	
General obligation bonds	(50,245,000)
Legal debt margin	\$ 351,641,903

Note 7 - Pension Plan

The primary government participates in two public pension systems, Iowa Public Employees' Retirement System (IPERS) and Municipal Fire and Police Retirement System of Iowa (MFPRSI). The component unit Water Utility participates in IPERS only. The following sections outline the pension related disclosures for each pension of both entities. The aggregate amount of recognized pension expense (income) for the period associated with the net pension liability for all plans is \$3,451,515 for the primary government and \$74,470 for the Water Utility. Other aggregate amounts related to pension are separately displayed in the financial statements.

Iowa Public Employees' Retirement System – IPERS

Plan Description – IPERS membership is mandatory for employees of the City and the Water Utility, except for those covered by another retirement system. Throughout this IPERS disclosure, all references to the City will incorporate both the City and the Water Utility, unless otherwise noted.

Employees of the City are provided with pensions through a cost-sharing multiple employer defined benefit pension plan administered by Iowa Public Employees' Retirement Plan (IPERS). IPERS issues a stand-alone financial report which is available to the public by mail P.O. 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, exempt members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

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

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

If a member retires before normal retirement age, the member's monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month that the member receives benefits before the member's earliest normal retirement age. For service earned starting July 1, 2012, the reduction is 0.50% for each month that the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member's lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member’s beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member’s accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation, which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires that the actuarial contribution rate be determined using the “entry age normal” actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll, based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 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%. Protective 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 total contributions to IPERS for the year ended June 30, 2025 totaled \$1,185,578. The Water Utility’s total contributions to IPERS for the year ended June 30, 2025 totaled \$151,284.

There were no non-employer contributing entities to IPERS.

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 (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 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 and expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Asset Allocation	Long-Term Expected Real Rate of Return
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%	4.25%
Private credit	5.5%	6.62%
	100%	

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 employee contributions will be made at the contractually required rate and 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.

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at www.ipers.org.

City Specific IPERS Disclosures

Net Pension Liabilities (Asset), Pension Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the City reported a net pension liability of \$4,611,534 for its proportionate share of the net pension liability (asset). The new 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 (asset) 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 collective proportion was 0.126638% which was a decrease of 0.001860% over its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the City recognized pension expense (income) of \$578,200. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Results	\$ 377,155	\$ 2,878
Changes in Assumptions	-	2,444
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	58,115	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	242,866	66,339
City Contributions Subsequent to the Measurement Date	1,185,578	-
Total	\$ 1,863,714	\$ 71,661

The \$1,185,578 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Total
June 30,	
2026	\$ (573,744)
2027	1,196,619
2028	112,423
2029	(128,926)
2030	103
	\$ 606,475

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0%, 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 (6.0%) or 1% higher (8.0%) than the current rate.

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 11,394,191	\$ 4,611,534	\$ (1,069,015)

Payable to the IPERS – At June 30, 2025 the City reported payables to IPERS of \$0 for legally required City contributions and \$0 for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

Water Utility Specific IPERS Disclosures

Net Pension Liabilities (Asset), Pension Expense (Income), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2025, the Water Utility reported a liability of \$644,340 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 Water Utility’s proportion of the net pension liability was based on the Water Utility’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2024, the Water Utility’s collective proportion was .017694% which was a decrease of 0.001764% from its proportion measured as of June 30, 2023 of 0.019458%.

For the year ended June 30, 2025, the Water Utility recognized pension expense (income) of \$74,470. At June 30, 2025, the Water Utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Results	\$ 51,271	\$ 400
Changes of Assumptions	-	9
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	8,058	-
Changes in Proportion and Differences Between Utility Contributions and Proportionate Share of Contributions	42,951	52,594
Utility Contributions Subsequent to the Measurement Date	151,284	-
Total	\$ 253,564	\$ 53,003

The \$151,284 reported as deferred outflows of resources related to pensions resulting from the Water Utility contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Total
June 30,	
2026	\$ (83,012)
2027	158,664
2028	5,846
2029	(28,258)
2030	(3,962)
	\$ 49,278

Sensitivity of the Utility’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the Water Utility’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0%, as well as what the Water Utility’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate.

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
Utility's Proportionate Share of the Net Pension Liability (Asset):	\$ 1,581,200	\$ 644,340	\$ (140,284)

Payable to IPERS – At June 30, 2025, the Utility reported payables to IPERS of \$0 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to IPERS.

Municipal Fire and Police Retirement System of Iowa – MFPRSI

Plan Description – MFPRSI membership is mandatory for fire fighters and police officers covered by provisions of Chapter 411 of the Code of Iowa. Employees of the City are provided with pensions through a cost-sharing multiple employer-defined benefit pension plan administered by MFPRSI. MFPRSI issues a stand-alone financial report which is available to the public by mail at 7155 Lake Drive, Suite 201, West Des Moines, Iowa 50266 or at www.mfprsi.org.

MFPRSI benefits are established under Chapter 411 of the Code of Iowa and the administrative rules thereunder. Chapter 411 of the Code of Iowa and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – Members with 4 or more years of service are entitled to pension benefits beginning at age 55. Full service retirement benefits are granted to members with 22 years of service, while partial benefits are available to those members with 4 to 22 years of service based on the ratio of years completed to years required (i.e., 22 years). Members with less than 4 years of service are entitled to a refund of their contribution only, with interest, for the period of employment.

Benefits are calculated based upon the member's highest 3 years of compensation. The average of these 3 years becomes the member's average final compensation. The base benefit is 66% 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 choose the basic benefit with a 50% 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 or ordinary. Accidental disability is defined as a 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.

Employer contribution rates are based upon an actuarially determined normal contribution rate and set by state statute. The required actuarially determined contributions are calculated based on 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 City'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, totaled \$2,494,502.

If approved by the State Legislature, state appropriations may further reduce the City's contribution rate, but not below the minimum statutory contribution rate of 17.00% of earnable compensation. The State of Iowa, therefore, is considered to be a non-employer contributing entity in accordance with the provisions of 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 \$16,898,243 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 pension plan relative to the contributions of all MFPRSI participating employers. At June 30, 2024, the City's collective proportion was 2.557308% which was a decrease of 0.039072% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the City recognized pension expenses of \$2,873,315. At June 30, 2025 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Results	\$ 1,781,910	\$ -
Changes of Assumptions	60,997	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,130,994	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	764,425	168,152
City Contributions Subsequent to the Measurement Date	2,494,502	-
Total	\$ 6,232,828	\$ 168,152

The \$2,494,502 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Total
June 30,	
2026	\$ (119,529)
2027	2,754,689
2028	739,392
2029	176,356
2030	19,266
	\$ 3,570,174

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% per annum
Salary increases	3.75 to 15.11%, including inflation.
Investment rate of return	7.5%, 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 from July 1, 2013 through 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.

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 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 included in the pension plan’s target asset allocation as of June 30, 2023, 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
Real Estate - Core	6.0
Opportunistic Real Estate	9.8
Global Infrastructure	6.7
Private Credit	9.4
Private Equity	10.2

Discount Rate – The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed 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 of current plan members. Therefore, the long-term expected rate of return on MFPRSI investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the 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 7.5%, 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 (6.5%) or 1% higher (8.5%) than the current rate.

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
City’s Proportionate Share of the Net Pension Liability (Asset):	\$ 29,400,544	\$ 16,898,243	\$ 6,549,773

MFPRSI’s 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.

Payables to MFPRSI – All legally required City contributions and legally required employee contributions which had been withheld from employee wages were remitted by the City to MFPRSI by June 30, 2025.

Money Purchase Plan

The Water Utility also offers its employees a money purchase plan created and administered in accordance with Internal Revenue Code Section 401(a). The plan, available to all full-time Water Utility employees, permits them to contribute up to 8% of their salary (beginning during fiscal year 2024, employees may make their contribution into either the 401(a) plan or the 457(b) plan) with the Water Utility matching 60% of the employee’s contribution. Additionally, the Utility offers its employees the option of contributing to a 457(b) or Roth IRA deferred compensation plan in accordance with Internal Revenue Code Sections 457(g) and 408A(c)(5). The Utility does not make contributions to either of these plans.

All assets and income of the plans are held in trusts established for the exclusive benefit of eligible participants and their beneficiaries. No part of the trusts shall revert to the Water Utility or be used for or diverted to purposes other than the exclusive benefit of participants and their beneficiaries. Third-party administrators who act in a trustee capacity manage the plans. Accordingly, these plan assets are not reported in the Water Utility’s financial statements. The contributions made by the Utility to the 401(a) plan were \$58,310 for the year ended June 30, 2025. Employee contributions to the 401(a) were \$0, to the 457(b) were \$143,065, and to the Roth IRA were \$5,620 for the year ended June 30, 2025.

Note 8 - Other Postemployment Benefits (OPEB)

Plan Description - The City operates a partially self-insured single-employer benefit plan which provides medical/prescription drug benefits for active employees, qualified retirees, and their spouses/families. Participants must meet IPERS/MFPRS retirement system eligibility requirements, or be age 55 or older at retirement to participate in the retiree benefit plan. Plan benefits are not available for retirees past age 65. The plan is not administered through a trust, nor are any assets accumulated in a GASB-compliant trust.

Inactive employees or beneficiaries currently receiving benefit payments	7
Active employees	<u>251</u>
Total	<u><u>258</u></u>

OBEB Benefits - The medical/prescription drug coverage is provided through a partially self-insured plan with Wellmark. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Total OPEB Liability – The City’s total OPEB liability of \$2,169,126 was measured as of June 30, 2025, and was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Rate of inflation (effective July 1, 2023)	3.00% per annum
Rates of salary increase (effective July 1, 2023)	0.00% per annum (OPEB is directly determined by service years, not salary)
Discount Rate (effective July 1, 2023)	4.75% per year Municipal Bond 20-year
Healthcare cost trend rate (effective July 1, 2023)	6.00% per annum
Claim Cost Trend (effective July 1, 2023)	7.30% per annum

Discount Rate – The discount rate used to measure the total OPEB liability was 4.75% which reflects the index rate for 20-year tax –exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates were based on the RP-2014 Mortality Table for Males and Females, as appropriate.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of an actuarial experience study with dates corresponding to those listed above.

Changes to the Total OPEB Liability

	Total OPEB Liability
Total OPEB liability beginning of year	<u>\$ 1,920,869</u>
Changes for the year:	
Service cost	139,085
Interest	96,418
Differences between expected and actual experiences	45,698
Changes in assumptions	-
Benefit payments	<u>(32,944)</u>
Net changes	248,257
Total OPEB liability end of year	<u><u>\$ 2,169,126</u></u>

Sensitivity of the City’s Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.75%) or 1% higher (5.75%) than the current discount rate.

	1% Decrease (3.75%)	Discount Rate (4.75%)	1% Increase (5.75%)
Total OPEB Liability	\$ 2,241,114	\$ 2,169,126	\$ 2,016,521

Sensitivity of the City’s Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.00%) or 1% higher (7.00%) than the current healthcare cost trend rates.

	1% Decrease (5.00%)	Health Care Cost Trend Rate (6.00%)	1% Increase (7.00%)
Total OPEB Liability	\$ 2,033,124	\$ 2,169,126	\$ 2,362,195

OPEB Expense and Deferred Outflows of Resources Related to OPEB – For the year ended June 30, 2025, the City recognized OPEB expense of \$204,151. At June 30, 2025, the City reported deferred outflows of resources related to OPEB from the following resources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 122,487	\$ 240,610
Changes in assumptions	-	475,797
Change in demographics	150,233	105,468
Total	<u>\$ 272,720</u>	<u>\$ 821,875</u>

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

Year ending <u>June 30,</u>	<u>Amount</u>
2025	\$ (31,352)
2026	(31,352)
2027	(31,352)
2028	(31,352)
2029	(31,352)
Thereafter	<u>(392,395)</u>
	<u>\$ (549,155)</u>

Note 9 - Deferred Compensation Plan

The City offers its employees two options for deferred compensation plans created and administered in accordance with Internal Revenue Code Section 457. The plans, which are available to all full-time City employees, permit them to defer a portion of their salary until future years. Employees are always fully vested in their contributions to the plan. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City also offers a 401(a) plan for the City’s matching contribution, which carries a four-year vesting schedule and is based on the employee’s deferral election amount.

All assets and income of the plans are held in trusts established for the exclusive benefit of eligible participants and their beneficiaries in accordance with Internal Revenue Code Section 457(g) and 401(a). No part of the unvested trust amounts shall revert to the City or be used for or diverted to purposes other than the exclusive benefit of participants and their beneficiaries. Third-party administrators who act in a trustee capacity manage the plans. Accordingly, these plan assets are not reported in the City’s financial statements.

Note 10 - Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City maintains a Risk Management Fund (an Internal Service Fund) to account for its uninsured risks of loss. The Risk Management Fund provides employee health and group life insurance coverage for City employees. Workers compensation and general liability and auto liability coverages are provided through the City's participation in self-insurance risk pools as described in the subsequent paragraphs. Commercial insurance is purchased for all other risks of loss. Settlements have not exceeded coverages for each of the past three fiscal years.

Iowa Municipalities Workers' Compensation Association

The City is a member of the Iowa Municipalities Workers' Compensation Association (the Association). The Association is a local government risk-sharing pool whose more than 500 members include various municipal and county governments throughout the State of Iowa. The Association was formed in July 1981 to formulate, develop and administer, on behalf of the member governments, a program of joint self-insurance to stabilize costs related to members' workers' compensation liabilities. The members participating in the Association to manage and conduct the business and affairs of the Association elect a board of trustees consisting of seven members. Program components include claims management, member education and loss control services. There have been no reductions in insurance coverage from prior years.

Each member pays annual premiums determined by using applicable standard rates for the exposure to risk and applicable experience modification factors of the National Council on Compensation Insurance. Each member may be subject to additional premiums to pay its pro rata share of claims which exceeds the Association's resources available to pay such claims. A distribution to members may also be made if the Association has excess monies remaining after payment of claims and expenses. The Association uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. Claims exceeding \$1,000,000 are reinsured. The reinsurance does not limit the amount of liability per occurrence. Members may withdraw from the Association at any time provided they provide assets for settlement of all pending claims.

The City's premium contributions to the Association are recorded as expenditures from its operating funds at the time of payment to the risk pool. The City's annual contributions to the Association for the year ended June 30, 2025 were \$177,746.

Iowa Communities Assurance Pool

The City is a member of the Iowa Communities Assurance Pool, as allowed by Chapter 670.7 of the Code of Iowa. The Iowa Communities Assurance Pool (Pool) is a local government risk-sharing pool whose 818 members include various governmental entities throughout the State of Iowa. The Pool was formed in August 1986 for the purpose of managing and funding third-party liability claims against its members. The Pool provides coverage and protection in the following categories: general liability, automobile liability, automobile physical damage, public officials' liability, police professional liability, property, inland marine, cybercrime liability, and boiler/machinery. Changes to ICAP coverage in 2025 included sub-limiting medical malpractice coverage at \$5,000,000. There have been no reductions in insurance coverage from prior years.

Each member's annual casualty contributions to the Pool fund current operations and provide capital. Annual casualty contributions are those amounts necessary to fund, on a cash basis, the Pool's general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year, plus all or any portion of any deficiency in capital. Capital contributions are made during the first six years of membership and are maintained at a level determined by the Board not to exceed 300% basis rate.

The Pool also provides property coverage. Members who elect such coverage make annual operating contributions which are necessary to fund, on a cash basis, the Pool's general and administrative expenses, reinsurance premiums, losses and loss expenses for property risks estimated for the fiscal year, plus all or any portion of any deficiency in capital. Any year-end operating surplus is transferred to capital. Deficiencies in operations are offset by transfers from capital and, if insufficient, by the subsequent year's member contributions.

The City's property and casualty contributions to the risk pool are recorded as expenditures from its operating funds at the time of payment to the risk pool. The City's contributions to the Pool for the year ended June 30, 2025 were \$687,860. The Pool uses reinsurance and excess risk-sharing agreements to reduce its exposure to large losses. The Pool retains general, automobile, police professional, and public officials' liability risks up to \$500,000 per claim. Claims exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate. Property and automobile physical damage risks are retained by the Pool up to \$500,000 each occurrence, each location. Property risks exceeding \$500,000 are reinsured through reinsurance and excess risk-sharing agreements up to the amount of risk-sharing protection provided by the City's risk-sharing certificate.

The Pool's intergovernmental contract with its members provides that in the event a casualty claim, property loss or series of claims or losses exceeds the amount of risk-sharing protection provided by the City's risk-sharing certificate, or in the event a casualty claim, property loss or series of claims or losses exhausts the Pool's funds and any excess risk-sharing recoveries, then payment of such claims or losses shall be the obligation of the respective individual member against whom the claim was made or the loss incurred.

The City does not report a liability for losses in excess of reinsurance or excess risk-sharing recoveries unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2025, no liability has been recorded in the City's financial statements. As of June 30, 2025, settled claims have not exceeded the risk pool or reinsurance coverage since the Pool's inception.

Members agree to continue membership in the Pool for a period of not less than one full year. After such period, a member who has given 60 days' prior written notice may withdraw from the Pool. Upon withdrawal, payments for all casualty claims and claims expenses become the sole responsibility of the withdrawing member, regardless of whether a claim was incurred or reported prior to the member's withdrawal. Upon withdrawal, a formula set forth in the Pool's intergovernmental contract with its members is applied to determine the amount (if any) to be refunded to the withdrawing member.

Note 11 - Commitments

Joint Operation

In August of 2000, the City entered into a joint operation of a centralized emergency dispatch center (Westcom) with two other Des Moines suburbs. As of June 30, 2024 two additional Des Moines suburb obtained an equity interest in Westcom. Westcom was established as an undivided interest ownership arrangement, whereby titles to assets in Westcom are held individually by the equity partners. The City's share of equity interest in the assets, as shown on the financial statements, represents a proportionate share of the assets owned by the Westcom entity, which are comprised of dispatch related equipment, technology, software and the dispatch building. Since inception, the Westcom operations have expanded the service area to provide dispatch to two additional communities which are equity partners. The City showed expenditures of \$1,481,250 and has an undivided interest in assets of the operation, net of depreciation, totaling \$144,703 as of June 30, 2025. Westcom issued standalone financial statements starting June 30, 2022. Their operations were previously included in the financial statements of the City of West Des Moines.

Iowa Events Center

In 2006, the City Council committed \$640,000 for the Iowa Events Center project, over a 20-year period. The City’s contribution will be utilized for the payment of debt service on the bonds issued by Polk County to finance the construction of the downtown arena. The City made payments totaling \$32,000 for the year ended June 30, 2025. The commitment was fully satisfied as of June 30, 2025.

Des Moines Airport Authority

In 2021, the City Council committed \$1,331,370 to the Des Moines International Airport Authority to assist with the construction of a new terminal facility, payable over a six-year period. The City made payments totaling \$221,895 for the year ended June 30, 2025.

Development Agreement Commitments

To encourage development within designated Urban Renewal Areas, the City Council has approved several development agreements. Most of these agreements provide payments in the form of rebates, which are issued only after specified conditions have been met by the developer and are paid over multiple years as a predetermined percentage of future property taxes generated by the respective properties. In addition, the City has entered into one development agreement that does not involve rebate payments but provides for direct financial assistance once all required performance conditions have been satisfied. It is estimated that outstanding commitments of approximately \$17.54 million exist, of which \$2,191,675 is likely to be eligible to be paid in the next fiscal year. The payments will be expensed in the period in which they are paid. No liability for these obligations is recognized because the agreements are conditional, and the payments are to be funded by future property taxes revenues or other designated funding sources on the project.

Construction and Purchase Commitments

At June 30, 2025, the following construction and purchase commitments had been made:

Project	2025	
	Total Contracts	Amount Remaining on Contracts
Capital Projects Fund	\$ 35,013,796	\$ 16,833,695
Sanitary Sewer	615,825	615,825
Road Use Tax Fund	45,730	17,456
Total	\$ 35,675,351	\$ 17,466,976

Central Iowa Regional Drinking Water Commission

The Water Utility, in conjunction with 23 other governmental entities that provide water services, created a Central Iowa Regional Drinking Water Commission (the Commission). The Commission was created to (1) jointly plan and coordinate implementation for water supply, treatment, distribution, and storage facilities; (2) enable the participants in the Commission to jointly provide services in a cost-effective manner; and (3) enable the participants in the Commission to undertake joint or coordinated procurement of goods and services. The Commission has not set a budget for expenditures. The Water Utility will be responsible for its proportional share of the budgeted expenses, which will be determined on the basis of the ratio of its retail customer accounts to the total retail customers of all participants, using the most recent information available each year.

This Commission was disbanded as of October 31, 2024, and the remaining cash distributed proportionally. The Utility received \$3,995 on January 15, 2025.

Central Iowa Water Works

Urbandale Water Utility is a Founding Agency of Central Iowa Water Works (CIWW), a joint cooperative authority created under Chapter 28E and Chapter 28F, Iowa Code, to act as a regional water wholesale production and supply provider to the member agency utilities. The 28E/28F Agreement creating CIWW, filed with the Iowa Secretary of State on April 11, 2024, establishes the power for CIWW to enter into agreements for the financing of its operational and capital requirements, including the issuance of bonds or other debt. Capacity in the regional water system is allocated among all the members.

Annually, CIWW prepares a budget including operational, maintenance, and capital costs, debt service, and reserve requirements. Wholesale water rates are established based on rate principles outlined in the 28E/28F allocating budgeted operating and replacement capital costs to members based on each member's proportionate share of average day and maximum day water demands. Ninety-one percent of the costs for capacity expansion projects are proportionately allocated to members requiring the capacity, and nine percent of capacity expansion costs are allocated among all members based on each member's proportionate share of existing system capacity. Members pay their share of debt service to CIWW through monthly fixed charges determined annually.

Urbandale Water Utility retains an ongoing financial responsibility to CIWW since it is obligated in some manner for the debts of the joint venture for capacity expansions. Though the debt of CIWW is to be paid solely and only from CIWW revenues and is not general obligations of the members, CIWW members cannot voluntarily withdraw from the joint venture while any of the bonds issued during the time the member was a participating agency are still outstanding, unless the member provides for lawful defeasance and/or payment of its current and future obligations for issued and outstanding bonds.

As of June 30, 2025, the Water Utility's estimated future allocation of CIWW debt is \$4,500,000.

The CIWW 28E/28F Agreement does not provide for the determination of equity interest for the participating communities. Withdrawing from the joint venture is a forfeit of all reversionary interest and no compensation will be paid. The Water Utility retains a reversionary interest in assets contributed to CIWW and a reversionary interest percentage in the net position of CIWW redeemable only in the event CIWW is dissolved. Since there is no specific and measurable equity interest in the CIWW agreement, no investment in the joint venture has been reported to the Water Utility. During the year ended June 30, 2025, the Water Utility paid CIWW \$2,416,103 for operations, maintenance, and capital replacements. For the year ended June 30, 2025, the Water Utility has recorded \$11,552,926 for allocated costs of system capacity, which is reported as an intangible capital asset on the Statement of Net Position as Intangible assets.

CIWW issues separate financial statements that may be obtained electronically at www.ciww.gov.

Note 12 - Tax Abatements

The City adopted the Governmental Accounting Standards Board Statement No. 77, Tax Abatement Disclosures. The Statement sets forth guidance for the disclosure of information about the nature and magnitude of tax abatements which will make these transactions more transparent to financial statement users. Adoption of the guidance did not have an impact on amounts reported in the financial statements.

The pronouncement 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 benefit the governments or the citizens of those governments. 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 a part of these agreements.

For the year ended June 30, 2025, the City abated \$1,499,137 of property tax under the urban renewal and economic development projects. Property tax revenues of the City were reduced by \$0 for the year ended June 30, 2025 under agreements entered into by other entities.

Note 13 - Transfer Reconciliation

The following is a schedule of transfers of the City for the years ended June 30, 2025:

Transfer to General Fund from	
Nonmajor governmental funds	\$ 1,168,920
Total transfers to General Fund	1,168,920
Transfer to Capital Projects Fund from	
General fund	450,917
Road use fund	1,403,800
Storm water utility fund	2,820,000
Nonmajor governmental funds	2,087,164
Total transfers to Capital Projects Fund	6,761,881
Transfer to Debt Service Fund from	
Nonmajor governmental funds	5,560,000
Tax increment financing fund	14,121,981
Total transfers to Debt Service Fund	19,681,981
Transfer to Nonmajor Governmental Funds from	
Nonmajor government funds	236,534
General fund	140,000
Total transfers to nonmajor funds	376,534
	\$ 27,989,316

Transfers are primarily used to (1) move revenue from the fund that statute or budget requires them to be collected into the fund that statute or budget requires them to be expended from, and (2) move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as debt service payments become due.

Note 14 – Accounting Change/Restatement

As of July 1, 2024, the City adopted GASB Statement No. 101, *Compensated Absences*. This standard requires recognition of certain compensation absence related liabilities that were previously unrecognized. It requires that a liability be recognized for unused leave that (a) is attributed to service already rendered, (b) accumulates, and (c) is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

This new standard is a change in accounting principle, thus the City’s beginning net position was restated to retroactively adopt the provisions of GASB Statement No. 101 as follows:

	Governmental Activities	Business-Type Activities/Storm Water Utility Fund	Internal Service Funds
Net Position June 30, 2024, as previously reported	\$ 333,625,703	\$ 6,277,562	\$ 25,786,409
Add compensated absences under GASB No. 101 at June 30, 2024	(892,162)	(7,960)	(16,689)
Net Position July 1, 2024, as restated	\$ 332,733,541	\$ 6,269,602	\$ 25,769,720

Financial Section
Required Supplementary Financial Schedules
June 30, 2025
City of Urbandale, Iowa



City of Urbandale, Iowa

Budgetary Comparison Schedule of Receipts, Disbursements and Changes in Balances Budget and Actual (Cash Basis) – Governmental and Business-Type Funds
For the fiscal year ending June 30, 2025

	Governmental Funds Actual	Enterprise Fund Actual	Total	Budgeted Amounts		Final to Actual Variance
				Original	Final	
Receipts:						
Property tax	\$ 39,290,605	-	39,290,605	39,064,133	39,064,133	226,472
Tax increment financing	10,474,661	-	10,474,661	10,779,803	10,779,803	(305,142)
Other city tax	13,956,421	-	13,956,421	13,255,566	13,255,566	700,855
Licenses and permits	2,118,974	-	2,118,974	1,472,000	1,472,000	646,974
Use of money and property	4,717,430	217,935	4,935,365	1,720,000	1,720,000	3,215,365
Intergovernmental	9,186,165	-	9,186,165	12,703,400	12,703,400	(3,517,235)
Charges for services	5,808,058	2,996,242	8,804,300	8,788,479	8,788,479	15,821
Special assessments	66,877	-	66,877	811,600	811,600	(744,723)
Miscellaneous	1,733,758	-	1,733,758	951,250	951,250	782,508
Total receipts	87,352,949	3,214,177	90,567,126	89,546,231	89,546,231	1,020,895
Disbursements:						
Public safety	23,219,764	-	23,219,764	23,629,202	23,629,202	409,438
Public works	10,832,040	-	10,832,040	12,060,555	12,060,555	1,228,515
Health and Social Services	235,664	-	235,664	244,750	244,750	9,086
Culture and recreation	9,084,901	-	9,084,901	9,781,671	9,781,671	696,770
Community and economic development	4,592,794	-	4,592,794	5,313,108	5,313,108	720,314
General government	5,799,066	-	5,799,066	6,392,184	6,392,184	593,118
Debt Service	26,130,412	-	26,130,412	26,241,308	26,241,308	110,896
Capital projects	26,594,838	-	26,594,838	36,903,500	36,903,500	10,308,662
Total disbursements	106,489,479	-	106,489,479	120,566,278	120,566,278	14,076,799
Business-type activities	-	1,024,252	1,024,252	1,222,385	1,222,385	198,133
Total all disbursements	106,489,479	1,024,252	107,513,731	121,788,663	121,788,663	14,274,932
Excess (Deficiency) of Receipts Over (Under) Disbursements	(19,136,530)	2,189,925	(16,946,605)	(32,242,432)	(32,242,432)	(15,295,827)
Other financing sources, net	15,436,699	(2,820,000)	12,616,699	41,022,859	41,022,859	28,406,160
Excess (deficiency) of receipts and other financing sources over (under) disbursements and other financing uses	(3,699,831)	(630,075)	(4,329,906)	8,780,427	8,780,427	13,110,333
Fund Balances at Beginning of Year	97,758,422	6,436,930	104,195,352	84,163,753	84,163,753	20,031,599
Fund Balances at End of Year	\$ 94,058,591	5,806,855	99,865,446	92,944,180	92,944,180	33,141,932
Governmental Funds						
	Cash Basis	Accrual Adjustments	Modified Accrual Basis	Enterprise Fund		
				Cash Basis	Accrual Adjustments	Full Accrual Basis
Revenues	\$ 87,352,949	(508,623)	86,844,326	3,214,177	10,894	3,225,071
Expenditures/Expenses	106,489,479	(837,631)	105,651,848	1,024,252	27,739	1,051,991
Net	(19,136,530)	329,008	(18,807,522)	2,189,925	(16,845)	2,173,080
Other Financing Sources, Net	15,436,699	282,408	15,719,107	(2,820,000)	-	(2,820,000)
Beginning Fund Balances/Net Position	97,758,422	(1,761,698)	95,996,724	6,436,930	(167,328)	6,269,602
Ending Fund Balances/Net Position	\$ 94,058,591	(1,150,282)	92,908,309	5,806,855	(184,173)	5,622,682

The budgetary comparison is presented as Required Supplementary Information in accordance with Government 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 Funds and Custodial Funds. The annual budget may be amended during the year utilizing similar statutorily prescribed procedures. Encumbrances are not recognized on the cash basis budget and appropriations lapse at year end.

Formal and legal budgetary control is based upon 9 major classes of disbursements known as functions, not by fund or fund type. These 9 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, Special Revenue Funds, Debt Service Fund, Capital Projects Fund and 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. However, emphasis is placed on monitoring budgets by individual funds and by major classifications within functions, such as personnel, operations and maintenance, and capital outlay. Deviations from budgeted amounts by major classifications within programs must be approved by the City Manager. Monthly reports are prepared by Department and program to monitor program expenditures and legally budgeted amounts. All appropriations lapse at the end of the fiscal year.

State law mandates that annual budgets for funds other than Agency and Internal Service for the fiscal year beginning July 1 must be certified to the county auditor no later than April 30, preceding the beginning of the fiscal year. The Council also annually adopts a five-year capital improvement plan. The review and adoption of a budget is handled in accordance with state laws, as there is no City ordinance governing the budget process. Preliminary review of all operating budget requests is conducted by the City manager (the Manager) at a Departmental level. The Manager's budget, considered as a plan of financial operation along with proposed sources of revenues, is presented to the Council at least two months prior to certification. The Council holds hearings with the Manager, department heads, boards, and commissions, as well as a public hearing prior to adopting a budget. By resolution, the Council adopts a budget effective July 1 and certifies it to the county auditor, who, in turn, certifies the City's budget to the State Department of Management. This budget becomes the appropriation and is prepared on a cash basis (budget basis).

Amendments to the budget are considered annually only if revenue sources are available (i.e., unanticipated revenues and budget surpluses). There can be no additional levy of property taxes. The actual amendment process, as prescribed by state law, is identical to the procedures followed for the original budget, including certification. The budget for the fiscal year ending June 30, 2025 did not require amendment during the year.

The actual expenditures of the Water Utility were \$24,389,715 compared to a legal budget of \$36,089,534 for the year ended June 30, 2025.

City of Urbandale, Iowa
Schedule of Changes in the City of Urbandale's Total OPEB Liability and Related Ratios
As of June 30, 2025
Required Supplementary Information

	2025	2024	2023	2022	2021	2020	2019	2018
Service cost	\$ 139,085	\$ 142,505	\$ 136,083	\$ 183,302	\$ 152,349	\$ 156,761	\$ 140,125	\$ 140,336
Interest cost	96,418	91,875	95,103	50,112	63,802	62,591	73,716	65,090
Differences between expected and actual experiences	45,698	2,494	(73,475)	51,967	(62,209)	(150,796)	(38,963)	62,354
Changes in assumptions	-	(327,286)	(166,868)	31,333	-	(24,215)	-	-
Benefit payments	(32,944)	(46,244)	(85,294)	(129,187)	(105,429)	(127,171)	(34,516)	(44,325)
Net change in total OPEB liability	248,257	(136,656)	(94,451)	187,527	48,513	(82,830)	140,362	223,455
Total OPEB liability beginning of year	1,920,869	2,057,525	2,151,978	1,964,451	1,915,938	1,998,768	\$ 1,858,406	\$ 1,634,951
Total OPEB liability end of year	2,169,126	1,920,869	2,057,527	2,151,978	1,964,451	1,915,938	1,998,768	1,858,406
Covered-employee payroll	\$ 23,220,547	\$ 22,941,811	\$ 19,994,454	\$ 17,577,300	\$ 16,128,017	\$ 16,315,619	\$ 15,369,269	\$ 14,385,608
Total OPEB liability as a percentage of covered -employee payroll	9.3%	8.4%	10.3%	12.2%	12.2%	11.7%	13.0%	12.9%

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

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

Changes in benefit terms:

There were no significant changes in benefit terms.

Changes in assumptions:

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2025	4.75%
Year ended June 30, 2024	4.75%
Year ended June 30, 2023	4.75%
Year ended June 30, 2022	2.37%
Year ended June 30, 2021	3.15%
Year ended June 30, 2020	3.15%
Year ended June 30, 2019	3.72%
Year ended June 30, 2018	3.72%

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

City of Urbandale, Iowa
Schedule of the City's Proportionate Share of the Net Pension Liability
Iowa Public Employees' Retirement System – IPERS
As of June 30, 2025
Required Supplementary Information

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City's Proportion of the Net Pension Liability (Asset)	0.1077769%	0.1130740%	0.1141771%	0.1193193%	0.1217931%	0.1196170%	-0.0025540%	0.1233090%	0.1284980%	0.1266380%
City's Proportion of the Net Pension Liability (Asset)	\$ 5,324,699	\$ 7,116,101	\$ 7,605,638	\$ 7,550,817	\$ 7,052,620	\$ 8,402,772	\$ 8,813	\$ 4,658,793	\$ 5,799,975	\$ 4,611,534
City's Covered Payroll	\$ 7,651,554	\$ 8,312,473	\$ 8,680,732	\$ 9,148,116	\$ 9,379,664	\$ 9,585,528	\$ 9,768,531	\$ 10,315,954	\$ 11,461,661	\$ 11,841,629
City's Proportionate Share of the Net Pension Liability as Percentage of its Covered Payroll	69.59%	85.61%	87.62%	82.54%	75.19%	87.66%	0.09%	45.16%	50.60%	38.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.19%	81.82%	82.21%	83.62%	85.45%	82.90%	100.81%	91.40%	90.13%	92.30%

* In accordance with GASB Statement no.68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

City of Urbandale, Iowa
 Schedule of City Contributions
 Iowa Public Employees' Retirement System – IPERS
 Last Ten Fiscal Years
 Required Supplementary Information

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Statutorily Required Contribution	\$ 743,668	\$ 776,981	\$ 818,824	\$ 886,237	\$ 903,989	\$ 922,666	\$ 971,101	\$ 1,081,616	\$ 1,115,551	\$ 1,185,578
Contributions in Relation to the Statutorily Required Contribution	743,668	776,981	818,824	886,237	903,989	922,666	971,101	1,081,616	1,115,551	1,185,578
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 8,312,473	\$ 8,680,732	\$ 9,148,116	\$ 9,379,664	\$ 9,585,528	\$ 9,768,531	\$ 10,315,954	\$ 11,461,661	\$ 11,841,629	\$ 12,559,720
Contributions as a Percentage of Covered Payroll	8.95%	8.95%	8.95%	9.45%	9.43%	9.45%	9.41%	9.44%	9.42%	9.44%

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 a demographic assumption 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 3.5% per year.
- Decreased the discount rate from 7.5% to 7.00%.
- Decreased the wage growth assumption from 4.00% to 3.25%

City of Urbandale, Iowa
Schedule of the City's Proportionate Share of the Net Pension Liability
Municipal Fire and Police Retirement System of Iowa – MFPRSI
As of June 30, 2025
Required Supplementary Information

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City's Proportion of the Net Pension Liability (Asset)	1.892653%	1.936615%	2.028049%	2.098126%	2.181612%	2.319207%	2.384430%	2.474447%	2.596380%	2.557308%
City's Proportion of the Net Pension Liability (Asset)	\$ 8,891,955	\$ 12,108,897	\$ 11,894,002	\$ 12,492,321	\$ 14,309,773	\$ 18,498,002	\$ 5,352,597	\$ 13,895,764	\$ 16,258,507	\$ 16,898,243
City's Covered Payroll	\$ 4,955,565	\$ 5,240,225	\$ 5,663,067	\$ 5,934,150	\$ 6,604,031	\$ 7,325,841	\$ 7,613,916	\$ 8,297,793	\$ 9,414,780	\$ 9,599,903
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	179.4%	231.1%	210.0%	210.5%	216.7%	252.5%	70.3%	167.5%	172.7%	176.0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.	83.04%	78.20%	80.60%	81.07%	79.94%	76.47%	93.62%	84.62%	83.53%	83.37%

* In accordance with GASB Statement no.68, the amounts presented for each fiscal year were determined as of June 30 of the preceding year.

City of Urbandale, Iowa
Schedule of City Contributions
Municipal Fire and Police Retirement System of Iowa – MFPRSI
Last Ten Fiscal Years
Required Supplementary Information

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Statutorily Required Contribution	1,455,011	1,467,867	1,523,891	1,718,369	1,788,237	1,960,283	2,187,953	2,250,133	2,206,058	2,494,502
Contributions in Relation to the Statutorily Required Contribution	1,455,011	1,467,867	1,523,891	1,718,369	1,788,237	1,960,283	2,187,953	2,250,133	2,206,058	2,494,502
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-	-	-
City's Covered Payroll	5,240,225	5,663,067	5,934,150	6,604,031	7,325,841	7,613,916	8,297,793	9,414,780	9,599,903	10,885,394
Contributions as a Percentage of Covered Payroll	27.77%	25.92%	25.68%	26.02%	24.41%	25.75%	26.37%	23.90%	22.98%	22.92%

Notes to Required Supplementary Information - Pension Liability:

Changes of benefit terms: There were no significant changes of benefit terms.

Changes of assumptions:

The 2018 valuation changed postretirement 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.

The 2017 valuation added five years projection of future mortality improvement with Scale BB.

The 2016 valuation changed postretirement mortality rates to the RP-2000 Blue Collar Combined Healthy Mortality Table with males set-back two years, females set-forward one year and disabled individuals set-forward one year (male only rates), with no projection of future mortality improvement

Other Supplementary Information
June 30, 2025
City of Urbandale, Iowa



Nonmajor Governmental Funds - Special Revenue Funds

Hotel/Motel Fund - to account for revenues and expenditures of hotel/motel tax restricted by local ordinance for the promotion of convention and tourism.

Iowa Reinvestment District – to account for the revenues generated from incremental sales tax growth in the Merle Hay Reinvestment District established under the Iowa Reinvestment Act.

Employee Benefits – to account for the revenues generated by the Employee Benefit property tax levy, which can be used to pay employee benefits.

Police and Fire Retirement – to account for the revenues generated by the Police & Fire Retirement property tax levy, which can be used to pay the City’s share of MFPRSI pension contributions.

LOSST – Dallas County Tax Relief – to account for 50% of the 1% local option sales tax collected in Dallas County. In compliance with voter approved restrictions, this portion will be used for property tax relief.

LOSST – Dallas County Capital Projects – to account for 50% of the 1% local option sales tax collected in Dallas County. In compliance with voter approved restrictions, this portion will be used for Capital Projects.

LOSST – Polk County Tax Relief – to account for 50% of the 1% local option sales tax collected in Polk County. In compliance with voter approved restrictions, this portion will be used for property tax relief.

LOSST – Polk County Capital Projects – to account for 50% of the 1% local option sales tax collected in Polk County. In compliance with voter approved restrictions, this portion will be used for Capital Projects.

Economic Development Revolving Loan Fund – to account for economic development loans and account for repayments of principal and interest from borrowers.

Metro Salt Storage – to account for funds received for the usage and rental of a jointly owned salt storage facility located in Grimes, Iowa, and related maintenance expenditures that result.

Miracle League Complex Donations – to account for donated monies held for the further development of the Miracle League field and playground area at Northpark.

Library Donations – to account for donated monies held for specific library projects.

Dunlap Arboretum – to account for funds received from Jackaline Baldwin Dunlap Foundation for the ongoing maintenance of the Jackaline Baldwin Dunlap Park and Arboretum.

Fire Donations – to account for donated monies held for specific fire projects or equipment purchases.

Fire Training Tower – to account for funds received for the usage and rental of the Fire Department’s jointly owned live-fire training facility at Station #42, and related maintenance expenditures that result.

Evidence and Forfeited Property – to account for forfeited funds and property received by the City from drug enforcement efforts, police action or investigation. The City must use these forfeited funds and property to enhance law enforcement.

Federal Forfeited Property – to account for funds and property received by the City from federal investigations.

Police Donations – to account for money received to be used on specific police projects.

Tobacco Inspection – to account for funds received from the State for tobacco enforcement activities and held for specific tobacco related projects and programs through the police department.

Making a Connection – to account for money received through a local grant and private donations to support a cultural diversity camp operated by the Recreation Department.

Senior Center Activities – to account for monies received from donations and proceeds from special ear-marked activities, intended for the specified projects of the Urbandale Senior Recreation Center.

City of Urbandale, Iowa
Schedule 1 – Combining Balance Sheet Information
Nonmajor Governmental Funds
June 30, 2025

	Hotel Motel	Iowa Re-investment District	Employee Benefits	Police and Fire Retirement	LOSST-Dallas Co-Tax Relief	LOSST-Dallas Co-Capital Projects	LOSST-Polk Co-Tax Relief	LOSST-Polk Co-Capital Projects	Economic Development Revolving Loan	Metro Salt Storage	Miracle League Complex Donations
Assets											
Cash and pooled cash investments	\$ 555,151	208,545	33,460	174,640	377,444	658,597	4,286,853	5,030,740	290,635	198,133	37,406
Taxes receivable											
Current	419,678	-	993	8,502	128,135	128,135	398,722	398,722	-	-	-
Succeeding year	-	-	589,545	2,706,210	-	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-	-	186,601	-	-
Due from other governments	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	13,666	-	-
Total assets	\$ <u>974,829</u>	<u>208,545</u>	<u>623,998</u>	<u>2,889,352</u>	<u>505,579</u>	<u>786,732</u>	<u>4,685,575</u>	<u>5,429,462</u>	<u>490,902</u>	<u>198,133</u>	<u>37,406</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances											
Liabilities											
Accounts payable	\$ 239,816	-	-	-	-	-	-	-	-	-	-
Unearned revenue	-	197,419	-	-	-	-	-	-	-	-	-
Total liabilities	<u>239,816</u>	<u>197,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources											
Unavailable revenue succeeding yr property tax	-	-	589,545	2,706,210	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>589,545</u>	<u>2,706,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances											
Restricted	735,013	11,126	34,453	183,142	505,579	786,732	4,685,575	5,429,462	186,601	198,133	37,406
Committed	-	-	-	-	-	-	-	-	304,301	-	-
Total fund balances	<u>735,013</u>	<u>11,126</u>	<u>34,453</u>	<u>183,142</u>	<u>505,579</u>	<u>786,732</u>	<u>4,685,575</u>	<u>5,429,462</u>	<u>490,902</u>	<u>198,133</u>	<u>37,406</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>974,829</u>	<u>208,545</u>	<u>623,998</u>	<u>2,889,352</u>	<u>505,579</u>	<u>786,732</u>	<u>4,685,575</u>	<u>5,429,462</u>	<u>490,902</u>	<u>198,133</u>	<u>37,406</u>

City of Urbandale, Iowa
Schedule 1 – Combining Balance Sheet Information
Nonmajor Governmental Funds
June 30, 2025

	Library Donations	Dunlap Arboretum	Fire Donation	Fire Training Tower	Evidence and Forfeited Property	Federal Forfeited Property	Police Donations	Tobacco Inspection	Making A Connection MAC	Senior Center Activities	Total
Assets											
Cash and pooled cash investments	\$ 851,826	63,956	235,796	11,127	57,488	5,977	366,155	31,883	355,163	19,403	13,850,378
Taxes receivable											
Current	-	-	-	-	-	-	-	-	-	-	1,482,887
Succeeding year	-	-	-	-	-	-	-	-	-	-	3,295,755
Loans receivable	-	-	-	-	-	-	-	-	-	-	186,601
Due from other governments	-	-	-	-	-	-	-	2,100	-	-	2,100
Accounts receivable	10	-	-	-	-	-	-	-	-	-	10
Accrued interest	-	-	-	-	-	-	-	-	-	-	13,666
Total assets	\$ 851,836	63,956	235,796	11,127	57,488	5,977	366,155	33,983	355,163	19,403	18,831,397
Liabilities, Deferred Inflows of Resources, and Fund Balances											
Liabilities											
Accounts payable	\$ 4,958	314	-	710	-	-	6	-	21,815	191	267,810
Unearned revenue	384,748	-	193,500	-	-	-	193,500	-	-	-	969,167
Total liabilities	389,706	314	193,500	710	-	-	193,506	-	21,815	191	1,236,977
Deferred Inflows of Resources											
Unavailable revenue succeeding yr property tax	-	-	-	-	-	-	-	-	-	-	3,295,755
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	3,295,755
Fund Balances											
Restricted	462,130	63,642	42,296	10,417	57,488	5,977	172,649	33,983	333,348	19,212	13,994,364
Committed	-	-	-	-	-	-	-	-	-	-	304,301
Total fund balances	462,130	63,642	42,296	10,417	57,488	5,977	172,649	33,983	333,348	19,212	14,298,665
Total liabilities, deferred inflows of resources, and fund balances	\$ 851,836	63,956	235,796	11,127	57,488	5,977	366,155	33,983	355,163	19,403	18,831,397

City of Urbandale, Iowa
Schedule 2 – Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the fiscal year ending June 30, 2025

	Hotel Motel	Iowa Re-investment District	Employee Benefits	Police and Fire Retirement	LOSST-Dallas Co-Tax Relief	LOSST-Dallas Co-Capital Proj	LOSST-Polk Co-Tax Relief	LOSST-Polk Co-Capital Project	Economic Development Revolving Loan	Metro Salt Storage Facility	Miracle League Complex Donations
Revenues											
Taxes	\$ 1,930,160	-	302,152	2,586,918	1,298,298	1,298,298	3,887,218	3,887,218	-	-	-
Use of Money and Property	-	9,572	4,421	34,319	36,251	61,939	175,849	250,906	22,987	8,663	1,543
Intergovernmental	-	-	2,932	25,103	-	-	-	-	-	23,586	-
Charges for Services	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	6,650
Total revenues	1,930,160	9,572	309,505	2,646,340	1,334,549	1,360,237	4,063,067	4,138,124	22,987	32,249	8,193
Expenditures											
Current Operating Expenditures											
Public safety	\$ -	-	249,638	2,494,502	-	-	-	-	-	-	-
Public works	-	-	105,616	-	-	-	-	-	-	-	-
Culture and recreation	1,149,063	-	97,935	-	-	-	-	-	-	-	-
Community and Economic Dev	-	-	30,725	-	-	-	-	-	-	-	-
General Government	-	-	46,086	-	-	-	-	-	-	-	-
Total expenditures	1,149,063	-	530,000	2,494,502	-	-	-	-	-	-	-
Excess (Deficiency) of Revenues											
Over (Under) Expenditures	781,097	9,572	(220,495)	151,838	1,334,549	1,360,237	4,063,067	4,138,124	22,987	32,249	8,193
Transfers In	-	-	236,534	-	-	-	-	-	100,000	-	-
Transfers Out	(778,003)	-	-	-	(1,342,534)	(1,700,000)	(1,881,164)	(3,350,917)	-	-	-
Total transfers	(778,003)	-	236,534	-	(1,342,534)	(1,700,000)	(1,881,164)	(3,350,917)	100,000	-	-
Net Changes in Fund Balances	3,094	9,572	16,039	151,838	(7,985)	(339,763)	2,181,903	787,207	122,987	32,249	8,193
Fund Balances - Beginning	731,919	1,554	18,414	31,304	513,564	1,126,495	2,503,672	4,642,255	367,915	165,884	29,213
Fund Balances - Ending	\$ 735,013	11,126	34,453	183,142	505,579	786,732	4,685,575	5,429,462	490,902	198,133	37,406

City of Urbandale, Iowa
Schedule 2 – Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the fiscal year ending June 30, 2025

	Library Donations	Dunlap Arboretum	Fire Donation	Fire Training Tower	Evidence & Forfeited Property	Federal Forfeited Property	Police Donations	Tobacco Inspection	Making A Connection - MAC	Senior Center Activities	Total
Revenues											
Taxes	\$ -	-	-	-	-	-	-	-	-	-	15,190,262
Use of Money and Property	38,184	1,715	10,776	759	2,230	235	21,942	1,472	15,040	1,034	699,837
Intergovernmental	79,180	-	-	-	-	915	-	2,100	-	-	133,816
Charges for Services	-	-	-	6,135	-	-	-	-	-	733	6,868
Miscellaneous	26,545	72,700	1,660	-	9,650	-	29,424	-	75,500	-	222,129
Total revenues	<u>143,909</u>	<u>74,415</u>	<u>12,436</u>	<u>6,894</u>	<u>11,880</u>	<u>1,150</u>	<u>51,366</u>	<u>3,572</u>	<u>90,540</u>	<u>1,767</u>	<u>16,252,912</u>
Expenditures											
Current Operating Expenditures											
Public safety	\$ -	-	650	15,437	17,413	-	29,578	260	-	-	2,807,478
Public works	-	-	-	-	-	-	-	-	-	-	105,616
Culture and recreation	72,577	12,145	-	-	-	-	-	-	106,246	5,114	1,443,080
Community and Economic Dev	-	-	-	-	-	-	-	-	-	-	30,725
General Government	-	-	-	-	-	-	-	-	-	-	46,086
Total expenditures	<u>72,577</u>	<u>12,145</u>	<u>650</u>	<u>15,437</u>	<u>17,413</u>	<u>-</u>	<u>29,578</u>	<u>260</u>	<u>106,246</u>	<u>5,114</u>	<u>4,432,985</u>
Excess (Deficiency) of Revenues											
Over (Under) Expenditures	<u>71,332</u>	<u>62,270</u>	<u>11,786</u>	<u>(8,543)</u>	<u>(5,533)</u>	<u>1,150</u>	<u>21,788</u>	<u>3,312</u>	<u>(15,706)</u>	<u>(3,347)</u>	<u>11,819,927</u>
Transfers In	-	-	-	-	-	-	-	-	40,000	-	376,534
Transfers Out	-	-	-	-	-	-	-	-	-	-	(9,052,618)
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>(8,676,084)</u>
Net Changes in Fund Balances	71,332	62,270	11,786	(8,543)	(5,533)	1,150	21,788	3,312	24,294	(3,347)	3,143,843
Fund Balances - Beginning	390,798	1,372	30,510	18,960	63,021	4,827	150,861	30,671	309,054	22,559	11,154,822
Fund Balances - Ending	\$ <u>462,130</u>	<u>63,642</u>	<u>42,296</u>	<u>10,417</u>	<u>57,488</u>	<u>5,977</u>	<u>172,649</u>	<u>33,983</u>	<u>333,348</u>	<u>19,212</u>	<u>14,298,665</u>

City of Urbandale, Iowa
Schedule 3 – Combining Statement of Net Position – Proprietary Funds – Internal Service Funds
June 30, 2025

	Risk Management	General Liability	Equipment Replacement	Technology	Building Maintenance	Fleet Management	Total Governmental activities - Internal Service Funds
Assets							
Current Assets							
Cash and pooled cash investments	\$ 8,209,995	647,318	8,585,106	30,843	3,102,475	691,207	21,266,944
Due from other governments	38,171	-	96,790	-	-	-	134,961
Accounts receivable	84,112	25,249	-	1,250	-	-	110,611
Inventory	-	-	-	-	-	154,569	154,569
Total current assets	<u>8,332,278</u>	<u>672,567</u>	<u>8,681,896</u>	<u>32,093</u>	<u>3,102,475</u>	<u>845,776</u>	<u>21,667,085</u>
Non-current Assets							
Capital assets, net	-	-	5,953,698	-	1,478,954	29,423	7,462,075
Total assets	<u>8,332,278</u>	<u>672,567</u>	<u>14,635,594</u>	<u>32,093</u>	<u>4,581,429</u>	<u>875,199</u>	<u>29,129,160</u>
Deferred Outflows of Resources							
Pension related deferred outflows	-	-	-	-	40,628	64,484	105,112
OPEB related deferred outflow	-	-	-	-	5,549	7,636	13,185
Total assets and deferred outflows of resources	<u>\$ 8,332,278</u>	<u>672,567</u>	<u>14,635,594</u>	<u>32,093</u>	<u>4,627,606</u>	<u>947,319</u>	<u>29,247,457</u>
Liabilities							
Current Liabilities							
Accounts payable	\$ 449,323	7,448	29,300	-	47,515	25,076	558,662
Compensation and payroll taxes	-	-	-	-	6,671	7,705	14,376
Compensated absences payable - current	-	-	-	-	31,989	27,548	59,537
Employee benefits payable	-	-	-	-	685	791	1,476
Total current liabilities	<u>449,323</u>	<u>7,448</u>	<u>29,300</u>	<u>-</u>	<u>86,860</u>	<u>61,120</u>	<u>634,051</u>
Noncurrent Liabilities							
Compensated absences payable	-	-	-	-	6,698	27,824	34,522
Net pension liability	-	-	-	-	100,531	159,559	260,090
Total OPEB liability	-	-	-	-	38,393	59,263	97,656
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>145,622</u>	<u>246,646</u>	<u>392,268</u>
Total liabilities	<u>449,323</u>	<u>7,448</u>	<u>29,300</u>	<u>-</u>	<u>232,482</u>	<u>307,766</u>	<u>1,026,319</u>
Deferred Inflows of Resources							
Pension related deferred inflows	-	-	-	-	1,562	2,480	4,042
OPEB related deferred inflows	-	-	-	-	16,519	25,819	42,338
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,081</u>	<u>28,299</u>	<u>46,380</u>
Total liabilities and deferred inflows of resources	<u>449,323</u>	<u>7,448</u>	<u>29,300</u>	<u>-</u>	<u>250,563</u>	<u>336,065</u>	<u>1,072,699</u>
Net Position							
Invested in capital assets	-	-	5,953,698	-	1,478,954	29,423	7,462,075
Unrestricted	<u>7,882,955</u>	<u>665,119</u>	<u>8,652,596</u>	<u>32,093</u>	<u>2,898,089</u>	<u>581,831</u>	<u>20,712,683</u>
Total net position	<u>\$ 7,882,955</u>	<u>665,119</u>	<u>14,606,294</u>	<u>32,093</u>	<u>4,377,043</u>	<u>611,254</u>	<u>28,174,758</u>

City of Urbandale, Iowa

Schedule 4 – Combining Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds – Internal Service Funds
For the fiscal year ending June 30, 2025

	Risk Management	General Liability	Equipment Replacement	Technology	Building Maintenance	Fleet Management	Total Governmental activities - Internal Service Funds
Operating Revenues							
Charges for services	\$ 3,750,000	911,450	2,806,963	-	1,147,414	1,197,900	9,813,727
Intergovernmental	-	-	96,790	-	-	14,366	111,156
Other	1,736,460	452,732	-	11,940	-	-	2,201,132
Total operating revenues	<u>5,486,460</u>	<u>1,364,182</u>	<u>2,903,753</u>	<u>11,940</u>	<u>1,147,414</u>	<u>1,212,266</u>	<u>12,126,015</u>
Operating Expenses							
Insurance premiums and claims	\$ 6,083,285	1,319,186	-	-	-	-	7,402,471
Building maintenance	-	-	-	-	530,025	-	530,025
Data processing	-	-	-	37,548	-	-	37,548
Fleet maintenance	-	-	-	-	-	577,562	577,562
Administration	15,370	51,295	15,466	-	343,042	507,125	932,298
Depreciation	-	-	1,226,020	-	195,999	2,566	1,424,585
Total operating expenses	<u>6,098,655</u>	<u>1,370,481</u>	<u>1,241,486</u>	<u>37,548</u>	<u>1,069,066</u>	<u>1,087,253</u>	<u>10,904,489</u>
Operating income (loss)	<u>(612,195)</u>	<u>(6,299)</u>	<u>1,662,267</u>	<u>(25,608)</u>	<u>78,348</u>	<u>125,013</u>	<u>1,221,526</u>
Nonoperating Revenues (Expenses)							
Interest income	\$ 465,245	32,707	439,815	1,979	163,285	54,886	1,157,917
Gain (loss) on disposals of equipment	-	-	75,595	-	-	-	75,595
Total nonoperating revenues (expenses)	<u>465,245</u>	<u>32,707</u>	<u>515,410</u>	<u>1,979</u>	<u>163,285</u>	<u>54,886</u>	<u>1,233,512</u>
Change in net position	(146,950)	26,408	2,177,677	(23,629)	241,633	179,899	2,455,038
Net position, beginning, as previously presented	8,029,905	638,711	12,428,617	55,722	4,137,412	446,042	25,736,409
Restatement	-	-	-	-	(2,002)	(14,687)	(16,689)
Net position, beginning, as restated	<u>8,029,905</u>	<u>638,711</u>	<u>12,428,617</u>	<u>55,722</u>	<u>4,135,410</u>	<u>431,355</u>	<u>25,719,720</u>
Net position, ending	<u>\$ 7,882,955</u>	<u>665,119</u>	<u>14,606,294</u>	<u>32,093</u>	<u>4,377,043</u>	<u>611,254</u>	<u>28,174,758</u>

City of Urbandale, Iowa

Schedule 5 – Combining Statement of Cash Flows – Proprietary Funds – Internal Service Funds
For the fiscal year ending June 30, 2025

	Risk Management	General Liability	Equipment Replacement	Technology	Building Maintenance	Fleet Maintenance	Total Governmental activities - Internal Service Funds
Cash Flows from Operating Activities							
Receipts from internal customers and users	\$ 5,481,408	1,354,764	2,806,963	11,526	1,147,414	1,197,900	11,999,975
Receipts from external customers	-	-	-	-	-	14,366	14,366
Payments to employees	-	-	-	-	(354,310)	(511,211)	(865,521)
Payments to suppliers	(6,077,184)	(1,398,882)	(6,737)	(37,548)	(510,666)	(591,780)	(8,622,797)
Net cash provided by (used in) operating activities	<u>(595,776)</u>	<u>(44,118)</u>	<u>2,800,226</u>	<u>(26,022)</u>	<u>282,438</u>	<u>109,275</u>	<u>2,526,023</u>
Cash Flows from Capital and Related Financing Activities							
Purchase of capital assets	-	-	(2,117,265)	-	(30,527)	(19,336)	(2,167,128)
Proceeds from disposal of capital assets	-	-	85,407	-	-	-	85,407
Net cash used in capital and related financing activities	<u>-</u>	<u>-</u>	<u>(2,031,858)</u>	<u>-</u>	<u>(30,527)</u>	<u>(19,336)</u>	<u>(2,081,721)</u>
Cash Flows from Investing Activities							
Interest on investments	<u>465,245</u>	<u>32,707</u>	<u>439,815</u>	<u>1,979</u>	<u>163,285</u>	<u>54,886</u>	<u>1,157,917</u>
Net increase (decrease) in cash and cash equivalents	(130,531)	(11,411)	1,208,183	(24,043)	415,196	144,825	1,602,219
Cash and Cash Equivalents at Beginning of Year	<u>8,340,526</u>	<u>658,729</u>	<u>7,376,923</u>	<u>54,886</u>	<u>2,687,279</u>	<u>546,382</u>	<u>19,664,725</u>
Cash and Cash Equivalents at End of Year	<u>\$ 8,209,995</u>	<u>647,318</u>	<u>8,585,106</u>	<u>30,843</u>	<u>3,102,475</u>	<u>691,207</u>	<u>21,266,944</u>
Reconciliation of Operating Income (Loss) to Net Cash provided by (used in) Operating Activities							
Operating income (loss)	\$ (612,195)	(6,299)	1,662,267	(25,608)	78,348	125,013	1,221,526
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities							
Depreciation	-	-	1,226,020	-	195,999	2,566	1,424,585
Change in inventory	-	-	-	-	-	4,899	4,899
Change in deferred inflows related to pension	-	-	-	-	(838)	(1,233)	(2,071)
Change in deferred inflows related to OPEB	-	-	-	-	(1,078)	(1,550)	(2,628)
Change in deferred outflows related to pension	-	-	-	-	14,691	21,102	35,793
Change in deferred outflows related to OPEB	-	-	-	-	(594)	(854)	(1,448)
Change in due from customers and users	(5,052)	(9,418)	(96,790)	(414)	-	-	(111,674)
Change in OPEB liability	-	-	-	-	5,386	7,745	13,131
Change in net pension liability	-	-	-	-	(28,808)	(40,540)	(69,348)
Change in compensated absences	-	-	-	-	(2,713)	11,668	8,955
Change in compensation and benefits payable	-	-	-	-	2,686	(424)	2,262
Change in accounts payable and accrued liabilities	21,471	(28,401)	8,729	-	19,359	(19,117)	2,041
Net cash provided by (used in) operating activities	<u>\$ (595,776)</u>	<u>(44,118)</u>	<u>2,800,226</u>	<u>(26,022)</u>	<u>282,438</u>	<u>109,275</u>	<u>2,526,023</u>

Statistical Section (Unaudited)

June 30, 2025

City of Urbandale, Iowa



This part of the City of Urbandale’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, noted disclosures, and required supplementary information says about the government’s overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Urbandale, Iowa
Table I – Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
Public Safety	\$ 13,060,310	13,711,161	14,400,945	15,851,573	18,326,328	19,762,939	17,966,299	20,106,804	23,108,497	25,068,545
Public Works	17,141,268	21,572,809	18,559,959	18,467,773	17,483,163	18,903,777	18,336,394	24,783,371	21,507,258	23,399,781
Health and social services	-	-	-	-	-	171,065	196,683	463,372	874,624	283,403
Culture and recreation	8,027,471	8,366,654	8,477,600	8,606,410	8,357,100	7,944,408	8,603,214	9,419,162	10,466,401	11,300,720
Community and economic development	2,223,681	2,227,462	2,432,459	2,443,513	2,348,495	2,497,644	3,062,407	3,551,026	4,210,060	4,767,924
General government	3,759,857	3,749,253	4,091,368	3,591,303	4,052,844	4,200,031	4,208,833	4,635,836	5,392,437	6,455,735
Interest on long-term debt	1,355,431	1,569,295	1,768,098	2,102,834	2,223,631	2,323,113	1,991,187	1,991,465	1,554,491	1,072,673
Total governmental activities expenses	\$ 45,568,018	51,196,634	49,730,429	51,063,406	52,791,561	55,802,977	54,365,017	64,951,036	67,113,768	72,348,781
Business-type activities:										
Storm Water Utility	445,086	436,735	477,178	495,595	524,236	721,699	685,832	860,516	955,377	1,051,991
Total primary government expenses	\$ 46,013,104	51,633,369	50,207,607	51,559,001	53,315,797	56,524,676	55,050,849	65,811,552	68,069,145	73,400,772
Program Revenues										
Governmental activities:										
Charges for services:										
Public safety	\$ 1,143,001	1,197,530	1,067,671	1,469,151	2,186,093	2,124,600	3,164,379	2,792,888	2,926,908	3,505,954
Public works	3,098,436	3,472,677	3,410,773	3,756,678	3,194,941	3,437,646	3,861,791	4,656,507	4,646,592	4,306,670
Culture and recreation	665,413	769,155	797,805	821,025	563,219	277,809	523,556	579,936	619,373	682,378
Community and economic development	773,572	702,716	949,584	900,170	807,153	1,218,648	1,685,684	1,053,605	1,762,131	1,829,324
General government	-	-	-	-	-	21,153	-	-	-	-
Operating grants and contributions	5,332,419	5,835,645	5,784,009	6,029,810	7,143,479	8,126,767	6,489,006	13,353,542	7,064,176	6,954,684
Capital grants and contributions	6,370,070	13,288,301	4,092,824	6,046,425	4,856,623	7,868,091	6,124,354	16,823,576	12,763,214	7,026,573
Total governmental activities program revenues	17,382,911	25,266,024	16,102,666	19,023,259	18,751,508	23,074,714	21,848,770	39,260,054	29,782,394	24,305,583
Business-type activities:										
Storm Water Utility:										
Charges for services	1,472,836	2,236,760	2,232,502	2,294,039	2,333,542	2,366,522	2,387,925	2,437,972	2,888,564	3,007,136
Total business-type activities revenues	1,472,836	2,236,760	2,232,502	2,294,039	2,333,542	2,366,522	2,387,925	2,437,972	2,888,564	3,007,136
Total primary government revenues	18,855,747	27,502,784	18,335,168	21,317,298	21,085,050	25,441,236	24,236,695	41,698,026	32,670,958	27,312,719
Net primary government (expense)/revenue	\$ (27,157,357)	(24,130,585)	(31,872,439)	(30,241,703)	(32,230,747)	(31,083,440)	(30,814,154)	(24,113,526)	(35,398,187)	(46,088,053)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 24,308,599	25,952,518	27,301,017	28,921,125	30,875,174	32,407,700	32,965,092	34,265,719	36,577,002	39,350,638
Tax increment financing district tax	6,414,658	7,083,382	7,215,191	8,364,435	9,144,227	9,757,085	9,306,220	9,973,065	8,503,230	10,480,781
Local option sales and service tax	-	-	-	1,238,762	4,488,166	7,817,500	9,419,254	10,444,610	10,407,142	10,371,032
Hotel/Motel tax	1,822,440	1,905,262	1,922,107	1,535,431	1,653,572	1,209,235	2,054,471	2,267,973	2,276,476	1,930,160
Franchise fees	282,851	273,809	264,239	265,366	262,266	256,022	241,171	219,485	191,781	163,568
Utility excise tax	627,323	642,269	730,395	863,682	1,155,404	1,191,293	1,493,791	1,381,096	1,376,568	1,340,358
State property tax replacement funds	984,612	976,769	967,568	968,191	1,010,641	994,074	986,184	787,127	591,926	394,618
Investment earnings	140,541	197,957	630,530	1,391,425	1,162,518	463,508	560,239	3,554,709	5,983,374	5,403,996
Miscellaneous	158,875	147,592	128,652	106,892	175,755	1,435,635	1,713,861	1,505,920	1,886,660	2,341,977
Total governmental activities	\$ 34,739,899	37,179,558	39,159,699	43,655,309	49,927,723	55,532,052	58,740,283	64,399,704	67,794,159	71,777,128
Business-type activities:										
Storm Water Utility:										
Investment earnings	1,660	5,284	23,714	74,365	78,093	33,357	30,420	141,870	301,090	217,935
Total business-type activities	1,660	5,284	23,714	74,365	78,093	33,357	30,420	141,870	301,090	217,935
Total primary government activities	34,741,559	37,184,842	39,183,413	43,729,674	50,005,816	55,565,409	58,770,703	64,541,574	68,095,249	71,995,063
Change in Net Position	\$ 7,584,202	13,054,257	7,310,974	13,487,971	17,775,069	24,481,969	27,956,549	40,428,048	32,697,062	25,907,010

City of Urbandale, Iowa
Table II – Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	TIF Tax	Hotel Motel Tax	Franchise Tax	Utility Excise Tax	Local Option Sales Tax	Total
2016	\$ 24,308,599	\$ 6,414,658	\$ 1,822,440	\$ 282,851	\$ 627,323	\$ -	\$ 33,455,871
2017	25,952,518	7,083,382	1,905,262	273,809	642,269	-	35,857,240
2018	27,301,017	7,215,191	1,922,107	264,239	730,395	-	37,432,949
2019	28,921,125	8,364,435	1,535,431	265,366	863,682	1,238,762	41,188,801
2020	30,875,174	9,144,227	1,653,572	262,266	1,155,404	4,488,166	47,578,809
2021	32,407,700	9,757,085	1,209,235	256,022	1,191,293	7,817,500	52,638,835
2022	32,965,092	9,306,220	2,054,471	241,171	1,493,791	9,419,254	55,479,999
2023	34,265,719	9,973,065	2,267,973	219,485	1,381,096	10,444,610	58,551,948
2024	36,577,002	8,503,230	2,276,476	191,781	1,376,568	10,407,142	59,332,199
2025	39,350,638	10,480,781	1,930,160	163,568	1,340,358	10,371,032	63,636,537

City of Urbandale, Iowa
Table III – Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
	(as restated)	(as restated)								
Governmental activities:										
Net investment in capital assets	\$ 140,066,000	155,160,879	159,170,156	171,826,998	177,846,734	190,603,950	205,368,309	215,296,932	247,031,816	271,902,741
Restricted	29,014,284	30,924,056	34,723,554	24,434,686	33,459,884	39,874,267	43,538,483	64,080,766	55,905,064	55,200,920
Unrestricted	(7,071,446)	(12,352,149)	(14,078,571)	(4,039,783)	(1,715,247)	3,241,943	12,587,404	22,000,220	30,688,823	32,183,810
Total governmental activities net position	\$ <u>162,008,838</u>	<u>173,732,786</u>	<u>179,815,139</u>	<u>192,221,901</u>	<u>209,591,371</u>	<u>233,720,160</u>	<u>261,494,196</u>	<u>301,377,918</u>	<u>333,625,703</u>	<u>359,287,471</u>
Business-type activities:										
Unrestricted	<u>888,148</u>	<u>2,177,420</u>	<u>3,261,458</u>	<u>4,342,667</u>	<u>4,748,266</u>	<u>5,101,446</u>	<u>5,283,959</u>	<u>5,828,285</u>	<u>6,277,562</u>	<u>5,622,682</u>
Primary government:										
Net investment in capital assets	\$ 140,066,000	155,160,879	159,170,156	171,826,998	177,846,734	190,603,950	205,368,309	215,296,932	247,031,816	271,902,741
Restricted	29,014,284	30,924,056	34,723,554	24,434,686	33,459,884	39,874,267	43,538,483	64,080,766	55,905,064	55,200,920
Unrestricted	(6,183,298)	(10,174,729)	(10,817,113)	302,884	3,033,019	8,343,389	17,871,363	27,828,505	36,966,385	37,806,492
Total governmental activities net position	\$ <u>162,896,986</u>	<u>175,910,206</u>	<u>183,076,597</u>	<u>196,564,568</u>	<u>214,339,637</u>	<u>238,821,606</u>	<u>266,778,155</u>	<u>307,206,203</u>	<u>339,903,265</u>	<u>364,910,153</u>

City of Urbandale, Iowa
Table IV – Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 15,752	\$ 14,050	\$ 12,814	\$ 8,453	\$ 15,027	\$ 12,601	\$ 12,400	\$ 51,630	\$ 75,690	\$ 72,339
Unassigned	10,272,752	10,476,684	10,126,059	10,357,893	12,300,957	15,553,580	18,492,577	21,113,530	23,344,026	24,086,647
Total general fund	<u>\$ 10,288,504</u>	<u>\$ 10,490,734</u>	<u>\$ 10,138,873</u>	<u>\$ 10,366,346</u>	<u>\$ 12,315,984</u>	<u>\$ 15,566,181</u>	<u>\$ 18,504,977</u>	<u>\$ 21,165,160</u>	<u>\$ 23,419,716</u>	<u>\$ 24,158,986</u>
All other governmental funds										
Nonspendable	\$ 223,584	\$ 223,050	\$ 325,077	\$ 269,450	\$ 179,189	\$ 204,179	\$ 259,820	\$ 136,779	\$ 249,276	\$ 238,868
Restricted	28,790,700	35,836,192	46,764,881	52,223,608	53,569,539	53,640,950	54,330,267	65,103,884	68,518,959	65,727,496
Committed	409,285	409,924	412,350	419,375	408,494	415,683	414,285	408,711	183,314	304,301
Assigned	12,451	8,503	129,375	563,134	1,203,419	1,376,681	1,425,944	1,990,661	3,625,459	2,478,658
Total all other governmental funds	<u>\$ 29,436,020</u>	<u>\$ 36,477,669</u>	<u>\$ 47,631,683</u>	<u>\$ 53,475,567</u>	<u>\$ 55,360,641</u>	<u>\$ 55,637,493</u>	<u>\$ 56,430,316</u>	<u>\$ 67,640,035</u>	<u>\$ 72,577,008</u>	<u>\$ 68,749,323</u>

Note: In 2011, the City implemented new accounting presentations under GASB Statement No. 54, balance.
Fund Balance Reporting and Governmental Fund Type Definitions, which requires new presentation of fund balances.

City of Urbandale, Iowa
Table V – Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:										
Taxes	\$ 33,479,126	\$ 35,817,096	\$ 37,433,602	\$ 41,314,958	\$ 47,532,267	\$ 53,120,888	\$ 55,433,495	\$ 58,523,349	\$ 59,236,924	\$ 63,602,529
Special assessments	879,283	508,857	1,960,823	627,167	570,458	772,669	384,577	851,321	1,048,437	76,064
Licenses and permits	982,423	905,226	1,260,628	1,161,861	1,038,998	1,508,071	2,074,115	1,378,162	2,035,414	2,114,476
Use of money and property	113,206	173,207	561,365	1,194,349	936,220	483,929	667,163	3,316,045	4,988,749	4,500,125
Intergovernmental	7,829,819	9,415,612	6,934,921	8,336,932	9,440,776	10,597,287	9,231,406	17,013,099	8,916,657	9,200,611
Charges for services	4,235,819	4,892,130	4,403,990	4,742,018	4,814,865	4,196,346	5,182,318	5,246,270	5,704,079	5,715,941
Miscellaneous	1,736,985	2,427,024	873,052	1,799,661	1,276,830	711,414	974,761	3,455,404	1,807,969	1,634,580
Total revenues	49,256,661	54,139,152	53,428,381	59,176,946	65,610,414	71,390,604	73,947,835	89,783,650	83,738,229	86,844,326
Expenditures:										
Public safety	11,009,936	12,361,920	12,982,185	14,256,818	16,432,430	17,825,140	19,085,827	19,992,675	21,893,500	23,396,497
Public works	6,848,767	7,803,301	7,753,279	8,114,703	7,938,848	9,226,611	9,345,540	10,213,868	11,523,590	11,287,762
Health and social services	-	-	-	-	-	171,065	196,683	527,152	447,530	257,070
Culture and recreation	7,137,266	7,681,048	7,884,163	8,070,717	8,434,029	7,752,849	8,083,187	8,508,001	8,854,238	8,949,416
Community and economic development	2,185,244	2,117,875	2,334,931	2,334,342	2,323,294	2,455,774	3,248,408	3,628,739	4,154,981	4,203,176
General government	2,867,948	3,233,944	3,837,163	3,221,711	3,713,025	3,766,698	4,112,083	4,471,115	4,858,912	5,877,242
Capital outlay	23,901,998	18,464,048	13,487,816	20,380,137	27,865,446	19,646,598	19,547,364	30,975,054	15,423,117	25,550,273
Debt service										
Principal	7,765,000	9,440,000	12,570,000	22,035,000	11,110,000	15,670,000	17,395,000	9,880,000	22,830,000	23,830,000
Interest	1,321,243	1,581,680	1,819,906	2,223,421	2,553,671	2,671,238	2,469,413	2,370,419	2,507,943	2,300,412
Total expenditures	63,037,402	62,683,816	62,669,443	80,636,849	80,370,743	79,185,973	83,483,505	90,567,023	92,493,811	105,651,848
Excess of revenues over (under) expenditures	(13,780,741)	(8,544,664)	(9,241,062)	(21,459,903)	(14,760,329)	(7,795,369)	(9,535,670)	(783,373)	(8,755,582)	(18,807,522)
Other financing sources (uses):										
General obligation bond and loan proceeds	25,660,000	14,334,408	18,610,342	25,210,000	16,220,000	9,100,000	11,250,000	12,465,000	13,105,000	12,215,000
Refunding bond issuance	4,230,000	3,230,592	-	-	-	-	-	-	-	-
Current refunding of general obligation debt	(5,350,000)	(3,275,000)	-	-	-	-	-	-	-	-
Premium/discounts on bonds	720,743	1,023,543	737,873	1,529,660	893,362	897,418	467,289	728,199	678,789	422,749
IT subscriptions	-	-	-	-	-	-	-	285,076	378,322	261,358
Transfers in	6,908,448	7,250,954	10,506,543	21,294,201	10,635,821	17,121,215	20,223,102	17,932,184	25,801,524	27,989,316
Transfers out	(6,310,948)	(6,775,954)	(9,811,543)	(20,502,601)	(9,154,022)	(15,796,215)	(18,673,102)	(16,757,184)	(24,016,524)	(25,169,316)
Total other financing sources (uses)	25,858,243	15,788,543	20,043,215	27,531,260	18,595,161	11,322,418	13,267,289	14,653,275	15,947,111	15,719,107
Net change in fund balances	\$ 12,077,502	\$ 7,243,879	\$ 10,802,153	\$ 6,071,357	\$ 3,834,832	\$ 3,527,049	\$ 3,731,619	\$ 13,869,902	\$ 7,191,529	\$ (3,088,415)
Debt service as a percentage of expenditures, net of capital outlay	23.22%	24.92%	29.26%	38.82%	26.15%	33.40%	32.21%	21.87%	36.10%	32.37%

City of Urbandale, Iowa
Table VI –Governmental Fund Tax Revenue By Source
Last Ten Fiscal Years
(modified basis of accounting)

Fiscal Year	Property Tax	TIF Tax	Hotel Motel Tax	Franchise Tax	Utility Excise Tax	Local Option Sales Tax	Total
2016	\$ 24,308,600	\$ 6,414,658	\$ 1,845,694	\$ 282,851	\$ 627,323	\$ -	\$ 33,479,126
2017	25,952,518	7,083,382	1,865,118	273,809	642,269	-	35,817,096
2018	27,301,017	7,215,191	1,922,761	264,239	730,394	-	37,433,602
2019	28,921,125	8,364,435	1,661,588	265,366	863,682	1,238,762	41,314,958
2020	30,875,174	9,144,227	1,607,029	262,266	1,155,404	4,488,166	47,532,266
2021	32,407,700	9,757,085	1,695,099	252,212	1,191,292	7,817,500	53,120,888
2022	32,922,811	9,306,220	2,054,471	236,948	1,493,791	9,419,254	55,433,495
2023	34,306,540	9,973,065	2,267,973	214,912	1,316,249	10,444,610	58,523,349
2024	36,551,552	8,503,230	2,276,476	186,590	1,311,934	10,407,142	59,236,924
2025	39,321,948	10,480,781	1,930,160	158,250	1,340,358	10,371,032	63,602,529

City of Urbandale, Iowa
Table VII – Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Real Property					Less: Tax Exempt # Real Property	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value ##	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Multi-Res. Property	Other Property**	Utility Replacement					
2016*	\$ 3,106,862,049	\$ 784,070,702	\$ -	\$ 235,341,650	\$ 96,139,108	\$ 3,333,600	\$ 4,219,079,909	\$ 9.82	\$ 2,707,370,693	155.84%
2017*	3,283,297,060	742,192,808	89,483,404	256,554,934	108,220,162	3,220,885	4,476,527,483	9.92	2,863,043,717	156.36%
2018*	3,405,750,992	751,991,496	83,077,207	259,056,593	129,016,679	3,118,768	4,625,774,199	10.02	2,984,701,061	154.98%
2019*	3,697,771,503	798,143,033	90,294,788	301,228,292	150,144,185	3,005,796	5,034,576,005	10.02	3,198,267,095	157.42%
2020*	3,782,494,279	783,418,809	86,100,417	341,966,179	196,254,900	2,929,864	5,187,304,720	10.52	3,334,490,631	155.57%
2021*	4,099,964,779	855,776,021	111,655,309	350,771,193	227,242,350	2,811,336	5,642,598,316	10.16	3,534,664,135	159.64%
2022*	4,161,550,167	889,154,669	110,169,174	348,730,008	306,360,710	2,702,485	5,813,262,243	10.11	3,677,588,787	158.07%
2023*	4,463,127,197	981,239,429	142,002,646	362,426,606	293,539,169	2,568,724	6,239,766,323	10.01	3,851,737,160	162.00%
2024*	4,887,847,267	1,045,547,641	-	317,726,892	402,628,018	2,468,716	6,651,281,102	10.01	4,005,694,975	166.05%
2025*	5,994,241,127	1,227,631,072	-	398,279,427	434,932,441	17,346,000	8,037,738,067	10.08	4,318,930,014	186.10%

Source: Polk and Dallas County - Auditor's Office.

Tax rate information can be found in Table XI.

* Total included Polk County and Dallas County.

**Total includes Ag Land & Buildings, Industrial, Utilities, and TIF property valuations

Tax exempt reflects military property and, starting in FY25, homestead exemptions.

Total taxable value includes all categories of real property, TIF and Utility Replacement value at the applicable roll-back rate set by the State.

City of Urbandale, Iowa
Table VIII – Principal Property Taxpayers
June 30, 2025

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Mid-American Energy	\$ 133,406,046	1	3.089%	\$ 64,692,464	1	2.020%
Aurora Business Park I LLC	55,046,659	2	1.275%	22,833,000	4	0.713%
Homemakers Plaza Inc	46,599,558	3	1.079%	22,966,290	3	0.717%
Hy-Vee Inc	30,077,819	4	0.696%			
BAP 2018 LLC	28,309,030	5	0.655%			
Lithia Real Estate Inc	28,074,725	6	0.650%			
112th St LC	24,823,541	7	0.575%			
IRC III Inc	24,793,398	8	0.574%			
Deere & Company	24,346,670	9	0.564%			
RGBA LC	23,584,119	10	0.546%			
Marsh I LLC				24,084,000	2	0.752%
Deerfield Retirement Community				16,720,050	5	0.522%
Paragon East Central 2 LLC				16,290,000	6	0.509%
AM Anderson Properties LC				15,931,498	7	0.497%
Nottingham Square Apts				15,821,190	8	0.494%
Berkley Holdings Corp				15,727,140	9	0.491%
Carmax Auto Superstores Inc				14,934,960	10	0.466%

Source: Bond Official Statements from debt issued in each respective year.
Property valuation data can be found in Table VII.

City of Urbandale, Iowa
Table IX – Property Tax Levies and Collection
Last Ten Fiscal Years

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Fiscal Year for Prior Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 24,951,755	\$ 24,887,676	* 99.74%	N/A **	\$ 24,887,676	99.74%
2017	26,597,054	26,556,460	* 99.85%	N/A **	26,556,460	99.85%
2018	28,049,246	28,087,312	* 100.14%	N/A **	28,087,312	100.14%
2019	29,862,090	29,434,125	98.57%	N/A **	29,434,125	98.57%
2020	32,433,323	31,690,103	97.71%	N/A **	31,690,103	97.71%
2021	33,189,015	33,710,941	101.57%	N/A **	33,710,941	101.57%
2022	34,487,790	34,453,152	99.90%	N/A **	34,453,152	99.90%
2023	35,707,139	35,535,335	99.52%	N/A **	35,535,335	99.52%
2024	37,639,659	37,878,476	100.63%	N/A **	37,878,476	100.63%
2025	40,419,699	40,630,963	100.52%	N/A **	40,630,963	100.52%

Notes:

Taxes are due July and are delinquent on October 1 for first half and April 1 for second half.

Penalty for delinquency: 1 percent per month. No discount allowed.

Uncollected taxes are handled as follows: delinquent real estate tax list is published in the newspaper prior to May 16.

Tax sale date is the first Monday in June.

Taxes are collected by Polk County and distributed to the City of Urbandale proportionate to its levy to all levies.

* Collected amount include all cash basis property taxes, including delinquent taxes related to prior years, which may result in over 100% collection of levied tax.

** Collections for delinquencies are not available from the County by the year levied. Delinquencies are recorded in the fiscal year collected.

Source: Tax Certifications, Polk and Dallas County Auditor's offices, and Statistical Section information from each respective year.

City of Urbandale, Iowa

Table X – Ratios of Outstanding Debt by Type and General Bonded Debt
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Premium/Discount on Bonds	GO General Fund Capital Notes	IT Subscription Liability	Total Primary Government Outstanding Debt	Total Outstanding Debt Per Capita	Percentage of Total Debt Outstanding to Median Family Income	Less: Amounts Available in Debt Service Fund	Net General Obligation Debt Outstanding	Percentage of Estimated Actual Taxable Value of Property	Net General Bonded Debt Per Capita
2016	\$ 61,865,000	\$ -	\$ 710,000	\$ -	\$ 62,575,000	\$ 1,474.12	0.149%	\$ 757,548	61,817,452	2.28%	\$ 1,456.28
2017	67,425,000	994,625	-	-	68,419,625	1,611.81	0.136%	353,312	68,066,313	2.38%	1,603.48
2018	73,430,000	1,647,495	-	-	75,077,495	1,768.65	0.124%	570,697	74,506,798	2.50%	1,755.21
2019	76,605,000	3,028,617	-	-	79,633,617	1,875.98	0.117%	1,012,842	78,620,775	2.46%	1,852.12
2020	81,715,000	3,630,970	-	-	85,345,970	2,010.55	0.109%	259,996	85,085,974	2.55%	2,004.43
2021	75,145,000	4,148,153	-	-	79,293,153	1,739.65	0.118%	236,395	79,056,758	2.24%	1,734.46
2022	69,000,000	4,145,464	-	-	73,145,464	1,604.77	0.127%	329,205	72,816,259	1.98%	1,597.55
2023	71,585,000	4,356,958	-	158,227	76,100,185	1,669.60	0.122%	523,013	75,577,172	1.96%	1,658.12
2024	61,860,000	3,921,309	-	362,905	66,144,214	1,451.17	0.141%	756,480	65,387,734	1.63%	1,434.57
2025	50,245,000	2,928,402	-	417,484	53,590,886	1,175.75	0.174%	1,029,313	52,561,573	1.22%	1,153.17

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Population and personal income data can be found in Table XIV.

Property valuation data can be found in Table VII.

City of Urbandale, Iowa
Table XI – Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Tax rates per \$1,000 of assessed valuation

Fiscal Year	City of Urbandale Direct Rates				Overlapping Rates						Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Police & Fire Retirement Millage	Total City Millage	Urbandale School District	Counties and Assessors	Transit	Community College	Urbandale Sanitary Sewer	State of Iowa	
2016	7.170	2.150	0.500	9.820	17.754	10.842	0.662	0.676	0.055	0.003	39.812
2017	7.170	2.180	0.570	9.920	17.747	10.396	0.682	0.723	0.062	0.003	39.533
2018	7.240	2.200	0.580	10.020	17.751	10.395	0.682	0.675	0.069	0.003	39.594
2019	7.240	2.200	0.580	10.020	18.000	10.376	0.682	0.695	0.064	0.003	39.839
2020	8.100	2.000	0.420	10.520	17.984	10.375	0.707	0.652	0.159	0.003	40.401
2021	8.100	1.640	0.420	10.160	17.945	10.266	0.712	0.635	0.167	0.003	39.888
2022	8.100	1.540	0.470	10.110	17.989	9.938	0.682	0.678	0.163	0.003	39.562
2023	8.100	1.440	0.470	10.010	17.995	9.607	0.656	0.694	0.175	0.002	39.140
2024	8.100	1.440	0.470	10.010	17.995	9.665	0.631	0.744	0.161	0.002	39.208
2025	7.864	1.490	0.726	10.080	17.941	9.454	0.635	0.759	0.213	0.002	39.084

Notes:

State law limits maximum tax rate for the General Fund to \$8.10 per thousand dollars of assessed valuation (100% basis) effective July 1, 1976. Limitation does not include debt service and pension requirements.

Sources: Tax Certifications, Polk County Auditor's Office and Official Bond Statements from debt issued in each respective year.

City of Urbandale, Iowa
 Table XII – Direct and Overlapping Government Activities Debt
 As of June 30, 2025

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes: Polk	\$ 713,271,443	21.80%	<u>\$ 155,516,998</u>
Subtotal, overlapping debt			155,516,998
City of Urbandale direct debt, net of premium/discount			<u>53,590,886</u>
Total direct and overlapping debt			<u><u>\$ 209,107,884</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Urbandale. This process recognizes that, when considering the government's ability to issue and repay long-term debt the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Source: Bond Official Statement April 2025

City of Urbandale, Iowa
Table XIII – Legal Debt Margin Information
Last Ten Fiscal Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Debt limit	\$ 210,953,995	\$ 223,826,374	\$ 231,288,710	\$ 251,728,800	\$ 259,365,236	\$ 282,129,916	\$ 290,663,112	\$ 311,988,316	\$ 332,564,055	\$ 401,886,903
Total net debt applicable to limit	62,575,000	67,425,000	73,430,000	76,605,000	81,715,000	75,145,000	69,000,000	71,585,000	61,860,000	50,245,000
Legal debt margin	148,378,995	156,401,374	157,858,710	175,123,800	177,650,236	206,984,916	221,663,112	240,403,316	270,704,055	351,641,903
Total net debt applicable to the limit as a percentage of debt limit	29.66%	30.12%	31.75%	30.43%	31.51%	26.63%	23.74%	22.94%	18.60%	12.50%

Legal Debt Margin Calculation for Fiscal Year 2025

Actual value of property, 2023	\$ 8,037,738,067
Add back: exempt real property	<u>-</u>
Total assessed value	8,037,738,067
Debt limit (5% of total assessed value)	401,886,903
Debt applicable to limit:	
General obligation bonds	<u>(50,245,000)</u>
Total net debt applicable to limit	<u>(50,245,000)</u>
Legal debt margin	<u>\$ 351,641,903</u>

Source: Notes to the Financial Statements and Bond Official Statements from each respective year.

City of Urbandale, Iowa
Table XIV – Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	Median Family Income	Per Capita Income	Median Age	Unemployment Rate
2016	42,449	93,217	37,362	39.7	3.30%
2017	42,449	93,217	37,362	39.7	3.30%
2018	42,449	93,217	37,362	39.7	2.60%
2019	42,449	93,217	37,362	39.7	2.40%
2020	42,449	93,217	37,362	39.7	2.20%
2021	45,580 *	93,217	37,362	39.7	2.50%
2022	45,580 *	93,217	37,362	39.7	2.30%
2023	45,580 *	93,217	37,362	39.3	2.20%
2024	45,580 *	93,217	37,362	39.3	2.00%
2025	45,580 *	93,217	37,362	39.3	2.50%

* Population based on 2020 US Census Bureau reports. Final reports for other categories are not yet available.

Data Sources:

Population and median age from 2012 to 2020 are from the 2020 full census, 2015 special census, the 2010 full census, and the special census in 2005. No data for personal income was reported in either special census. Information on median family income, per capita income are only gathered during full census counts. Unemployment rates are based on Des Moines Metro area rates; information obtained from Bond Official Statements from each respective year.

City of Urbandale, Iowa
Table XV – Principal Employers
Current Year and Nine Years Ago

	2025			2016		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Employer:						
Marsh & McLennan Companies	1,000-1,100	1	3.682%	1,400	1*	4.559%
Urbandale Community School District	700-800	2	2.630%	450	6	1.465%
Quality Manufacturing Corp.	700-800	3	2.630%	450	7	1.465%
MidAmerican Energy	700-800	4	2.630%	350	9	1.140%
U.S Postal Service	500-700	5	2.104%	700	2	2.279%
John Deere Intelligent Solutions	500-600	6	1.928%	500	4	1.628%
Unity Point at Home (formerly Iowa Health Home Care)	500-600	7	1.928%	575	3	1.872%
Worldwide Logistics	300-400	8	1.227%			
Homemakers Furniture	300-400	9	1.227%	345	10	1.123%
Rain and Hail	200-300	10	0.877%			
Continental Western Insurance				500	5	1.628%
Pepsi Cola Bottling Co				350	8	1.140%

Notes:

Current year data source: Bond official statement - April 2025

Current year total City employment source: 2025 Data Axle, Inc - ESRI Business Summary

Nine years ago information from June 30, 2016 City of Urbandale Comprehensive Annual Financial Report

*This is listed as Mercer in 2016. Marsh & McLennan is the parent company of Mercer Corp.

Table XVI – Full-time Equivalent Employees as of June 30, 2025

<u>FUNCTION</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>PUBLIC SAFETY</u>										
Police:										
Officers	49.00	50.00	51.00	50.00	52.00	48.00	52.00	56.00	53.00	59.00
Civilians	7.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00	9.00	8.00
Fire:										
Firefighters & Officers	37.50	38.50	44.75	53.50	55.75	60.50	60.25	60.50	58.00	62.50
Civilians	1.00	1.00	1.00	1.00	2.00	2.00	2.00	1.00	1.00	1.50
Total	<u>94.50</u>	<u>97.50</u>	<u>104.75</u>	<u>113.50</u>	<u>118.75</u>	<u>119.50</u>	<u>123.25</u>	<u>126.50</u>	<u>121.00</u>	<u>131.00</u>
<u>PUBLIC WORKS</u>										
Roadway Maintenance	16.25	17.00	17.00	16.75	18.25	16.25	17.75	18.00	17.75	19.00
Traffic Safety	1.25	1.25	1.25	2.00	2.00	2.00	2.00	2.00	4.50	3.00
Engineering Services	5.50	6.75	7.50	7.50	6.00	8.25	8.50	8.50	6.50	7.00
Solid Waste	8.00	7.00	8.00	8.00	8.00	7.00	7.00	7.00	7.00	7.00
Sanitary Sewer	2.00	2.25	2.25	2.25	2.00	2.25	2.50	2.25	3.00	4.00
Storm Sewer	4.25	4.00	4.25	4.25	4.25	4.25	4.25	5.25	5.25	5.00
Public Works Admin	6.00	6.25	7.00	7.25	6.50	5.00	8.00	9.00	10.00	9.00
Total	<u>43.25</u>	<u>44.50</u>	<u>47.25</u>	<u>48.00</u>	<u>47.00</u>	<u>45.00</u>	<u>50.00</u>	<u>52.00</u>	<u>54.00</u>	<u>54.00</u>
<u>HEALTH & SOCIAL SERVICES</u>										
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<u>CULTURE & RECREATION</u>										
Library	27.00	26.25	27.00	26.25	23.50	24.00	25.00	25.25	25.50	26.50
Parks	17.00	17.25	17.25	17.50	15.25	15.75	15.50	16.25	17.25	18.00
Grounds Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	1.00
Recreation	3.75	4.00	5.00	4.50	4.00	3.75	4.75	5.00	5.00	5.50
Senior Citizens	2.75	2.50	3.00	2.50	2.50	2.00	2.00	3.00	3.00	3.00
Swimming Pool	8.25	9.25	9.75	10.25	7.25	0.00	0.00	0.00	0.00	0.00
Total	<u>59.75</u>	<u>60.25</u>	<u>63.00</u>	<u>62.00</u>	<u>53.50</u>	<u>46.50</u>	<u>48.25</u>	<u>50.50</u>	<u>50.75</u>	<u>54.00</u>
<u>COMMUNITY & ECONOMIC DEVELOPMENT</u>										
Code Enforcement	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	8.00
Community Development	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Economic Development	2.25	2.25	3.00	2.00	1.00	1.00	1.00	1.00	2.00	2.00
Total	<u>13.25</u>	<u>14.25</u>	<u>15.00</u>	<u>14.00</u>	<u>13.00</u>	<u>13.00</u>	<u>13.00</u>	<u>14.00</u>	<u>15.00</u>	<u>16.00</u>
<u>GENERAL GOVERNMENT</u>										
City Clerk	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00
City Manager	3.00	3.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Finance and Records	4.75	5.25	4.00	4.75	4.50	4.75	4.75	4.75	4.75	4.75
Legal/Human Resources	1.75	1.75	1.75	1.50	1.75	2.00	3.00	3.00	3.00	3.00
Technology	4.00	4.00	4.00	4.00	4.00	4.00	3.00	4.00	5.00	6.00
General Support	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Marketing	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	2.00
Total	<u>15.50</u>	<u>16.00</u>	<u>14.75</u>	<u>15.25</u>	<u>17.25</u>	<u>17.75</u>	<u>17.75</u>	<u>18.75</u>	<u>19.75</u>	<u>22.75</u>
<u>INTERNAL SERVICE - BUILDING MAINTENANCE</u>										
	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
<u>INTERNAL SERVICE - FLEET MANAGEMENT</u>										
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4.00</u>	<u>4.00</u>	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
Grand total	<u>228.25</u>	<u>234.50</u>	<u>246.75</u>	<u>254.75</u>	<u>251.50</u>	<u>247.75</u>	<u>259.25</u>	<u>269.75</u>	<u>268.50</u>	<u>285.75</u>

Source: City Clerk's office; payroll records for each respective year.

City of Urbandale, Iowa
Table XVII – Operating Indicators by Function
Last Ten Fiscal Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Police										
Total calls for service	19,768	20,051	21,138	17,201	15,267	18,980	17,859	25,915	18,060	18,343
Total arrests	941	876	1,150	1,166	821	724	874	1,005	1,067	1,016
Fire and EMS										
Total calls for service - all types	3,212	3,420	4,365	4,537	4,517	4,912	5,536	5,602	6,338	6,291
Calls for service - EMS only	2,346	2,389	2,672	2,762	2,853	3,164	3,531	3,386	3,541	3,744
Inspections	489	408	670	405	424	331	519	628	537	514
Animal Control										
Pet Licenses issued	4,266	3,629	3,347	3,288	3,604	2,969	2,536*	2,495	2,464	3,335
Public Works										
Roadway Maintenance										
Total lane miles maintained	480	489	495	505	509	513	525	530	544	545
Asphalt streets repaired (tons)	465	124	274	450	758	128	454	37	3	-
Solid Waste Collection										
Number of households	13,903	14,070	14,220	14,435	14,555	14,772	15,048	15,320	15,695	16,058
Tons of refuse collected	11,738	11,880	11,971	12,760	12,441	14,149	13,329	13,058	13,067	13,796
Tons of recycling collected	2,989	2,962	2,620	2,731	2,895	3,069	3,115	3,190	3,101	3,222
Tons of yard waste collected	2,491	2,678	2,416	2,677	2,512	3,062	2,371	2,482	2,544	2,820
Sanitary Sewer and Wastewater										
Linear feet of lines cleaned	257,861	212,835	272,332	273,339	243,008	301,558	282,894	397,422	363,920	430,830
Storm Water Utility										
Average monthly calculated ERUs	31,381	31,790	32,084	32,372	33,142	34,363	34,062	34,868	35,182	36,749
Culture & Recreation										
Library										
Registered borrowers	52,136	49,122	52,145	53,396	54,009	53,980	53,626	44,414	47,406	43,045
Circulation	557,953	588,246	582,882	602,525	450,009	279,147	446,420	465,973	568,746	560,422
Recreation										
Programs offered	469	474	448	483	426	453	541	539	549	556
Senior Center										
Total participants in all programs	34,060	35,937	36,182	41,709	34,833	10,650	26,695	36,190	42,936	47,112
Swimming Pool										
Pool Users	50,764	51,901	57,832	59,734	57,424	**	**	**	**	**
Community and Economic Development										
Code Enforcement										
Inspections	8,499	9,805	10,709	9,680	8,067	10,541	14,662	14,307	14,327	15,596
Community Development										
Building Permits	873	885	936	1,123	1,172	1,454	1,510	1,196	1,209	1,444
General Government										
Finance and Records										
Purchase orders processed	201	247	205	212	215	226	163	168	183	162
Technology										
Intelligent workstations	269	269	278	273	275	263	270	288	296	298
General Support										
Safety incidents	28	24	20	20	12	36	15	22	21	25

Source: Performance measurement sections of adopted budget documents for each respective fiscal year

* Pet licensing was contracted externally in December, 2021. Licenses issued between July and November of 2021 were not counted.

** Pool permanently closed March, 2020

City of Urbandale, Iowa
Table XVIII – Capital Asset Statistics by Function
Last Ten Fiscal Years

<u>Function</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
<u>Public Safety</u>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units/marked & unmarked	32	31	31	32	32	34	35	35	37	41
Fire										
Stations	2	2	2	2	3	3	3	3	3	3
<u>Public Works</u>										
Roadway Maintenance										
Streets (miles)	195	198	201	205	207	209	214	216	222	222
Streetlights	5,099	5,296	5,352	5,451	5,564	5,566	5,566	5,979	5,858	6,183
Traffic signals	53	54	54	56	56	59	59	60	62	62
Solid Waste Collection										
Collection trucks	8	8	8	8	8	8	8	8	8	8
Sanitary Sewer and Wastewater										
Sanitary Sewers (miles)	211	216	217	219	222	226	257	257	259	262
<u>Culture & Recreation</u>										
Libraries	1	1	1	1	1	1	1	1	1	1
Acres of park ground	941	993	993	993	993	1,000	1,000	1,038	1,038	1,080
Parks	49	54	54	54	54	54	57	60	62	63
Playgrounds	32	32	35	36	37	37	37	41	41	41
Off-street bike/walking trails (miles)	44	45	46	50	52	54	54	57	57	64
Swimming Pools	1	1	1	1	1	-	-	-	-	-
Wading Pools	2	2	2	2	2	-	-	-	-	-
Tennis Courts	12	12	12	12	12	12	12	12	11	11
<u>Community and Economic Development</u>										
Code Enforcement										
Vehicles	6	6	6	6	6	6	6	6	6	7

Source: Departmental records, bond official statements, and capital asset detail ledger



Information to Comply with *Government Auditing Standards*
June 30, 2025

City of Urbandale, Iowa





**Independent Auditor's 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
City of Urbandale, Iowa

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Urbandale, Iowa, (City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 4, 2025.

Report on 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 that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City'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 that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on 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 and are reported in Part III of the accompanying schedule of findings and responses. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Dubuque, Iowa
December 4, 2025

Part I: Financial Statement Findings:

There were no findings to report.

Part II: Federal Award Findings and Questioned Costs:

Single audit did not apply for the fiscal year 2025.

Part III: Other Findings Related to Required Statutory Reporting:

- 2025-IA-A** **Certified Budget** – Disbursements during the year ended June 30, 2025, did not exceed the amount budgeted.

- 2025-IA-B** **Questionable Expenditures** – We noted no expenditures that we believe may fail to meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979.

- 2025-IA-C** **Travel Expense** – No expenditures of City money for travel expenses of spouses of City officials or employees were noted.

- 2025-IA-D** **Business Transactions** – No business transactions between the City and City officials or employees were noted.

- 2025-IA-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-IA-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-IA-G** **Council Minutes** – No transactions were found that we believe should have been approved in the Council minutes but were not.

- 2025-IA-H** **Deposits and Investments** – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the City’s investment policy were noted.

- 2025-IA-I** **Revenue Notes** – No instances of non-compliance with the water revenue note provisions were noted.

- 2025-IA-J** **Annual Urban Renewal Report** – The annual urban renewal report was properly approved and certified to the Iowa Department of Management on or before December 1.

- 2025-IA-K** **Tax Increment Financing** – The Special Revenue Tax Increment Financing Fund properly disbursed payments for TIF loans and rebates. Also, the City properly completed the Tax Increment Debt Certificate forms to request TIF property taxes.



APPENDIX E – FORM OF ISSUE PRICE CERTIFICATE

USE FOR COMPETITIVE SALES – 3 BIDS RECEIVED

EXHIBIT A

**\$ _____ General Obligation Capital Loan Notes, Series 2026A of Urbandale, Iowa
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER] (“Purchaser”), hereby certifies as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

1. Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by Purchaser are the prices listed in Schedule A (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by Purchaser in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by Purchaser to purchase the Bonds.

(b) Purchaser was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by Purchaser constituted a firm offer to purchase the Bonds.

2. Defined Terms.

(a) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(b) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(c) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 21, 2026.

(d) Underwriter means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C. in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER]

By: _____

Name: _____

Dated: [May 21, 2026]

SCHEDULE A
EXPECTED OFFERING PRICES
(Attached)

SCHEDULE B
COPY OF UNDERWRITER'S BID
(Attached)

EXHIBIT A

**\$_____ General Obligation Capital Loan Notes, Series 2026A of Urbandale, Iowa
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER/REPRESENTATIVE] (“Purchaser”), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. Defined Terms.

(a) Issuer means the City of Urbandale, a municipal corporation in the Counties of Polk and Dallas, State of Iowa.

(b) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) Underwriter means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Ahlers & Cooney, P.C., as Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[Signature Page Follows]

[UNDERWRITER]

By: _____

Name: _____

Dated: [May 21, 2026]

SCHEDULE A
SALE PRICES
(Attached)

EXHIBIT A

**\$ _____ General Obligation Capital Loan Notes, Series 2026A of Urbandale, Iowa
ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of [NAME OF UNDERWRITER] (“Purchaser”), on behalf of itself, hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. Sale of the General Rule Maturities. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Notice of Sale and bid award, Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. Defined Terms.

(a) General Rule Maturities means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) Hold-the-Offering-Price Maturities means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) Holding Period means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) Issuer means the City of Urbandale, a municipal corporation in the Counties of Polk and Dallas, State of Iowa.

(e) Maturity means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) Public means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) Sale Date means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is April 21, 2026.

(h) Underwriter means (i) the Purchaser or any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Exemption Certificate and with respect to compliance with the federal income tax rules

affecting the Bonds, and by Ahlers & Cooney, P.C., Bond Counsel, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

[UNDERWRITER][REPRESENTATIVE]

By: _____

Name: _____

Dated: [May 21, 2026]

SCHEDULE A
SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES
(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION