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CITY OF MUSCATINE PRESS RELEASE

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PUBLIC HEARING ON PROPERTY TAX DOLLARS IS MARCH 4

First of two public hearings before approval of Fiscal Year 2021-2022 budget

MUSCATINE, Iowa – The first of two public hearings on the proposed City of Muscatine Fiscal Year 2021-2022 budget will take place during the March 4 City Council meeting. The public hearing on the maximum property tax dollars for certain levies is an additional requirement for municipalities that was passed by the state legislature and signed into law by Governor Kim Reynolds in 2019.

The public hearing will be conducted at 7 p.m. on Thursday, March 4, 2021, in the City Council Chambers at Muscatine City Hall. To attend the virtual meeting click on <https://global.gotomeeting.com/join/139304725> from your computer, laptop, tablet or smartphone, or you can use your phone to dial [+1 \(571\) 317-3122](tel:+15713173122) and use access code 139-304-725.

More Information on the public hearing can be found on the City of Muscatine web site. [PUBLIC HEARING 1](#).

Senate File 634 was passed in 2019 and requires all cities to pass a resolution establishing the maximum property tax dollars for certain levies prior to the adoption and certification of the final budget. The City of Muscatine tax levies required to be included in the Public Hearing are the

General, Transit, Tort Liability/Insurance, Emergency, and Employee Benefits levies. Two levies are not required to be included (Debt Service and Ag Land).

The tax dollars from those levies in the proposed 2021/2022 budget total \$12,597,193 compared to \$11,991,593 for the 2020/2021 budget. The difference is a 5.05 percent (\$605,600) increase in tax dollars when considering only those levies required to be included in the Public Hearing.

The total proposed property tax levy rate will remain at \$15.67209 per \$1,000 of valuation, which is unchanged from the past nine years. With a 4.86 percent increase in taxable valuations, City staff was able to propose a total tax levy for the 2021/2022 fiscal year that is \$677,005 (4.76 percent) greater than the 2020/2021 fiscal year tax levy.

Finance Director Nancy Lueck indicated that there was an increase of \$71,405 in the property taxes levied for Debt Service and Ag Land that accounts for the difference between the increase of total property tax dollars levied as compared to the increase of tax dollars in the public hearing notice.

“The increase is due to increases in personal services and operating budget costs as we continue to provide the same level of services to our residents,” Lueck said. “The increase is also needed due to the impacts that the COVID-19 pandemic has had on several other City revenue sources.”

The Public Hearing for the maximum property tax dollars for certain levies was set following a review of the proposed budget by City Council. A second Public Hearing will be held on March 18 for the adoption of the budget and certification of taxes for the 2021/2022 fiscal year.