

**RESOLUTION APPROVING MAXIMUM PROPERTY TAX DOLLARS
FOR CERTAIN PROPERTY TAX LEVIES FOR THE CITY OF MUSCATINE
FOR FISCAL YEAR 2020/2021**

WHEREAS, Senate File 634 passed in 2019 requires all cities to pass a resolution establishing their maximum property tax dollars for certain levies prior to adoption and certification of the final budget; and

WHEREAS, Senate File 634 provides that the tax levies to be included in the public hearing notice for the City of Muscatine are the General, Transit, Tort Liability/Insurance, and Employee Benefits levies and that the Debt Service levy and Ag Land levies are not included in the notice of public hearing and this Resolution; and

WHEREAS, the City Council of the City of Muscatine has considered the proposed FY 2020/2021 city maximum property tax dollars for the affected levy total; and

WHEREAS, a notice concerning the proposed city maximum property tax dollars for these levies was published as required on February 22, 2020 and posted on the City's web site and social media sites;

WHEREAS, a public hearing concerning the proposed city maximum property tax dollars for these levies was held on March 5, 2020;

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Muscatine that the maximum property tax dollars for the affected tax levies for FY 2020/2021 shall not exceed the following total:

Total maximum levy for affected property tax levies is \$11,991,593

The Maximum Property Tax dollars requested in the total maximum levy for affected property tax levies for FY 2020/2021 represents greater than 102% (102.86%) of the Maximum Property Tax dollars requested for the current FY 2019/2020.

PASSED, APPROVED AND ADOPTED this 5th day of March, 2020.

BY THE CITY COUNCIL OF THE CITY OF
MUSCATINE, IOWA

Diana Broderson, Mayor

ATTEST:

Greg Jenkins, Interim City Clerk

Roll Call Vote (Aye or Nay):

Councilmember Froelich -
Councilmember Malcolm -
Councilmember Gordon -
Councilmember Brockert -

Councilmember Jindrich -
Councilmember Brackett -
Councilmember Hopkins -



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To: Greg Jenkins, Interim City **FINANCE & RECORDS** Administrator

From: Nancy A. Lueck, Finance Director

Date: February 26, 2020

Re: Resolution Approving Maximum Property Tax Dollars for Certain Property Tax Levies for Fiscal Year 2020/2021

Introduction and Background:

Senate File 634 passed in 2019 requires all cities to pass a resolution establishing their maximum property tax dollars for certain levies prior to adoption and certification of the final budget. For the City of Muscatine for the upcoming year, the tax levies required to be included in the public hearing notice and resolution are the General, Transit, Tort Liability/Insurance, and Employee Benefits levies. The Debt Service levy and Ag Land levies are not included in the notice of public hearing for Hearing #1 or the Resolution Approving Maximum Property Tax Dollars.

The City Council recently completed their review of the proposed City budget for the upcoming year. The proposed total property tax levy rate for the 2020/2021 budget is \$15.67209 per \$1,000 of valuation, which is the same total tax rate as the last eight years. With the relatively small (.85%) increase in taxable valuations, total property tax revenue for the City will increase by \$113,213, which is a .80% increase in property tax dollars.

Per Senate File 634, the Notice of Public Hearing for the 1st public hearing on the budget only includes the General, Transit, Tort Liability/Insurance, and Employee Benefits levies. The tax dollars from those levies total \$11,991,593 compared to \$11,657,803 for those levies for the current fiscal year 2019/2020 budget. This is a \$333,790 (2.86%) increase in tax dollars when considering only those levies. Decreases in the debt service and Ag Land tax levy revenues, however, will offset a portion of the increases in the tax levies included in the public hearing notice. This results in the overall \$113,213 (.80%) increase in tax dollars for the overall City tax levy.

The Resolution on the Proposed Maximum Property Tax Levy for 2020/2021 will set the maximum tax revenues for the specific tax levies included in the hearing notice. The public hearing on the Maximum Property Tax Dollars will be held March 5, 2020. The following actions have been or will need to be taken before the Fiscal Year 2020/2021 Budget is adopted:

February 20, 2020	Set Public Hearing #1 on the Proposed Property Tax Levy (Done)
March 5, 2020	Hold Public Hearing #1 on the Proposed Property Tax Levy
March 5, 2020	Adopt the Resolution Approving the Maximum Property Tax Levy for Certain Tax Levies
March 5, 2020	Set the Public Hearing for the Adoption of the Budget and Certification of Taxes for Fiscal Year 2020/2021
March 5, 2020	Set the Public Hearing for Amendment #1 to the current year 2019/2020 Budget
March 19, 2020	Hold Hearing #2 on the Proposed Budget for 2020/2021
March 19, 2020	Hold Hearing on Amendment #1 to the current year 2019/2020 Budget

"I remember Muscatine for its sunsets. I have never seen any on either side of the ocean that equaled them" — Mark Twain

March 19, 2020	Approve Resolution for the Adoption of the 2020/2021 Budget and Certification of Taxes
March 19, 2020	Approve Resolution to Approve Amendment #1 to current year 2019/2020 Budget

Recommendation:

Please include the attached resolution approving the Maximum Property Tax Dollars for Certain Property Tax Levies for fiscal year 2020/2021, on the agenda for the March 5, 2020 regular Council meeting.

Please contact me if you have any questions.