

-Notice of Public Meeting-

Governmental Body: Elkhart City Council

Date of Meeting: Monday, March 25th, 2024

Time/Place of Meeting: 6:00 PM - Elkhart City Hall, 260 NW Main St, Elkhart, IA 50073

Special Elkhart City Council Meeting Agenda

PUBLIC NOTICE IS HEREBY GIVEN that the above-mentioned governmental body will hold a special meeting at the date, time, and place above set-out. The tentative Agenda for said meeting is as follows

- 1. Call to Order**
- 2. Roll Call**
- 3. Public Hearing Regarding City of Elkhart's Proposed Property Tax Levy for FY2024-2025 Budget**
- 4. Adjournment**

CITY OF ELKHART
RESOLUTION NO. 14

RESOLUTION AFFIXING A DATE FOR A PUBLIC HEARING ON THE PROPOSED
PROPERTY TAX LEVY

WHEREAS, the City Council of the City of Elkhart, Iowa, hereby collects certain revenues from property tax levies as allowed by law; and

WHEREAS the State of Iowa compels the City to publish and hold a hearing on what is referred to as the "Property Tax Levy Hearing", in addition to the budget hearing; and

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELKHART, IOWA:

That the City Council of the City of Elkhart, Iowa, hereby sets the date of a public hearing on the proposed Fiscal Year City Proposed Property Tax Levy for Monday, March 25, 2024, at 6:00 p.m. at the Elkhart City Hall, 260 NW Main St, Elkhart, Iowa 50073.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELKHART, IOWA:

That the City Council encourages any resident or taxpayer to participate in the hearing and learn about the City's budget and budgeting process.

BE IT FINALLY RESOLVED BY THE CITY COUNCIL OF THE CITY OF ELKHART, IOWA:

That a detailed hearing notice will be published prior to the hearing in a manner prescribed by law.

Passed and approved by the City Council of the City of Elkhart, Iowa, this 20th day of February 2024.

By: John M. Kaczmarczyk 02/20/24
John. M Kaczmarczyk, Mayor

ATTEST: I, Marissa Butler, Acting City Clerk of Elkhart, hereby certify that at a meeting of the City Council held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand the day and year above written.

Marissa Butler

Marissa Butler, Acting City Clerk

Name	Yay	Nay	Abstain	Absent
Fordyce	✓			
Campbell				✓
Edler	✓			
Schaffer	✓			
Fouraker	✓			

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

Meeting Date: 3/25/2024 Meeting Time: 06:00 PM Meeting Location: Elkhart City Hall 260 NW Main Street Elkhart, IA 50073

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.elkhartiowa.com

City Telephone Number
 (515) 367-4735 ext: 3

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	40,720,422	51,507,505	51,507,505
Consolidated General Fund	355,710	355,710	436,836
Operation & Maintenance of Public Transit	0	0	0
Aviation Authority	0	0	0
Liability, Property & Self Insurance	33,878	33,878	34,858
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)	33,730	33,730	54,170
Other Employee Benefits	10,416	10,416	0
Capital Projects (Capital Improv. Reserve)	0	0	0
Taxable Value for Debt Service	51,168,744	70,104,116	70,104,116
Debt Service	48,819	48,819	113,283
CITY REGULAR TOTAL PROPERTY TAX	482,553	482,553	639,147
CITY REGULAR TAX RATE	11.60559	9.11717	11.82538
Taxable Value for City Ag Land	948,386	969,894	969,894
Ag Land	2,849	2,849	2,913
CITY AG LAND TAX RATE	3.00375	2.93743	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	634	548	-13.56
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	634	548	-13.56

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:
 for continued operations

**FISCAL YEAR JULY 1, 2024 - JUNE 30, 2025
ADOPTION OF BUDGET AND CERTIFICATION OF CITY TAXES**

The City of : **ELKHART** County Name: **POLK COUNTY**

Adopted On: (entered upon adoption) Resolution: (entered upon adoption)

The below-signed certifies that the City Council, on the date stated above, lawfully approved the named resolution adopting a budget for next fiscal year, as summarized on this and the supporting pages.

Attached is Long Term Debt Schedule Form 703 which lists any and all of the debt service obligations of the City.

		With Gas & Electric		Without Gas & Electric		City Number: 77-718 Last Official Census: 882
Regular	2a	51,820,932	2b	51,507,505		
DEBT SERVICE	3a	70,417,543	3b	70,104,116		
Ag Land	4a	969,894				

Consolidated General Fund Levy Calculation

	CGFL Max Rate	CGFL Max Dollars	Non-TIF Taxable w/ G&E	Taxable Growth %
FY 2024 Budget Data	8.73543	358,564	41,047,037	26.25
	Limitation Percentage			
	3			
	CGFL Max Rate	CGFL Max Dollars	Revenue Growth %	
Max Allowed CGFL for FY 2025	8.48101	439,494	22.57	

TAXES LEVIED

Code Sec.	Dollar Limit	Purpose	ENTER FIRE DISTRICT RATE BELOW		(A) Request with Utility Replacement	(B) Property Taxes Levied		(C) Rate
384.1	8.48101	Consolidated General Fund			5	439,494	436,836	43 8.48101
		Non-Voted Other Permissible Levies						
384.12(1)	0.95000	Opr & Maint publicly owned Transit			7		0	45 0.00000
384.12(2)	0.27000	Aviation Authority (under sec.330A.15)			11		0	49 0.00000
384.12(3)	Amt Nec	Liability, property & self insurance costs			14	35,070	34,858	52 0.67675
384.12(5)	Amt Nec	Support of a Local Emerg.Mgmt.Comm.			462		0	465 0.00000
		Voted Other Permissible Levies						
28E.22	1.50000	Unified Law Enforcement			24		0	62 0.00000
		Total General Fund Regular Levies (5 thru 24)			25	474,564	471,694	
384.1	3.00375	Ag Land			26	2,914	2,913	63 3.00375
		Total General Fund Tax Levies (25 + 26)			27	477,478	474,607	Do Not Add
		Special Revenue Levies						
384.6	Amt Nec	Police & Fire Retirement			29		0	0.00000
	Amt Nec	FICA & IPERS (if general fund at levy limit)			30	54,500	54,170	1.05170
Rules	Amt Nec	Other Employee Benefits			31	0	0	0.00000
		Subtotal Employee Benefit Levy (29,30,31)			32	54,500	54,170	65 1.05170
			Valuation					
386	As Req	With Gas & Elec		Without Gas & Elec				
	SSMID 1 (A)	0 (B)		0 34		0	66	0.00000
	SSMID 2 (A)	0 (B)		0 35		0	67	0.00000
	SSMID 3 (A)	0 (B)		0 36		0	68	0.00000
	SSMID 4 (A)	0 (B)		0 37		0	69	0.00000
	SSMID 5 (A)	0 (B)		0 555		0	565	0.00000
	SSMID 6 (A)	0 (B)		0 556		0	566	0.00000
	SSMID 7 (A)	0 (B)		0 1177		0	1179	0.00000
	SSMID 8 (A)	0 (B)		0 1185		0	1187	0.00000
		Total Special Revenue Levies			39	54,500	54,170	
384.4	Amt Nec	Debt Service Levy 76.10(6)			40	113,789	113,283	70 1.61592
384.7	0.67500	Capital Projects (Capital Improv. Reserve)			41		0	71 0.00000
		Total Property Taxes (27+39+40+41)			42	645,767	642,060	72 11.82538

COUNTY AUDITOR - I certify the budget is in compliance with ALL the following: Budgets that DO NOT meet ALL the criteria below are not statutorily compliant & must be returned to the city for correction.

(City Representative)

(Date)

(County Auditor)

(Date)

LONG TERM DEBT SCHEDULE - LT DEBT1

GENERAL OBLIGATION BONDS, TIF BONDS, REVENUE BONDS, LOANS, LEASE-PURCHASE PAYMENTS

Debt Name		Amount of Issue	Type of Debt Obligation	Debt Resolution Number	Principal Due FY	Interest Due FY	Total Obligation Due FY	Bond Reg./ Paying Agent Fees Due FY	Reductions due to Refinancing or Prepayment of Certified Debt	Paid from FUNDS OTHER THAN Current Year Debt Service Taxes	Amount Paid Current Year Debt Service Levy
GO AA Sewer Improve 2020A	1	3,658,000	GO	2020-95	275,000	16,261	291,261	6,453		234,470	63,244
Sewer Revenue Bond 2020B	2	1,466,000	NON-GO	2020-103	82,720		82,720			82,720	0
GO 2020C-Main St	3	450,000	GO	2020-96	57,000	8,856	65,856			62,640	3,216
Water Main Extenson-2021 Series	4	376,000	NON-GO	2021-116	23,840		23,840			23,840	0
GO 2022A	5	2,080,000	GO	2022-42	125,000	64,575	189,575			142,246	47,329
Water Revenue Series 2023	6	5,300,000	NON-GO	2023-71	75,793		75,793			75,793	0
	7		-				0				0
	8		-				0				0
	9		-				0				0
	10		-				0				0
	11		-				0				0
	12		-				0				0
	13		-				0				0
	14		-				0				0
	15		-				0				0
	16		-				0				0
	17		-				0				0
	18		-				0				0
	19		-				0				0
	20		-				0				0
	21		-				0				0
	22		-				0				0
	23		-				0				0
	24		-				0				0
	25		-				0				0
	26		-				0				0
	27		-				0				0
	28		-				0				0
	29		-				0				0
	30		-				0				0
TOTALS					639,353	89,692	729,045	6,453	0	621,709	113,789

LONG TERM DEBT SCHEDULE - GRAND TOTALS**GENERAL OBLIGATION BONDS, TIF BONDS, REVENUE BONDS, LOANS, LEASE-PURCHASE PAYMENTS**

	Principal Due FY 2025	Interest Due FY 2025	Total Obligation Due FY 2025	Bond Reg./ Paying Agent Fees Due FY 2025	Reductions due to Refinancing or Prepayment of Certified Debt	Paid from Sources OTHER THAN Budget Year Debt Service Levy	Amount Paid Budget Year Debt Service Levy
GO - TOTAL	457,000	89,692	546,692	6,453	0	439,356	113,789
NON GO - TOTAL	182,353	0	182,353	0	0	182,353	0
GRAND - TOTAL	639,353	89,692	729,045	6,453	0	621,709	113,789



The Iowa Legislature passed House File 718 ([Iowa Acts Chapter 71](#)) during the 2023 Legislative Session, which changed many parts of the property taxation process. One of the more prominent changes was the introduction of an annual mailed hearing notice to each owner of taxable property in March. These notices will provide a large amount of information aimed at educating taxpayers about the forthcoming budget. Below is a description of the various parts of the notice.

MEETING AND PROPERTY TAX REQUEST INFORMATION

The front page of the mailed notice is divided into 3 sections. Each section will show the proposed property tax information and meeting information for the K-12 school district, county, and city (for urban residents) which tax within the tax district where the property is located. These hearings will be solely concerned with the proposed property tax, and no unrelated business can be discussed during this meeting. There will be another hearing on the full budget at a later meeting of the local government. The time, date, and location for each of these hearings is shown at the top of each section.

ANYTOWN School Public Hearing on Proposed Property Taxation for Fiscal Year July 1, 2024 – June 30, 2025					
Date: 03/27/2024	Time: 5:30 PM	Location: AnyTown High School Media Center, 410 NW 2 nd St. AnyTown, IA			
Telephone: (515) 281-3322	Website: https://dom.iowa.gov/schools				
	Current Property Tax	Current Tax Rate	Effective Tax Rate	Proposed Prop Tax	Proposed Tax Rate
All School Funds	84,639,085	16.99602	15.11846	90,192,351	16.10296
Reasons Proposed Property Tax exceeds the Current Property Tax:					
Increase in the cost of insurances, pay increases and employee benefits					

Information for three different hearings will be shown – one each for the K-12 school district, county, and city. If this property is outside of a city, the city meeting section will be blank. Below the hearing information is information on the property tax that is being proposed for the next fiscal year. Presented in this

property tax information box is the current fiscal year’s budgeted tax dollars and total tax rate and the property tax revenue and total rate for the coming fiscal year.

Property tax dollars and rate applying to the current budget year that began last July 1.

Property tax dollars and rate proposed for the coming budget year beginning July 1.

ANYTOWN School Public Hearing on Proposed Property Taxation for Fiscal Year July 1, 2024 – June 30, 2025

Date: 03/27/2024 Time: 5:30 PM Location: AnyTown High School Media Center, 410 NW 2nd St. AnyTown, IA

Telephone: (515) 281-3322 Website: <https://dom.iowa.gov/schools>

	Current Property Tax	Current Tax Rate	Effective Tax Rate	Proposed Prop Tax	Proposed Tax Rate
All School Funds	84,639,085	16.99602	15.11846	90,192,351	16.10296

Reasons Proposed Property Tax exceeds the Current Property Tax:

Increase in the cost of insurances, pay increases and employee benefits

Reason for increase in property tax dollars, should there be an increase

“Effective Tax Rate” shows what would happen to the tax rate should the local government budget the same amount of property tax dollars next year as they did for the current year. It is not a limit on taxes.

PROPERTY TAX DISTRIBUTION – CURRENT BUDGET YEAR

At the top of the back page of the mailed notice is a table showing an estimate of property tax that will be distributed to each local government on this notice in the current year. The information in this table is based on tax district totals, so it will not show the full amount going to each local government in total. The table shows the amount of property tax revenue, including Tax Increment Financing revenue, going to each local government from the tax district. The rightmost column shows the percentage of the total property tax revenue from the tax district that goes to each of the three local governments listed on the front of the

notice. The percentage is based on the “Total Property Tax” column so that TIF revenue is included in the calculation

The table below shows how current taxes levied within this taxing district are distributed. TIF included where applicable.

Taxing Authority	Non-TIF Property Tax	TIF Tax	Total Property Tax	Authority % of Tax
School	132,436	0	132,436	31.36
County	56,884	0	56,884	13.46
City	144,514	23,264	167,778	39.73
All Others	65,239	0	65,239	15.45

If this table shows all zeros on the mailing, it is due to the property being in a tax district in the budget year that did not exist in the current year. Since the tax district did not exist in the current year, there is no tax data available to display.

EXAMPLES OF CHANGE IN PROPERTY TAX – BUDGET YEAR

The last section of the mailing, at the bottom of the back page, is a pair of examples which show a comparison of how the proposed taxes owed will increase or decrease taxes for a property with a 100,000 assessed value in the current year and in the budget year. The top example is for a residential class property, and the bottom is for a commercial property. The first 150,000 of commercial property is taxed the same as residential property, so the examples match.

The examples below show how taxes on a property with a value of 100,000 would be distributed in both the Current and Proposed Budget years:

Residential Property:

Taxing Authority	Tax Using Current Tax Rate	Tax Using Proposed Tax Rate	% Change
School	744	623	-16.26
County	536	424	-20.90
City	812	686	-15.52

Commercial Property – Note the first 150,000 of Commercial property has the same taxation basis as Residential:

Taxing Authority	Tax Using Current Tax Rate	Tax Using Proposed Tax Rate	% Change
School	744	623	-16.26
County	536	424	-20.90
City	812	686	-15.52

Property tax that would be owed on a property worth \$100,000 in the current budget year; uses the “Current Tax Rate” from the front of the mailing.

Property tax that would be owed on a property worth \$100,000 in the upcoming budget year; uses the “Proposed Tax Rate” from the front of the mailing.

The “% Change” column shows the percent of change (increase or decrease) for the amount of tax that would be owed to each local government under this specific example. This example is for a property with a value of 100,000 in each year, meaning that the property’s value did not change. It is possible that a property would experience no change in value from one year to another, but is unlikely. Most properties will change value from year-to-year, so this example will likely vary from an actual property. Do not see an example with a decrease in taxes owed and assume that your tax bill will do the same.

Visit <https://dom.iowa.gov/property-taxes> for a tool to help you apply the property tax rates in this mailing to a specific property.

City of Elkhart, Iowa
Adjusted City General Fund Levy Calculation

Non TIF Taxable Valuation (FY 23-24)	\$41,047,037	Step #1
Non TIF Taxable Valuation (FY 24-25)	\$51,820,932	Step #2
Non-TIF Taxable Value Growth	26.25%	

Baseline ACGFL FY 23-24	\$8.73543	Step #3
-------------------------	-----------	---------

Tier #1 < 3% @ Flat	-	Step #4
Tier #2 3% to 5.99% @ 2%	\$41,867,978	Step #4
Tier #3 >6% @ 3%	\$42,278,448	Step #4

Property Taxes Certified FY 23-24	\$358,564	Step #5
-----------------------------------	-----------	---------

Maximum ACFGL FY 24-25	\$8.48100	Step #6
------------------------	-----------	---------

Property Taxes Certified FY 24-25	\$439,493
Property Tax Revenue Growth	22.57%

	<u>HF 718</u>	<u>Previous</u>	<u>Difference</u>
Property Taxes Certified FY 24-25	439,493	\$452,678	(13,185)
Property Taxes Certified FY 23-24	358,564	\$358,564	0
	22.571%	26.248%	-3.677%