

CITY OF CHARLES CITY  
COUNCIL/STAFF BUDGET WORK SESSION  
February 10, 2026

Charles City City Council met in a budget work session on February 10, 2026, at 5:30 p.m., in the Library of the Charles City High School. Mayor Dean Andrews presided, and the following council members were present: Patrick Lumley, Krista Noah, Jeff Otto, and Phoebe Pittman. Also present were City Administrator Tyler Trout, Deputy Clerk Virginia Titus, and Transit Director Tammy Elthon.

Transit Director Elthon addressed the Council regarding her upcoming retirement and the sale of the business, expressing confidence that a buyer will be secured with whom the City will be comfortable continuing to contract. She thanked the Council for its confidence in Circle K Communications over the past eight years and provided a brief report highlighting the efficiency of Charles City Transit compared to other transit systems in the area, noting that approximately 2,200 rides are provided per month. An additional driver is needed to meet demand, and the position will require a CDL with passenger endorsement; driver training is provided in-house, and all buses were purchased new in 2020. Revenues and expenditures were reviewed, and Elthon recommended significantly reducing Non-Emergency Medical Transportation (NEMT) revenue projections based on past performance. This adjustment lowered the estimated ending fund balance beyond a level considered comfortable by Council and staff. Staff was directed to increase the transit levy by \$25,000, bringing the total levy to \$175,000, or \$0.62343 per \$1,000.

Solid Waste and Stormwater fund budgets were reviewed, including revenues from user fees and curbside pickup rates. On the expenditure side, salaries and benefits, as well as contract services, were discussed. In the Solid Waste Fund, \$50,000 was budgeted for additional brush grinding. In the Stormwater Fund, contract services will increase by \$10,000 for intake repairs and \$10,800 for the utility rate study, and funds are being budgeted in the stormwater construction line for manhole repairs. The contract terms and expiration date for Jendro Sanitation were reviewed, and the citywide Spring Cleanup week was discussed. Stormwater experienced the largest shift in salary allocations. The upcoming rate study is expected to assist with long-term planning and financial stability for both departments.

The Riverside, Southwest Bypass, South Grand, East Park, and Park Avenue TIF districts were reviewed, including individual budgets and related development agreements. Low-to-Moderate Income (LMI) set-aside requirements associated with TIF projects were discussed, and it was noted that the required LMI portion does not need to be used for the originating project but must be expended on an eligible LMI project within the city.

The Depot grant and the previously approved resolution allocating \$50,000 toward the public restroom portion of the project were discussed. Interest was expressed in amending the resolution to provide 50% of the funds upfront, with the remaining 50% (not to exceed \$50,000 total) distributed upon project completion. The funding is currently budgeted in FY26 but could be amended to allocate \$25,000 in FY26 and up to an additional \$25,000 in FY27.

Budgeting for nuisance abatements was discussed, with FY26 and FY27 currently set at \$40,000 per year. Consideration was given to increasing funding and allocating additional amounts to contract services. Staff noted that current capacity between staff and the City Attorney is at or near maximum.

The Debt Service Fund, including all principal and interest obligations, was reviewed in full, and staff confirmed the amortization schedules and corresponding levy amounts with the Council.

The Council reviewed Version 1 of the levy sheet, along with current General Fund re-estimated revenues and expenditures for FY26 and estimated revenues and expenditures for FY27 with projected balances for both fiscal years. A request was made for additional detail regarding capital expenditures by department. Staff will prepare a full budget recap with graphed trends for the February 17 budget work session.

City Administrator Trout notified the Council of the upcoming Local Leaders Day on March 4 at the Capitol and extended an invitation for Council members to attend.

There being no further business, the work session was adjourned at 8:26 p.m.

---

Dean Andrews, Mayor

Attest: \_\_\_\_\_  
Brittney Lentz, City Clerk