



# **SPECIAL CITY COUNCIL MEETING - BUDGET HEARING - PROPERTY LEVIES**

**Monday, March 23, 2026 at 4:45 PM**

**Council Chambers - 331 First Street East**

## **AGENDA**

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### **RULES OF PROCEDURE**

*Meeting is live-streamed on the Indytel Local Access Channel, YouTube, and Facebook. Per the Rules of Procedure for Conduct of City Council Business, the length of any meeting shall be limited to three (3) hours. This limitation may be extended for any particular meeting by a super majority (two-thirds (5 out of 7)) vote to suspend the rules and extend the meeting by the time required. The Mayor shall be responsible for enforcing this rule.*

### **MEETING OPENING**

1. Pledge of Allegiance
2. Roll Call
3. Approve the Agenda

*The agenda may be amended to remove items during this time, but no items may be added to the agenda.*

### **BUDGET HEARING**

4. Public Hearing for the Proposed Property Tax Levy for Fiscal Year 2027

### **ADJOURNMENT**

This agenda is subject to change.



## CITY COUNCIL MEMORANDUM

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**TO:** City Council

**FROM:** Matthew R. Schmitz, MPA - City Manager

**DATE OF MEETING:** March 23, 2026

**ITEM TITLE:** Public Hearing for the Proposed Property Tax Levy for Fiscal Year 2027

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### BACKGROUND:

The attached document shows a levy rate increase from 19.63340 to 19.83366. This is **NOT** what the City is proposing for the FY2027 budget, but it is what the State of Iowa requires to be published as it is the maximum amount the City **could** increase the levy rate to if the Council chose to.

The levy rate proposed for the FY2027 budget is a decrease from 19.63340 to 19.01225, a difference of 0.62115 or **a decrease of 3.16% from FY2026.**

This public hearing allows the public to come and speak on behalf of or against the proposed property tax levy for Fiscal Year 2027.

### DISCUSSION:

No discussion is necessary as this item is for the Public to present comments and concerns about the proposed property tax levy for Fiscal Year 2027.

### RESULTS:

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of **promoting and encouraging community involvement and engagement**. This item helps achieve that vision by engaging the community to express their thoughts about the proposed property tax levy.

### FINANCIAL CONSIDERATION:

There is no financial consideration in holding the public hearing for the proposed property tax levy for Fiscal Year 2027.

### RECOMMENDATION:

Staff recommends that the Mayor hold a public hearing by stating, "Pursuant to the agenda, I will now convene a public hearing on the proposed property tax levy for Fiscal Year 2027." After comments are heard, the Mayor must state, "I will now close the public hearing, and the City Clerk shall note all comments in the record."

**CITY NAME:** NOTICE OF PUBLIC HEARING - CITY OF INDEPENDENCE - PROPOSED PROPERTY TAX LEVY  
**INDEPENDENCE** Fiscal Year July 1, 2026 - June 30, 2027

**CITY #:** 10-07 Item #4.

The City Council will conduct a public hearing on the proposed Fiscal Year City property tax levy as follows:

**Meeting Date:** 3/23/2026 **Meeting Time:** 04:45 PM **Meeting Location:** City Hall, 331 1st Street East, Independence, IA 50644

At the public hearing any resident or taxpayer may present objections to, or arguments in favor of the proposed tax levy. After the hearing of the proposed tax levy, the City Council will publish notice and hold a hearing on the proposed city budget.

City Website (if available)  
 www.independencia.gov

City Telephone Number  
 (319) 334-2780

Iowa Department of Management	Current Year Certified Property Tax 2025 - 2026	Budget Year Effective Property Tax 2026 - 2027	Budget Year Proposed Property Tax 2026 - 2027
Taxable Valuations for Non-Debt Service	243,685,080	263,809,570	263,809,570
Consolidated General Fund	1,992,062	1,992,062	2,093,762
Operation & Maintenance of Public Transit	0	0	0
Aviation Authority	0	0	0
Liability, Property & Self Insurance	367,767	367,767	458,232
Support of Local Emergency Mgmt. Comm.	0	0	0
Unified Law Enforcement	0	0	0
Police & Fire Retirement	0	0	0
FICA & IPERS (If at General Fund Limit)	470,658	470,658	517,608
Other Employee Benefits	762,559	762,559	966,754
Capital Projects (Capital Improv. Reserve)	0	0	0
Taxable Value for Debt Service	274,823,292	297,442,506	297,442,506
Debt Service	1,343,548	1,343,548	1,348,426
<b>CITY REGULAR TOTAL PROPERTY TAX</b>	<b>4,936,594</b>	<b>4,936,594</b>	<b>5,384,782</b>
<b>CITY REGULAR TAX RATE</b>	<b>19.63340</b>	<b>18.13685</b>	<b>19.83366</b>
Taxable Value for City Ag Land	1,851,369	1,767,056	1,767,056
Ag Land	5,562	5,562	5,308
<b>CITY AG LAND TAX RATE</b>	<b>3.00375</b>	<b>3.14761</b>	<b>3.00375</b>
<b>Tax Rate Comparison-Current VS. Proposed</b>			
Residential property with an Actual/Assessed Valuation of \$100,000/\$110,000	<b>Current Year Certified 2025/2026</b>	<b>Budget Year Proposed 2026/2027</b>	<b>Percent Change</b>
City Regular Residential	931	972	4.40
Commercial property with an Actual/Assessed Valuation of \$300,000/\$330,000	<b>Current Year Certified 2025/2026</b>	<b>Budget Year Proposed 2026/2027</b>	<b>Percent Change</b>
City Regular Commercial	4,047	4,538	12.13

Note: Actual/Assessed Valuation is multiplied by a Rollback Percentage to get to the Taxable Valuation to calculate Property Taxes. Residential and commercial properties have the same rollback percentage through \$150,000 of actual/assessed valuation.

**Reasons for tax increase if proposed exceeds the current:**

Anticipated 55% increase for liability, property, and self insurance levy. FICA/IPERS and Other Employee Benefits increase due to salary increases and rising benefit costs. Debt Service increased due to other funding source being reduced.