



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

**Monday, March 24, 2025 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 2026

### **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 24, 2025

**ITEM TITLE:** Public Hearing for the Proposed Property Tax Levy for Fiscal Year 2026

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### BACKGROUND:

The attached document shows a levy rate increase from 19.53649 to 20.64424. This is **NOT** what the City is proposing for the FY2026 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 FY2026 budget is an increase from 19.53649 to 19.63340, a difference of 0.09691 or 0.496%.

This public hearing allows the public to come and speak on behalf of or against the proposed property tax levy for Fiscal Year 2026.

### 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 2026.

### RESULTS:

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of Engaging and Catalyzing Community. 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 2026.

### 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 2026." 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, 2025 - June 30, 2026

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: 3/24/2025 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)  
<https://www.independenceia.org/>

City Telephone Number  
 (319) 334-2780

Iowa Department of Management	Current Year Certified Property Tax 2024 - 2025	Budget Year Effective Property Tax 2025 - 2026	Budget Year Proposed Property Tax 2025 - 2026
Taxable Valuations for Non-Debt Service	233,660,863	243,685,080	243,685,080
Consolidated General Fund	1,948,318	1,948,318	1,992,062
Operation & Maintenance of Public Transit	0	0	0
Aviation Authority	0	0	0
Liability, Property & Self Insurance	213,302	213,302	379,998
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)	464,518	464,518	533,105
Other Employee Benefits	859,393	859,393	934,208
Capital Projects (Capital Improv. Reserve)	0	0	0
Taxable Value for Debt Service	269,001,584	274,823,292	274,823,292
Debt Service	1,242,637	1,242,637	1,343,548
CITY REGULAR TOTAL PROPERTY TAX	4,728,168	4,728,168	5,182,921
CITY REGULAR TAX RATE	19.53649	18.82501	20.64424
Taxable Value for City Ag Land	1,806,117	1,851,369	1,851,369
Ag Land	5,425	5,425	5,562
CITY AG LAND TAX RATE	3.00375	2.93026	3.00375
<b>Tax Rate Comparison-Current VS. Proposed</b>			
Residential property with an Actual/Assessed Valuation of \$100,000/\$110,000	Current Year Certified 2024/2025	Budget Year Proposed 2025/2026	Percent Change
City Regular Residential	905	1,077	19.01
Commercial property with an Actual/Assessed Valuation of \$300,000/\$330,000	Current Year Certified 2024/2025	Budget Year Proposed 2025/2026	Percent Change
City Regular Commercial	3,995	4,813	20.48

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 at \$100,000 Actual/Assessed Valuation.

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

Anticipated a 55% increase for liability, property, and self insurance. FICA/IPERS and Other Employee Benefits increase due to salary increases and rising benefits costs. Debt Service increased due to potential bond being issued in the spring of 2025.