

FY 2025-2026 PROPOSED TAX LEVY PRESENTATION

- **April 3rd,
2025**
- **5:30 PM**
- **King's Pointe
Resort**

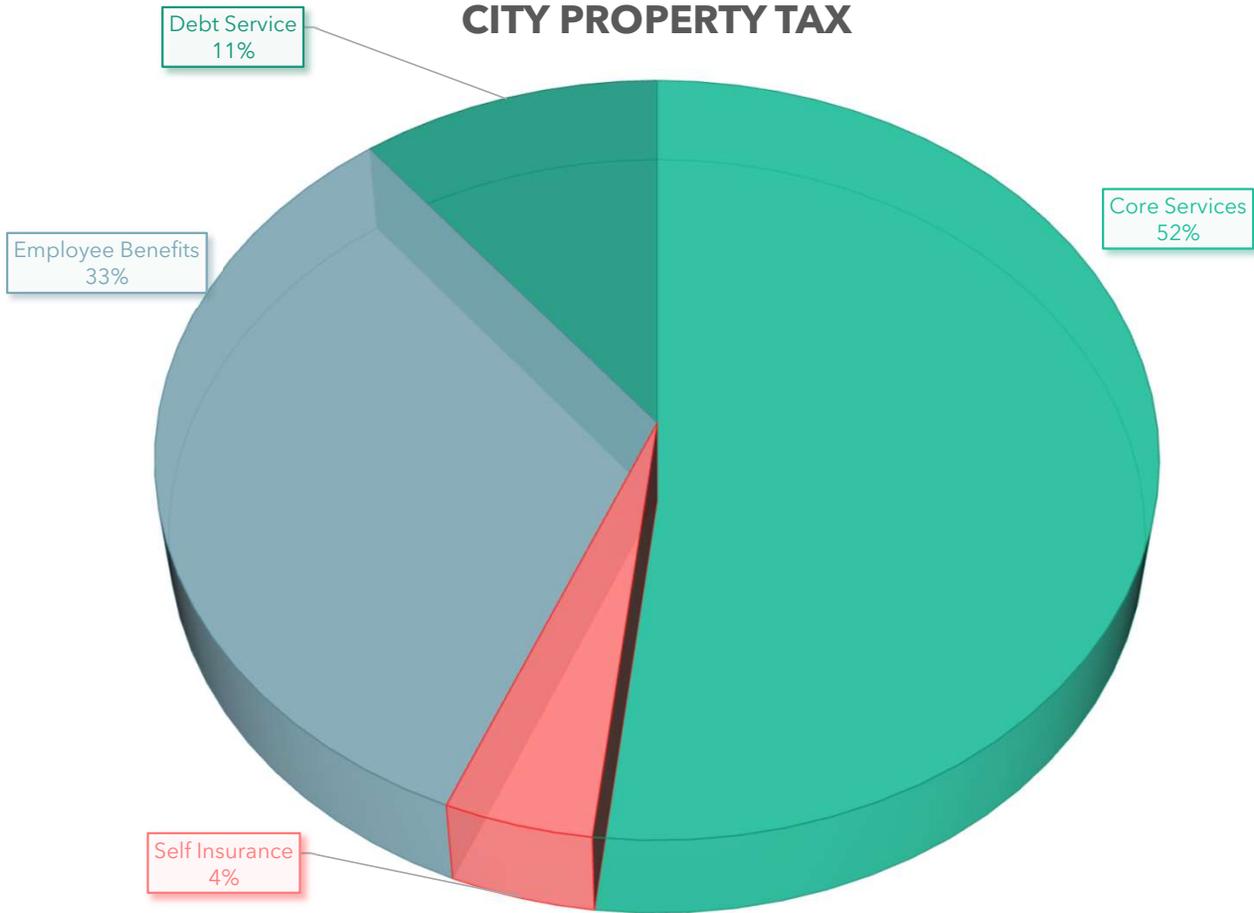


HOW ARE PROPERTY TAXES DETERMINED?

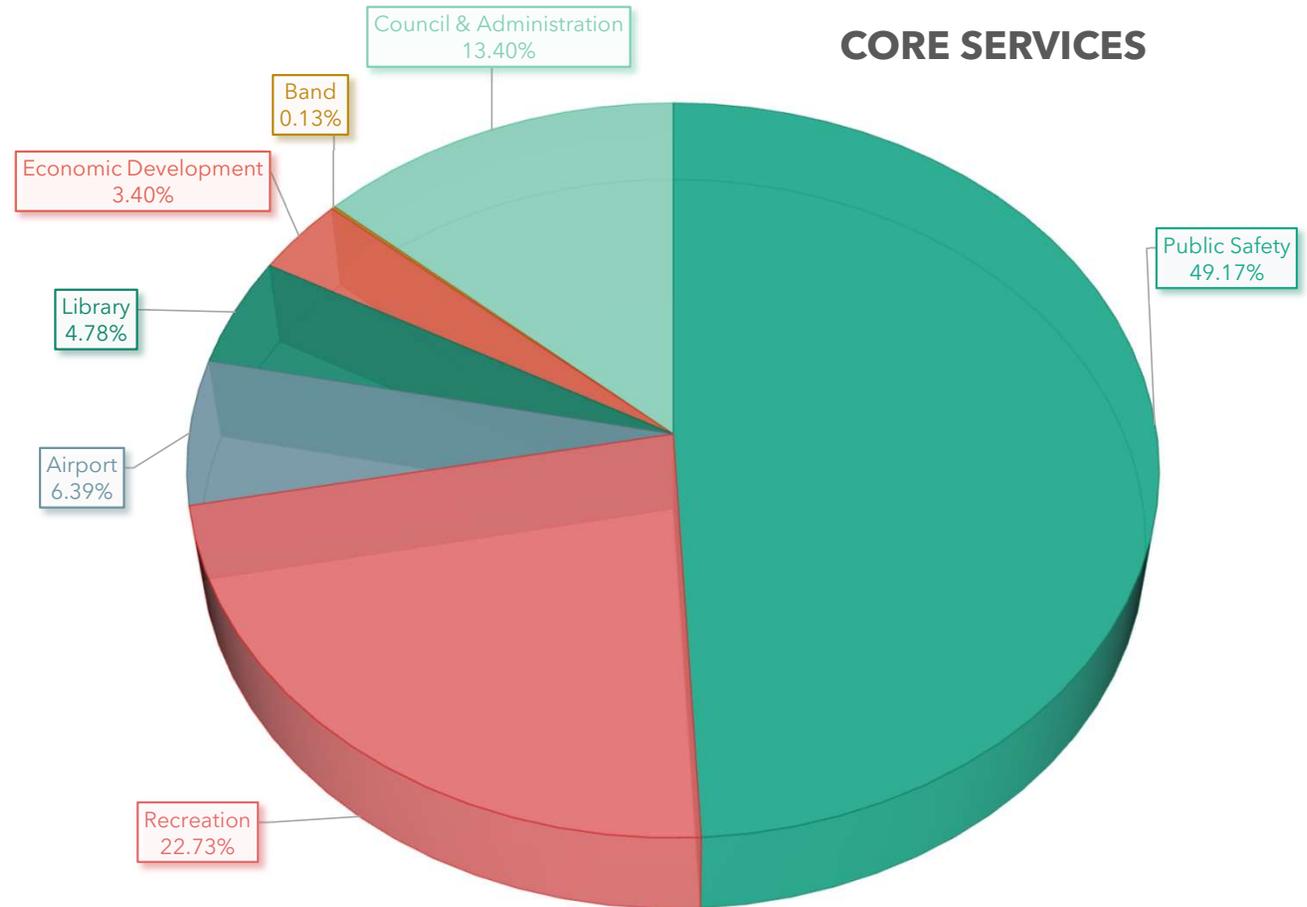
<https://www.youtube.com/watch?v=GJ1mzeCm5jw>

<https://www.youtube.com/watch?v=qCGPs1getFk>

WHAT DOES MY CITY PORTION OF PROPERTY TAX PAY FOR?



WHAT ARE THE CORE SERVICES FOR THE CITY?



CONTROLLED COSTS FOR FY2026

- POLICE DEPARTMENT:
 - \$12,000 Towing Services
 - \$30,500 Contractual Services:
 - Pest Control Service
 - Licenses for CID
 - Interpretation Services
 - Equipment Calibration Services
 - Fire Extinguisher Services
 - Generator Services
 - Copier Maintenance Agreement
 - \$22,000 Supplies:
 - Equipment Batteries
 - State Compliance Supplies
 - Cleaning Supplies
 - Office Supplies
 - CID Supplies
- Fire Department:
 - \$7,000 Contractual Services
 - \$4,500 Supplies
 - \$3,800 RIT Pack
- Building Department:
 - \$5,000 Contractual Services
 - \$3,500 Supplies
- Airport:
 - \$1,000 Courtesy Car Maintenance
 - \$73,635 Airport Manager Contract
 - \$17,500 Contractual Services
 - \$4,000 Supplies
- Transit System:
 - \$8,000 RIDES
- Parks:
 - \$6,000 Public Docks
 - \$8,500 Contractual Services
 - \$7,000 Supplies
 - \$5,000 Seeder
- Golf Course:
 - \$20,000 Contractual Services
 - \$3,000 Supplies
 - \$1,000 Garbage Cans
 - \$4,500 Power Washer
 - \$1,500 Rock
- Campground:
 - \$16,000 Contractual Services
 - \$2,000 Merchandise for Resale
 - \$4,500 Supplies
 - \$5,000 Picnic Table Concrete
- Shelter House:
 - \$2,500 Cleaning Supplies
- Library:
 - \$15,500 Contractual Services
 - \$29,000 Library Materials
 - \$5,500 Supplies
 - \$1,500 Training

CONTROLLED COSTS FOR FY2026

(CONTINUED)

- Economic Development:

- \$37,600 Corridor Membership
- \$20,000 SLU Membership
- \$7,325 NW IA Planning & Development
- \$22,500 Retail Coach
- \$5,000 Supplies

\$537,009

- Council & Administration:

- \$50,000 Outside Agency Funding
- \$19,200 Contractual Services
- \$15,000 Kids Fest
- \$12,000 Hometown Pride
- \$10,000 Supplies
- \$4,450 Breakfast with Santa
- \$3,500 Supplies

LONG-TERM DECISIONS FOR A STABLE AND SUSTAINABLE BUDGET

- Cut 5 positions through attrition
- Cut Library hours by 2,080 for the year
- Removed portable toilet services through the parks
- Removed the derelict building program
- Airport increased revenues by 40%
- Golf and Outdoor Water Park reduced expenses and increased revenues by 15%
- Outside Agency Funding was reduced by \$123,125
- Saved almost \$600,000 on the acquisition of the new fire truck hitting debt service

WHAT ARE THE INCREASES/DECREASES FROM LAST YEAR TO THIS YEAR?

| 2024 TAXABLE VALUATION FOR STORM LAKE FY2025-2026 CALCULATION | FY2024-2025 COUNCIL APPROVED BUDGET | HF 718 LEVY RATE FY2026 | HF 718 LEVY RATE FY2025 | HISTORICAL LEVY RATE 1975 EDITION |
|---|-------------------------------------|-------------------------|-------------------------|-----------------------------------|
| | \$8.12621 | \$8.04575 | \$8.12621 | \$8.37000 |
| \$374,441,637 | \$2,960,153 | \$3,012,664 | \$3,042,791 | \$3,134,077 |
| | | \$52,511 | \$30,128 | \$121,413 |

TWO YEAR REVENUE LOSS DUE TO HF 718:
\$210,218

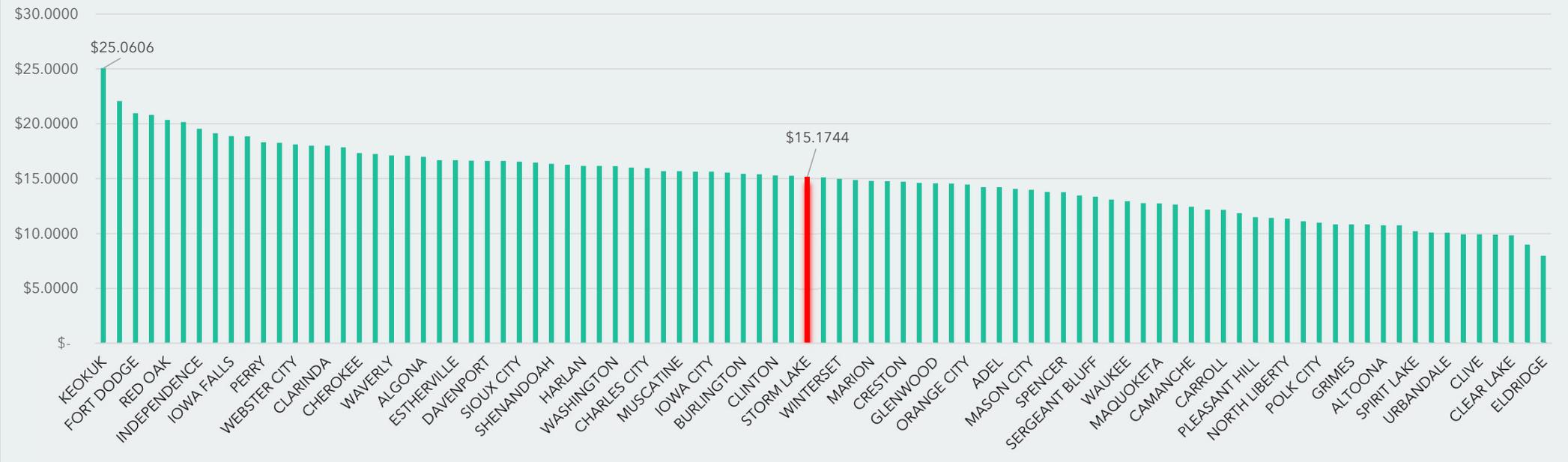
WHAT ARE THE INCREASES/DECREASES FROM LAST YEAR TO THIS YEAR?

- The Consolidated General Fund Levy Decreased to \$8.04575 generating \$52,511 more in revenue for FY2025-2026, \$210,218 less dollars since implementing HF718.
- Liability, Property, and Self Insurance Increased to \$0.68110 generating \$139,753 more in revenues.
- Employee Benefits Increased to \$5.13906 generating \$310,192 more in revenues.
- Debt Service Increased to \$1.30850 generating \$279,532 more in revenue for the issuance of the new fire truck bond (saving almost \$600,000 in additional costs).
- New Proposed Tax Levy is \$15.17441

WHERE DOES THE NEW LEVY RATE STAND IN COMPARISON TO OTHER COMMUNITIES?

90 COMMUNITIES COMPARED

TOTAL TAX RATE (FY2025) FOR SIMILAR SIZED CITIES



YOU'RE GETTING MORE MONEY THAN LAST YEAR, WHY DO TAXES HAVE TO INCREASE?

- The increased revenue dollars collected by property tax are not enough to cover the average increases of cost to provide essential services to the community.
 - The increase in revenue dollars from the property tax general fund is not enough to cover the negotiated teamsters contract authorize by Council.
- The Mayor, City Council and Leadership Team have made a concerted effort to provide our employees market rate compensation packages to strive to have the best and most qualified staff.
- Like personal costs for insurances and utilities, cost have gone up and the City has been fortunate to absorb those over the last several years. The goal has and will always be to provide our community members a stable and sustainable budget and overall levy rate.
 - Insurance Rates Increased by 10.2%
 - Employee Benefit Costs Increased by 12.04%
 - Cost for equipment has increased 75+% over the last few years.

WHAT IS MY PROPOSED PROPERTY TAX LEVY NOTICE TELLING ME?

There is not a universal tool available to calculate ALL property tax bill estimates at once. Each individual property taxpayer must consider property Classification, Assessed Valuations, Rollback percentage, and Proposed Tax Levy Rate.

PROPOSED TAX LEVY NOTICE

CITY NAME: NOTICE OF PUBLIC HEARING - CITY OF STORM LAKE - PROPOSED PROPERTY TAX LEVY **CITY #:** 11-091
STORM LAKE Fiscal Year July 1, 2025 - June 30, 2026

The City Council will conduct a public hearing on the proposed Fiscal Year City property tax levy as follows:
Meeting Date: 4/7/2025 **Meeting Time:** 04:30 PM **Meeting Location:** City Council Chambers City Hall 620 Erie Street Storm Lake, IA 50588
 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.stormlake.org

City Telephone Number
 (712) 732-8000

| Iowa Department of Management | Current Year Property Tax | Certified 2024 - 2025 | Budget Year Property Tax | Effective 2025 - 2026 | Budget Year Property Tax | Proposed 2025 - 2026 |
|---|------------------------------|--------------------------|-----------------------------|--------------------------|-----------------------------|-------------------------|
| Taxable Valuations for Non-Debt Service | | 355,092,610 | | 365,335,664 | | 365,335,664 |
| Consolidated General Fund | | 2,885,557 | | 2,885,557 | | 2,939,399 |
| Operation & Maintenance of Public Transit | | 0 | | 0 | | 0 |
| Aviation Authority | | 0 | | 0 | | 0 |
| Liability, Property & Self Insurance | | 112,376 | | 112,376 | | 248,830 |
| Support of Local Emergency Mgmt. Comm. | | 0 | | 0 | | 0 |
| Unified Law Enforcement | | 0 | | 0 | | 0 |
| Police & Fire Retirement | | 342,398 | | 342,398 | | 404,869 |
| FICA & IPERS (If at General Fund Limit) | | 304,382 | | 304,382 | | 328,521 |
| Other Employee Benefits | | 926,632 | | 926,632 | | 1,144,092 |
| Capital Projects (Capital Improv. Reserve) | | 0 | | 0 | | 0 |
| Taxable Value for Debt Service | | 452,961,932 | | 461,047,968 | | 461,047,968 |
| Debt Service | | 329,000 | | 329,000 | | 603,281 |
| CITY REGULAR TOTAL PROPERTY TAX | | 4,900,345 | | 4,900,345 | | 5,668,992 |
| CITY REGULAR TAX RATE | | 13.60000 | | 13.22632 | | 15.17441 |
| Taxable Value for City Ag Land | | 753,731 | | 762,589 | | 762,589 |
| Ag Land | | 2,264 | | 2,264 | | 2,291 |
| CITY AG LAND TAX RATE | | 3.00375 | | 2.96883 | | 3.00375 |
| Tax Rate Comparison-Current VS. Proposed | | | | | | |
| Residential property with an Actual/Assessed Valuation of \$100,000/\$110,000 | Current Year | Certified | Budget Year | Proposed | Percent Change | |
| | 2024/2025 | 2025/2026 | 2025/2026 | | | |
| City Regular Residential | | 630 | | 792 | 25.71 | |
| Commercial property with an Actual/Assessed Valuation of \$300,000/\$330,000 | Current Year | Certified | Budget Year | Proposed | Percent Change | |
| | 2024/2025 | 2025/2026 | 2025/2026 | | | |
| City Regular Commercial | | 2,781 | | 3,538 | 27.22 | |

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 through \$150,000 of actual/assessed valuation.

Reasons for tax increase if proposed exceeds the current:

Insurance rates increase of 10.2% for general property insurance and liability insurance. Employee health benefits increased 9.03% and 3.01% for life, disability, dental, and vision insurance. New fire truck bond added to the debt levy.

PROPOSED TAX LEVY EXAMPLE

RESIDENTIAL- CITY ONLY

FY2025-2026

| | | | |
|------------------------------|--------------|--|--------------|
| ASSESSED VALUE: | \$110,000 | | \$100,000 |
| ROLLBACK PERCENTAGE: | 47.4316% | What if you kept the rate the same? | 46.3428% |
| TOTAL TAXABLE VALUE: | \$52,175 | | \$46,343 |
| TOTAL TAXABLE VALUE /\$1000: | \$52.175 | | \$46.343 |
| PROPOSED CITY TAX RATE: | \$15.17441 | | \$13.60000 |
| CITY TAX OBLIGATION: | \$792 | 25.71% \$162 or \$13.50/month | \$630 |

CLASSIFICATION & FY2025-2026 ROLLBACK NUMBERS



AGRICULTURAL – 73.8575%



COMMERCIAL – 90%*



INDUSTRIAL – 90%*



RAILROAD – 90%*



RESIDENTIAL – 47.4316%

First \$150,000 subject to residential rollback

“I HAVE MY CLASSIFICATION, ASSESSED VALUE, ROLLBACK AND THE NEW LEVY RATE. HOW DO I CALCULATE THE CITY PORTION OF MY PROPERTY TAX?”

- **RESIDENTIAL:**

- Assessed Value x Rollback Percentage = Total Taxable Value
- Total Taxable Value / \$1,000
- (Total Taxable Value/\$1,000) x New Levy Rate = City Tax Obligation (CITY ONLY)

- **COMMERCIAL:**

- Two-Tiered Rollback- Assessed Value - \$150,000 = Two Tier Totals
 - Tier 1 \$150,000 x Residential Rollback Percentage = Tier 1 Taxable Value
 - Tier 2 (Difference of Assessed Value - \$150,000) x Commercial Rollback Percentage = Tier 2 Taxable Value
 - (Tier 1 Taxable Value + Tier 2 Taxable Value) / \$1,000
 - ((Tier 1 Taxable Value + Tier 2 Taxable Value) / \$1,000) x New Levy Rate = City Tax Obligation (CITY ONLY)

CAN YOU SHOW ME, PLEASE?

RESIDENTIAL- CITY ONLY

FY2025-2026

| | | | |
|------------------------------|-------------------|---|-------------------|
| ASSESSED VALUE: | \$240,000 | | \$240,000 |
| ROLLBACK PERCENTAGE: | 47.4316% | What if you kept the rate the same? | 47.4316% |
| TOTAL TAXABLE VALUE: | \$113,835 | | \$113,835 |
| TOTAL TAXABLE VALUE /\$1000: | \$113.835 | | \$113.835 |
| PROPOSED CITY TAX RATE: | \$15.17441 | | \$13.60000 |
| CITY TAX OBLIGATION: | \$1,727.39 | 11.58% \$179.22 or \$14.94/month | \$1,548.17 |

CAN YOU SHOW ME, PLEASE?

*RESIDENTIAL- CITY ONLY *

FY2025-2026

| | | | |
|------------------------------|-------------------|--|-----------------|
| ASSESSED VALUE: | \$150,000 | | \$150,000 |
| ROLLBACK PERCENTAGE: | 47.4316% | What if you kept the rate the same? | 47.4316% |
| TOTAL TAXABLE VALUE: | \$71,147 | | \$71,147 |
| TOTAL TAXABLE VALUE /\$1000: | \$71.147 | | \$71.147 |
| PROPOSED CITY TAX RATE: | \$15.17441 | | \$13.60000 |
| CITY TAX OBLIGATION: | \$1,079.62 | 11.58% \$112.02 or \$9.33/month | \$967.60 |

CAN YOU SHOW ME, PLEASE?

*RESIDENTIAL- CITY ONLY *

FY2025-2026

| | | | |
|------------------------------|-------------------|---|-------------------|
| ASSESSED VALUE: | \$298,900 | | \$298,900 |
| ROLLBACK PERCENTAGE: | 47.4316% | What if you kept the rate the same? | 47.4316% |
| TOTAL TAXABLE VALUE: | \$141,773 | | \$141,773 |
| TOTAL TAXABLE VALUE /\$1000: | \$141.773 | | \$141.773 |
| PROPOSED CITY TAX RATE: | \$15.17441 | | \$13.60000 |
| CITY TAX OBLIGATION: | \$2,151.32 | 11.58% \$223.21 or \$18.60/month | \$1,928.11 |

CAN YOU SHOW ME, PLEASE?

*RESIDENTIAL- CITY ONLY *

FY2025-2026

| | | | |
|------------------------------|-------------------|---|-------------------|
| ASSESSED VALUE: | \$546,560 | | \$546,560 |
| ROLLBACK PERCENTAGE: | 47.4316% | What if you kept the rate the same? | 47.4316% |
| TOTAL TAXABLE VALUE: | \$259,242 | | \$259,242 |
| TOTAL TAXABLE VALUE /\$1000: | \$259.242 | | \$259.242 |
| PROPOSED CITY TAX RATE: | \$15.17441 | | \$13.60000 |
| CITY TAX OBLIGATION: | \$3,933.85 | 11.58% \$408.15 or \$34.01/month | \$3,525.69 |

CAN YOU SHOW ME, PLEASE?

***COMMERCIAL- CITY ONLY ***

FY2025-2026

ASSESSED VALUE:

\$230,470

\$230,470

Tier 1 Tier 2

Tier 1 Tier 2

TIER ASSESSED VALUE SPLIT: \$150,000 \$80,470

What if you kept the
rate the same?

\$150,000 \$80,470

ROLLBACK PERCENTAGE: 47.4316% 90%

47.4316% 90%

TOTAL TAXABLE VALUE: \$71,147 \$72,423

\$71,147 \$72,423

TOTAL TAXABLE VALUE /\$1000: \$71.1474 \$72.423

\$71.1474 \$72.423

PROPOSED CITY TAX RATE: \$15.17441 \$15.17441

\$13.60000 \$13.60000

CITY TAX OBLIGATION: \$2,178.60

**\$226.04 or
\$18.84/month**

\$1,952.56

11.58%

WHAT QUESTIONS DO YOU HAVE?

WE ARE HERE TO HELP

FINANCE@STORMLAKE.ORG

(712)732-8000