City of Muscatine

SPECIAL CITY COUNCIL MEETING

City Hall Council Chambers

April 4, 2024,5:30 PM

Brad Bark, Mayor

Don Lampe, 1st Ward	Angie Lewis, At Large
Jeff Osborne, 2nd Ward	Matt Conard, At Large
Peggy Gordon, 3rd Ward	Carol Webb, City Administrator
Nadine Brockert, 4th Ward	Cinda Hilger, Admin. Professional
John Jindrich, 5th Ward	Brent Hinders, City Attorney

The public is welcome to attend virtually using the information below. Please note that once the Council votes to end the closed session, the public virtual meeting will end.

Please attend my meeting from your computer, tablet or smartphone.
https://us06web.zoom.us/j/82551691259?pwd=NERYdEJOandvWWNXbDM3UkZxZmE4QT09

AGENDA

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **PUBLIC HEARING**

   A. Public Hearing on Property Tax Levy for Fiscal Year 2024/2025 Budget and Taxpayer Statements

4. **ADJOURNMENT**

City of Muscatine

ITEM NUMBER 2024-0080

AGENDA ITEM SUMMARY

DATE: 3/7/2024

STAFF

Nancy Lueck, Finance Director

SUBJECT

Resolution Setting a Public Hearing for April 4, 2024, at 5:30 p.m. in City Council Chambers, on the Property Tax Levy for the Fiscal Year 2024/2025 Budget and Taxpayer Statements

EXECUTIVE SUMMARY

House File 718 adopted in 2023 made numerous changes to local budget preparation, public hearing requirements, and budget timelines.

Division X of House File 718 requires that county offices mail each property taxpayer an annual statement and changes the budget process and timelines. All political subdivisions, including cities, must file a report annually by **March 15** with the Iowa Department of Management (DOM) containing the information specified in the new law to be included in the mailings. Then, by **March 20** (annually), the county auditor, using the information compiled and calculated by DOM, must send to each property owner or taxpayer within the county by regular mail an individual statement with the specified information broken out by political subdivision comprising the taxpayer's taxing district.

Division X requires political subdivisions to hold a public hearing on the proposed property tax levy for the budget year and the new taxpayer statements. This is a hearing in addition to the public hearing required under *Code of Iowa* Section 24.9 (to approve the annual budget) and must be separate from any other meeting of the governing body, including any other meeting or hearing related to the political subdivision's budget. No other business unrelated to the new hearing requirements can be discussed at the meeting at which this hearing is held. At the hearing, the political subdivision shall receive oral or written testimony from any resident or property owner of the political subdivision. After all testimony has been received and considered, the governing body may decrease, but not increase, the proposed property tax levy to be included in the political subdivision's budget.

The City Council recently completed their review of the proposed City budget for the upcoming year. Per City Council's direction, the property tax rate for 2024/2025 is proposed at $15.67219 per $1,000 of taxable property valuation, the same rate as the current year (2023/2024) budget. With the decrease in taxable property valuations, this tax rate will generate $26,550 less in property tax dollars compared to the current 2023/2024 tax levy.

STAFF RECOMMENDATION

Staff recommends approval of this Resolution.

BACKGROUND/DISCUSSION

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Notice of the public hearing shall be published not less than ten nor more than twenty days prior to the hearing in a newspaper published at least once weekly and having general circulation in the city.

Notice of the hearing shall also be posted and clearly identified on the political subdivision's internet site for public viewing beginning on the date of the newspaper publication and shall be maintained on the political subdivision's internet site with all prior year notices and copies of the statements mailed. Additionally, if the political subdivision maintains a social media account on one or more social media applications, the public hearing notice or an electronic link to the public hearing notice shall be posted on each such account on the same day as the publication of the notice.

The City Council recently completed their review of the proposed City budget for the upcoming year. Per City Council's direction, the property tax rate for 2024/2025 is proposed at $15.67219 per $1,000 of taxable property valuation, the same rate as the current year (2023/2024) budget. With the decrease in taxable property valuations, this tax rate will generate $26,550 less in property tax dollars compared to the current 2023/2024 tax levy.

The following actions will need to be taken before the Fiscal Year 2024/2025 Budget is adopted:

March 7, 2024	Adopt Resolution Setting Public Hearing #1 for April 4, 2024 on the Proposed Property Tax Levy for the 2024/2025 Budget and the Statements to Taxpayers (to be filed with the Iowa Department of Management by March 15)
March 20, 2024	County Auditor to mail the Truth in Taxation Statements to Property Owners
March 23, 2024	Publish Notice of Public Hearing; post the same to the City's website and all social media sites
April 4, 2024	Hold Public Hearing #1 on the Proposed Property Tax Levy for 2024/2025 and the Taxpayer statements
April 4, 2024	Adopt Resolution approving maximum Property Tax Levy for 2024/2025
April 4, 2024	Set Public Hearing #2 for adoption of the budget for 2024/2025
April 4, 2024	Set Public Hearing on Amendment #1 to the City's current year 2023/2024 budget
April 6, 2024	Publish Notice of Public Hearing for adoption of the 2024/2025 budget
April 6, 2024	Publish Notice of Public Hearing for Amendment #1 to the City's current year 2023/2024 budget
April 18, 2024	Hold Hearing #2 on the Proposed Budget for 2024/2025
April 18, 2024	Hold Public Hearing on Amendment #1 to the 2023/2024 City Budget
April 18, 2024	Approve Resolution for the Adoption of the 2024/2025 Budget and Certification of Taxes
April 18, 2024	Approve Resolution for Amendment #1 to the 2023/2024 City Budget

CITY FINANCIAL IMPACT

The proposed property tax rate and tax dollars generated will continue to fund the current services provided to the City's residents.

ATTACHMENTS

1. Budget Public Hearing Notice.Hearing #1 FY 25 Tax Levy
2. 2024-0080 Resolution Setting a Public Hearing for April 4, 2024 Property Tax Levy FY 24-25

CITY NAME: MUSCATINE

NOTICE OF PUBLIC HEARING - CITY OF MUSCATINE - PROPOSED PROPERTY TAX LEVY
Fiscal Year July 1, 2024 - June 30, 2025

CITY #: 70-653

The City Council will conduct a public hearing on the proposed Fiscal Year City property tax levy as follows:
Meeting Date: 4/4/2024 Meeting Time: 05:30 PM Meeting Location: City Hall Council Chambers
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.muscatineiowa.gov/

City Telephone Number
(563) 264-1550

Iowa Department of Management	Current Year Certified Property Tax 2023 - 2024	Budget Year Effective Property Tax 2024 - 2025	Budget Year Proposed Property Tax 2024 - 2025
Taxable Valuations for Non-Debt Service	1,018,985,868	1,017,120,041	1,017,120,041
Consolidated General Fund	8,528,912	8,528,912	8,513,295
Operation & Maintenance of Public Transit	198,284	198,284	74,718
Aviation Authority	0	0	0
Liability, Property & Self Insurance	367,599	367,599	478,026
Support of Local Emergency Mgmt. Comm.	0	0	0
Unified Law Enforcement	0	0	0
Police & Fire Retirement	1,516,618	1,516,618	1,606,053
FICA & IPERS (If at General Fund Limit)	871,457	871,457	924,684
Other Employee Benefits	2,406,182	2,406,182	2,324,618
Capital Projects (Capital Improv. Reserve)	0	0	0
Taxable Value for Debt Service	1,101,216,397	1,099,360,654	1,099,360,654
Debt Service	2,248,596	2,248,596	2,182,363
CITY REGULAR TOTAL PROPERTY TAX	16,137,648	16,137,648	16,103,757
CITY REGULAR TAX RATE	15.67219	15.70064	15.67219
Taxable Value for City Ag Land	1,822,608	1,926,588	1,926,588
Ag Land	5,475	5,475	5,787
CITY AG LAND TAX RATE	3.00375	2.84181	3.00375
Tax Rate Comparison-Current VS. Proposed			
Residential property with an Actual/Assessed Value of $100,000	**Current Year Certified 2023/2024**	**Budget Year Proposed 2024/2025**	**Percent Change**
City Regular Resident	856	726	-15.19
Commercial property with an Actual/Assessed Value of $100,000	**Current Year Certified 2023/2024**	**Budget Year Proposed 2024/2025**	**Percent Change**
City Regular Commercial	856	726	-15.19

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:
No tax increase being proposed

City of Muscatine

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ATTACHMENTS

1. FY 25 Budget Set Public Hearing on Tax Levy Amt and Taxpayer Statements Res.3-7-24
2. Budget Public Hearing Notice.Hearing #1 FY 25 Tax Levy

RESOLUTION NO. 2024-0080

RESOLUTION SETTING THE DATE AND TIME FOR A PUBLIC HEARING CONCERNING THE PROPOSED PROPERTY TAX LEVY FOR FISCAL YEAR JULY 1, 2024 – JUNE 30, 2025 FOR THE CITY OF MUSCATINE, IOWA

WHEREAS, House File 718 passed in 2023 requires all political subdivisions to set and hold a public hearing on the proposed property tax levy for the fiscal year 2024/2025 budget and the new taxpayer statements; and

WHEREAS, this public hearing is required to be separate from any other meetings of the City Council; and

WHEREAS, no other business unrelated to the new hearing requirements can be discussed at the meeting at which the hearing is held; and

WHEREAS, at the hearing the City Council shall receive oral or written testimony from any resident or property owner of the City; and

WHEREAS, the Notice of Public Hearing is required to be published not less than ten nor more than twenty days prior to the public hearing;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MUSCATINE, IOWA that a public hearing be set for April 4, 2024 at 5:30 p.m. in the City Hall Council Chambers. At this meeting the public can comment on the proposed property tax levy for the fiscal year July 1, 2024 through June 30, 2025.

BE IT FURTHER RESOLVED that the City Clerk be directed to publish Notice of Public Hearing in the Muscatine Journal, in the form required by the State of Iowa.

PASSED, APPROVED AND ADOPTED this 7th day of March, 2024.

BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA

Brad Bark, Mayor

ATTEST:

Carol Webb (Mar 11, 2024 14:18 CDT)

Carol Webb, City Clerk

CITY NAME: MUSCATINE

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