

**Participants wishing to speak on a topic should message the meeting moderator. All participants are asked to mute their individual computers at times when they are not speaking to minimize background noise. Join: [Zoom Meeting Link](#)*

**NOTICE OF A REGULAR MEETING
BONDURANT CITY COUNCIL
APRIL 6, 2026**

NOTICE IS HEREBY GIVEN that a Regular Meeting of the City Council will be held at 5:45 PM on April 6, 2026, in the Bondurant City Center, 200 Second Street, Northeast, Bondurant, Polk County, Iowa. Said meeting is open, and the public is encouraged to attend.

AGENDA

1. Roll Call
2. Call to Order and Declaring a Quorum
3. Abstentions declared
4. Perfecting and Approval of the Agenda
5. **Public Hearing**
 - a. Public Hearing regarding the Property Tax Levy for FY27
6. Adjournment

The Bondurant City Council maintains the right to waive the first and second readings of ordinances presented and may pass the third and final reading of the same ordinance within the same council meeting.

Any person with a disability who requires a modification or accommodation in order to participate in the meeting, or any person with limited English proficiency (LEP) who requires language assistance to communicate with the City Council during the meeting, should contact the City Clerk, (515) 967-2418 or shagan@cityofbondurant.com, no fewer than two business days prior to the meeting to enable the City of Bondurant to make reasonable arrangements to assure accessibility or language assistance for the meeting.



**BUSINESS OF THE CITY COUNCIL
BONDURANT, IOWA
AGENDA STATEMENT**

Item No. 5.a.
For Meeting of 4/6/2026
Public Hearing

TITLE: Public Hearing regarding the Property Tax Levy for FY27

CONTACT PERSON:

Jene Jess, Assistant City Administrator
Marketa Oliver, ICMA-CM, SPHR, City Administrator

BRIEF HISTORY & ANALYSIS: This item is a public hearing on the Proposed Property Tax Levy for FY27. The hearing notice was submitted through the State budget system portal as required by the Department of Management and duly published as required by law. Highlights for the City of Bondurant for the purpose of this public hearing include:

- Proposed Tax Rate: Decreasing for individual taxpayers (from \$10.83493 to \$10.82493).
- Proposed Tax Dollars: Increasing due to a strategic growth plan.
- Reason for the increase: The increase is based on the strategic growth plan for the City developed by the City's elected officials as a result of investment in economic development.
- Source of Increase: Additional property taxes from major commercial valuation increases.
- Investments: Increases in services include Public Safety (Fire/EMS) and Public Works.

The City is required to hold a separate meeting specifically for the Proposed Property Tax Levy with no other items on the agenda. This hearing is required under House File 718 passed the State Legislature in 2023. HF718, the "property tax reform" bill was passed. This bill did a number of things, including:

- Consolidated levies and created a newly-defined adjusted city general fund levy (ACGFL);
- Limited levies based on property tax valuation growth "tiers", providing a formula in State Code that determines the maximum general fund levy, driving the levy down based on the formula related to growth;
- Created a new homestead exemption for residential property owners of age 65 or more and shifted the financial impact to local government;

- Provided a military service exemption expansion and shifted the financial impact to local government;
- Revised provisions for property tax abatement agreements and added further limitations on residential abatement, removing the school levy from abatement;
- Required County Auditors to create reports to distinguish revaluation and other additions to the tax base;
- Required "truth in taxation" statements to be mailed to each property owner;
- Changed budget timelines, forms, hearings, and processes;
- Dictated bond election dates, requiring a single date annually for bond elections; and
- Set new limitations for general corporate purpose bonding.

The impact of this bill is far-reaching. Aside from removing decision-making authority from local elected officials, it has a dramatic impact on local government finances, especially for small communities that are growing quickly, such as Bondurant. The City has absorbed these reductions by delaying planned expansion of law enforcement and revising long-term staffing plans. However, the continued erosion of local resources and local control is extremely concerning.

Additionally, State legislators recently introduced three, separate bills related to property taxes. Provisions in these bills include:

- Two of the bills implement a 2% hard cap revenue restriction (exempting new valuation) - not only on the general fund but also on liability insurance and employee benefits;
- Limit the amount of school levy subject to Tax Increment Financing, thereby reducing the effectiveness of TIF and the City's ability to pursue economic development;
- Increase the veteran/military property tax exemption from \$5,000 to \$7,000;
- Two of the bills have various forms of senior exemptions which shifts taxes onto other taxpayers;
- Enables voter to approve a 1/2 percent Local Option Sales and Services tax for property tax relief.

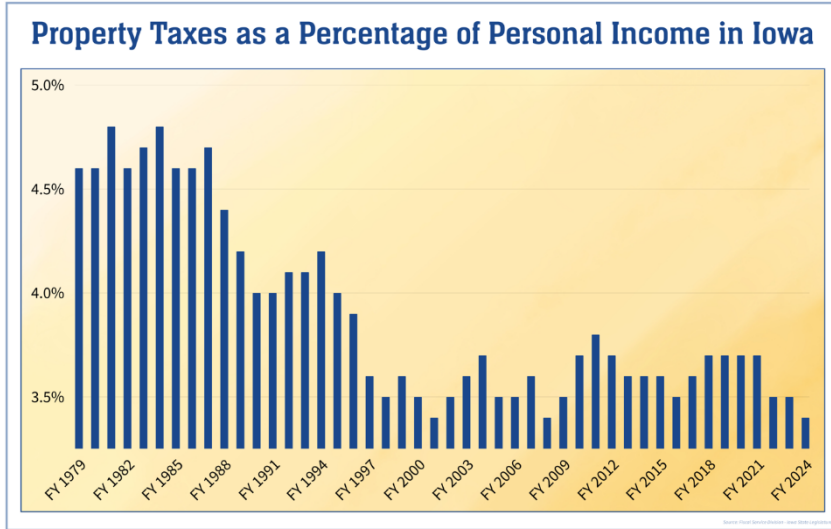
The definition is not clear on how Tax Increment Finance (TIF) is treated in relation to the 2% cap.

- Need to verify how property tax abatement and TIF property valuation at expiration is handled.

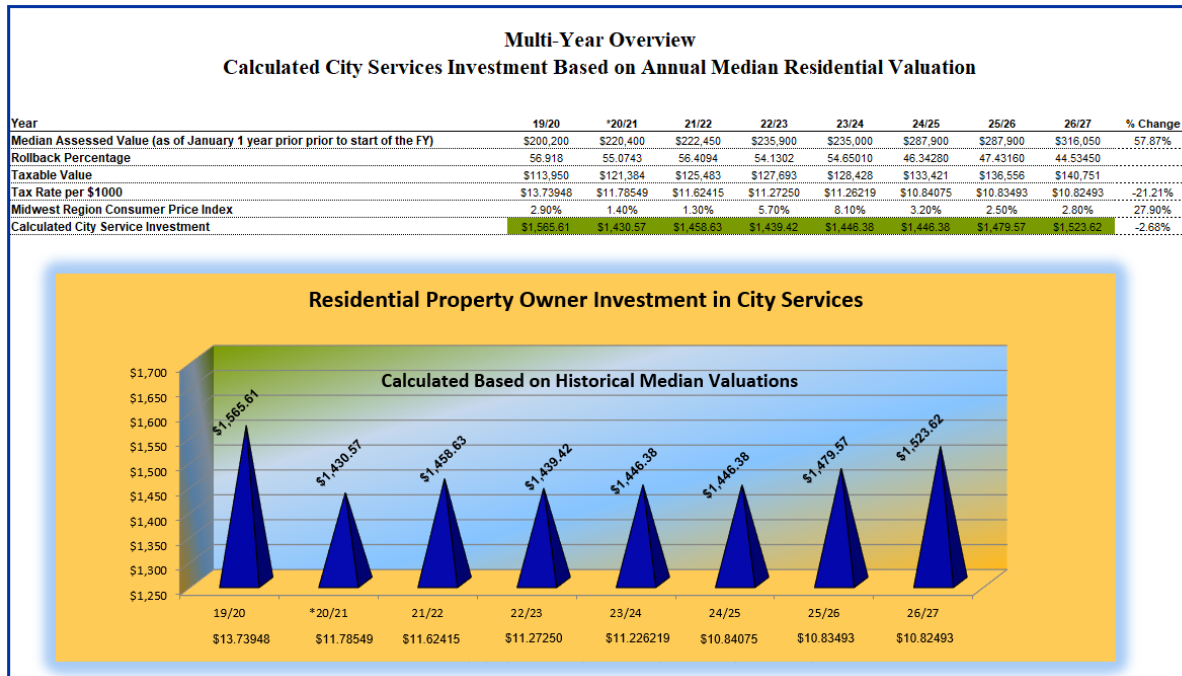
The effects of this bill may be less of a property tax reduction and more of a property tax shift to small business and residential properties; however, additional analysis is underway.

State legislators have been deliberate about allowing more time for city feedback on the impact of these bills, which is greatly appreciated.

Below is a chart with information from the Iowa State Legislature's Fiscal Services Bureau showing property taxes as a percentage of personal income. They are at an all-time low.



Below is a graph showing a multi-year overview of calculated city services investment base on annual median residential valuation (source of median valuation number is Polk County Assessor).



Below is the published notification.

CITY NAME: NOTICE OF PUBLIC HEARING - CITY OF BONDURANT - PROPOSED PROPERTY TAX LEVY
BONDURANT Fiscal Year July 1, 2026 - June 30, 2027 **CITY #: 77-715**

The City Council will conduct a public hearing on the proposed Fiscal Year City property tax levy as follows:
Meeting Date: 4/6/2026 Meeting Time: 05:45 PM Meeting Location: 200 2nd St NE, Bondurant Ia 50035
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.cityofbondurant.com/>

City Telephone Number
 (515) 967-2418

Iowa Department of Management	Current Year Certified Property Tax 2025 - 2026	Budget Year Effective Property Tax 2026 - 2027	Budget Year Proposed Property Tax 2026 - 2027
Taxable Valuations for Non-Debt Service	515,041,746	530,426,580	530,426,580
Consolidated General Fund	4,114,864	4,114,864	4,296,455
Operation & Maintenance of Public Transit	0	0	0
Aviation Authority	0	0	0
Liability, Property & Self Insurance	89,200	89,200	184,387
Support of Local Emergency Mgmt. Comm.	4,666	4,666	4,031
Unified Law Enforcement	0	0	0
Police & Fire Retirement	0	0	0
FICA & IPERS (If at General Fund Limit)	240,149	240,149	91,621
Other Employee Benefits	0	0	0
Capital Projects (Capital Improv. Reserve)	0	0	0
Taxable Value for Debt Service	671,490,172	779,216,990	779,216,990
Debt Service	1,475,284	1,475,284	1,711,924
CITY REGULAR TOTAL PROPERTY TAX	5,924,163	5,924,163	6,288,418
CITY REGULAR TAX RATE	10.83493	10.28065	10.82493
Taxable Value for City Ag Land	5,465,018	5,529,096	5,529,096
Ag Land	16,416	16,416	16,608
CITY AG LAND TAX RATE	3.00375	2.96902	3.00375
Tax Rate Comparison-Current VS. Proposed			
Residential property with an Actual/Assessed Valuation of \$100,000/\$110,000	Current Year Certified 2025/2026	Budget Year Proposed 2026/2027	Percent Change
City Regular Residential	514	530	3.11
Commercial property with an Actual/Assessed Valuation of \$300,000/\$330,000	Current Year Certified 2025/2026	Budget Year Proposed 2026/2027	Percent Change
City Regular Commercial	2,234	2,477	10.88

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:

The tax rate is dropping a penny. Revenue is increasing due to major economic development projects coming onto the tax rolls, creating new valuations. Cost drivers include rising liability insurance, a 2.91% health benefit increase, and strategic staffing additions.

FUNDING SOURCE: This is related to the revenue the City would collect under the proposed levy rate.

STAFF RECOMMENDATION: Hold public hearing.

APPROVED FOR SUBMITTAL:

ATTACHMENTS:

1. FY27 Max Levy

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