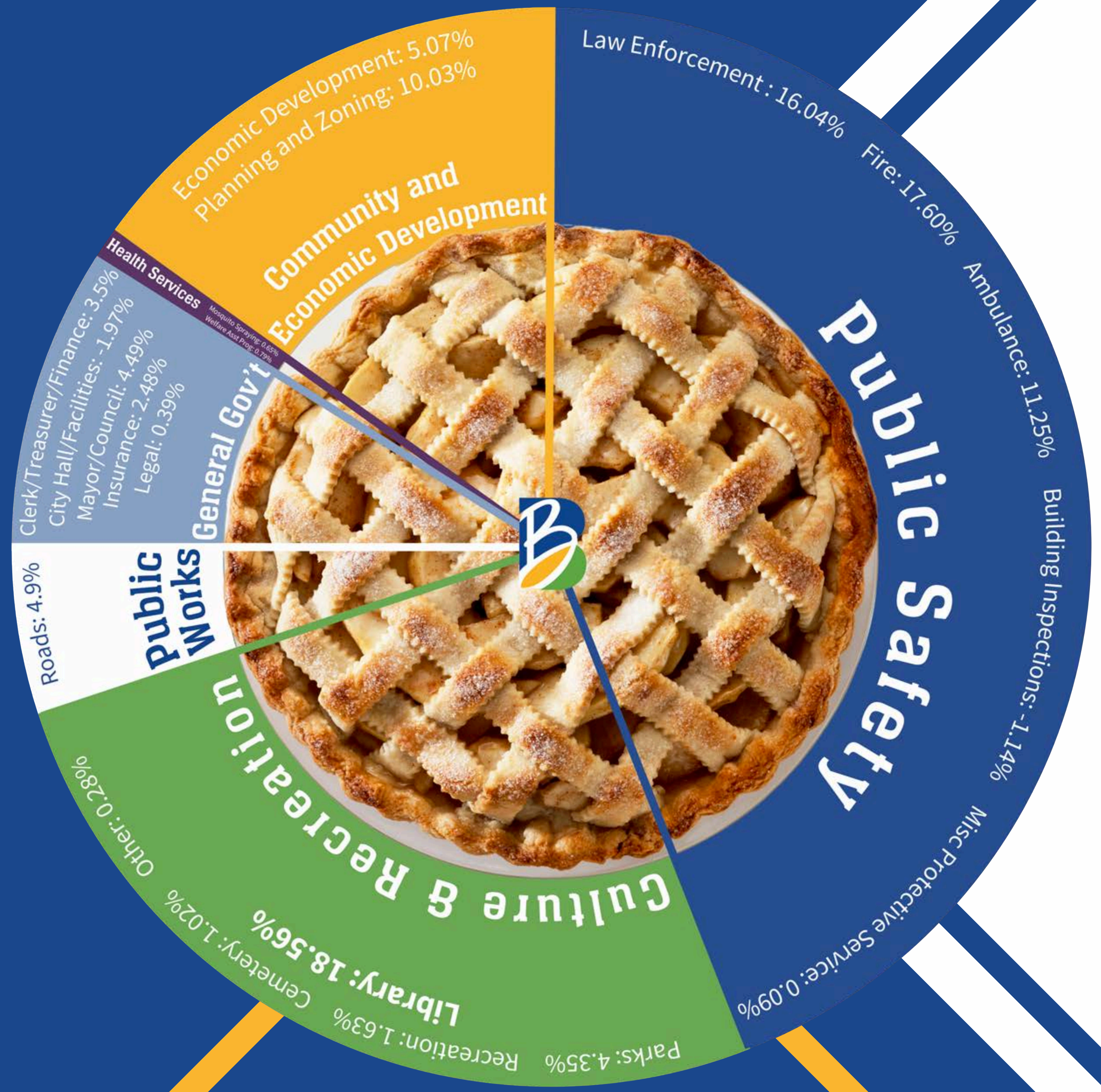
SEPTEMBER 18, 2025

PROPERTY TAXES

THE PROPERTY TAX PIE GAME: HOW STATE LEGISLATION IS RESHAPING YOUR SLICE

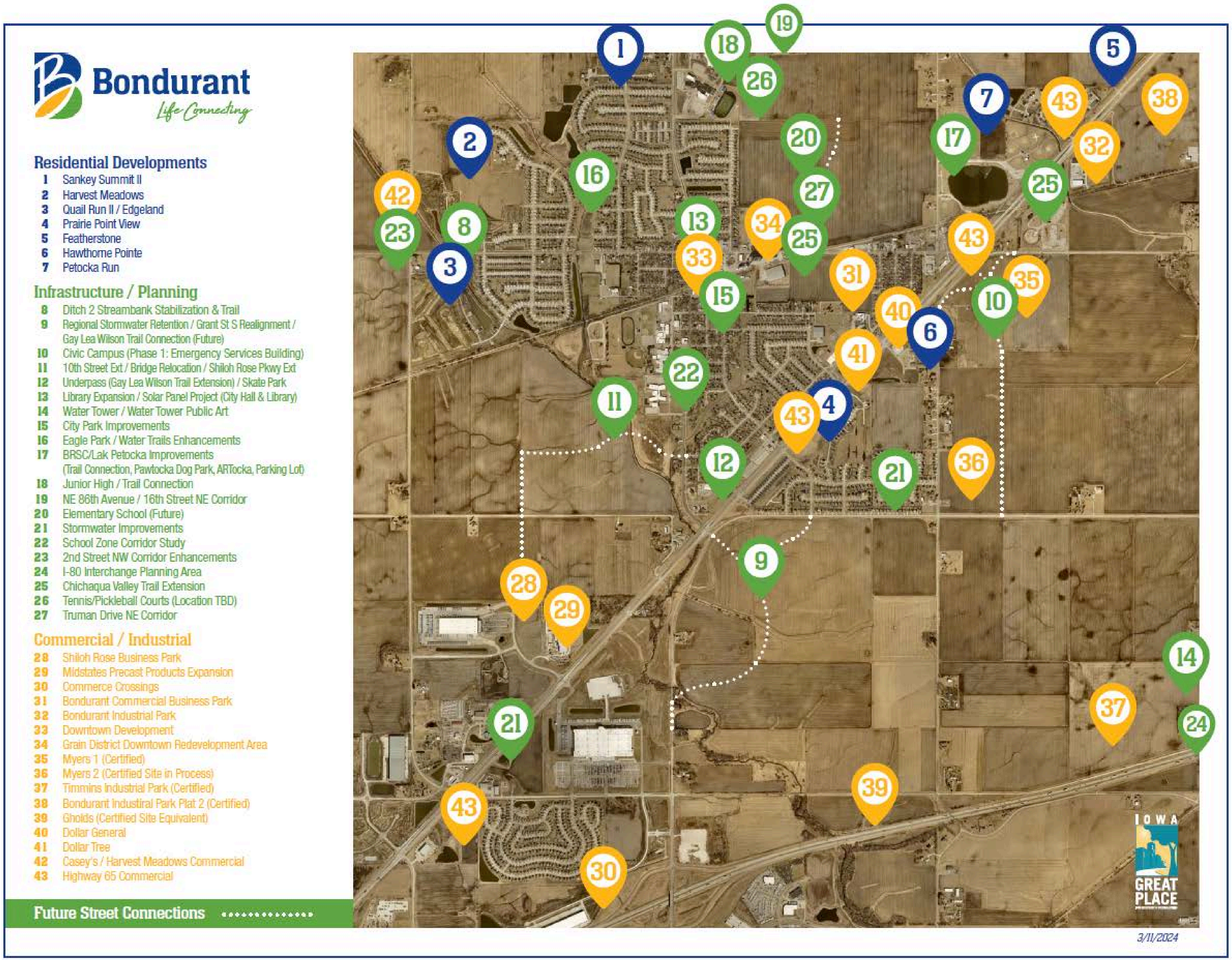


MARKETA OLIVER, ICMA-CM, SPHR
CITY ADMINISTRATOR

IOWA GREAT PLACE
IOWA DEPARTMENT OF CULTURAL AFFAIRS

Updated Demographics

- *Estimated 2025 Special Census Population: 9,393*
- *Median Age: 31.8*
- *Median Household Income: $120,588*
- *Median Valuation: $287,900*
- *Bondurant-Farrar High School Graduation Rate: 96.7% (State of Iowa is 89.3%)*
- *Bachelor's Degree or Higher: 51.3% (State of Iowa 30.3%)*



RECENT ACCOMPLISHMENTS

2024 Development Conference

Eagle Park Phase 1 - Phase 2 in 2025

General

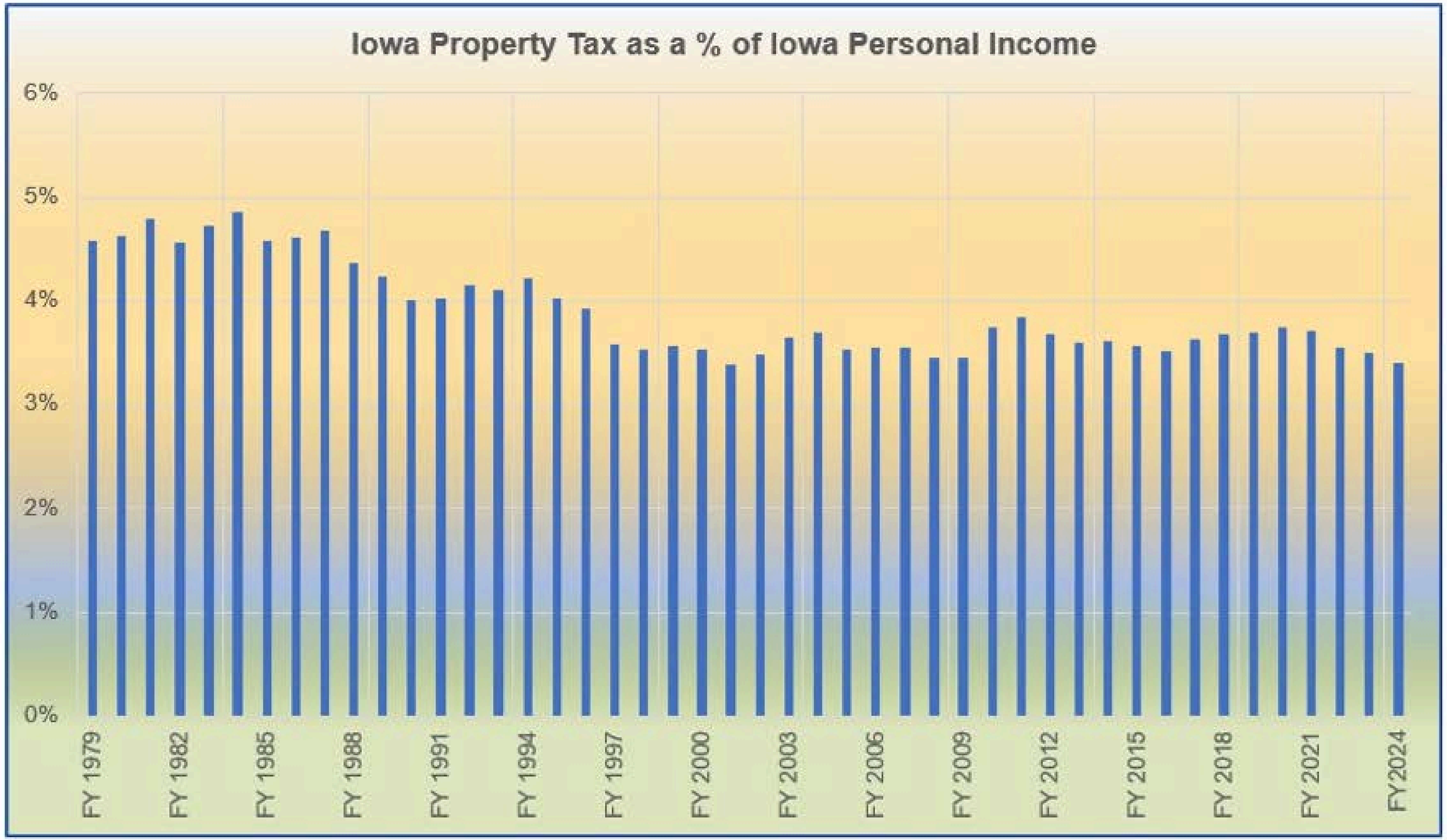
- Lowered property tax rate for the 18th year in a row
- Reached a billion dollar valuation level
- Finalized Grain District Master Plan & ACW Plan
- Completed 22 Projects in partnership with Iowa Initiative for Sustainable Communities
- During the last fiscal year and to date in the current fiscal year, secured a total of $10,466,993 in outside funding

Parks and Quality of Life

- Established the Rec-n-Roll Trailer program (THANK YOU Chamber, Amazon, Prairie Meadows, and Polk County)
- Completed new playground at City Park
- Constructed Park Side Trail connection
- Completed Parks, Trails, & Greenways Master Plan
- Completed Art, Culture, and Wayfinding Master Plan
- Dedicated Mural on south side of BES Facility
- Launched planning for Parks & Recreation/Civic Facility - The Station
- Constructing The Dining Room
- Hired new Communications & Events Coordinator

STATEWIDE HISTORICAL PT

Property Tax as a percentage of personal income is at an all-time low.



Source: Fiscal Service Division - State Legislature

TIMING

LOCAL

Which Des Moines metro areas saw property assessments jump most? These maps will show you:

Tim Webber
Des Moines Register

April 27, 2023 | Updated May 1, 2023, 3:30 p.m. CT

Key Points

- Townships see bigger jumps than cities
- Neighborhoods near Raccoon River receive some o
- Hikes of more than 40% north of downtown

Thousands of Polk County homeowner shock when they opened their property massive increases in home valuations t significantly more in taxes.

That's not guaranteed — homeowners l file a protest with the county. Property assessments won't be due until next yea

LOCAL

Huge property tax reassessments — some increasing by $100K or more — are hitting Iowa homeowners

Some homeowners are seeing a more than $100,000 increase in their 2023 property tax assessments

Lee Rood
Des Moines Register

April 5, 2023 | Updated April 6, 2023, 10:51 a.m. CT

LOCAL

Ames assessor staff can't keep up with influx of appeals

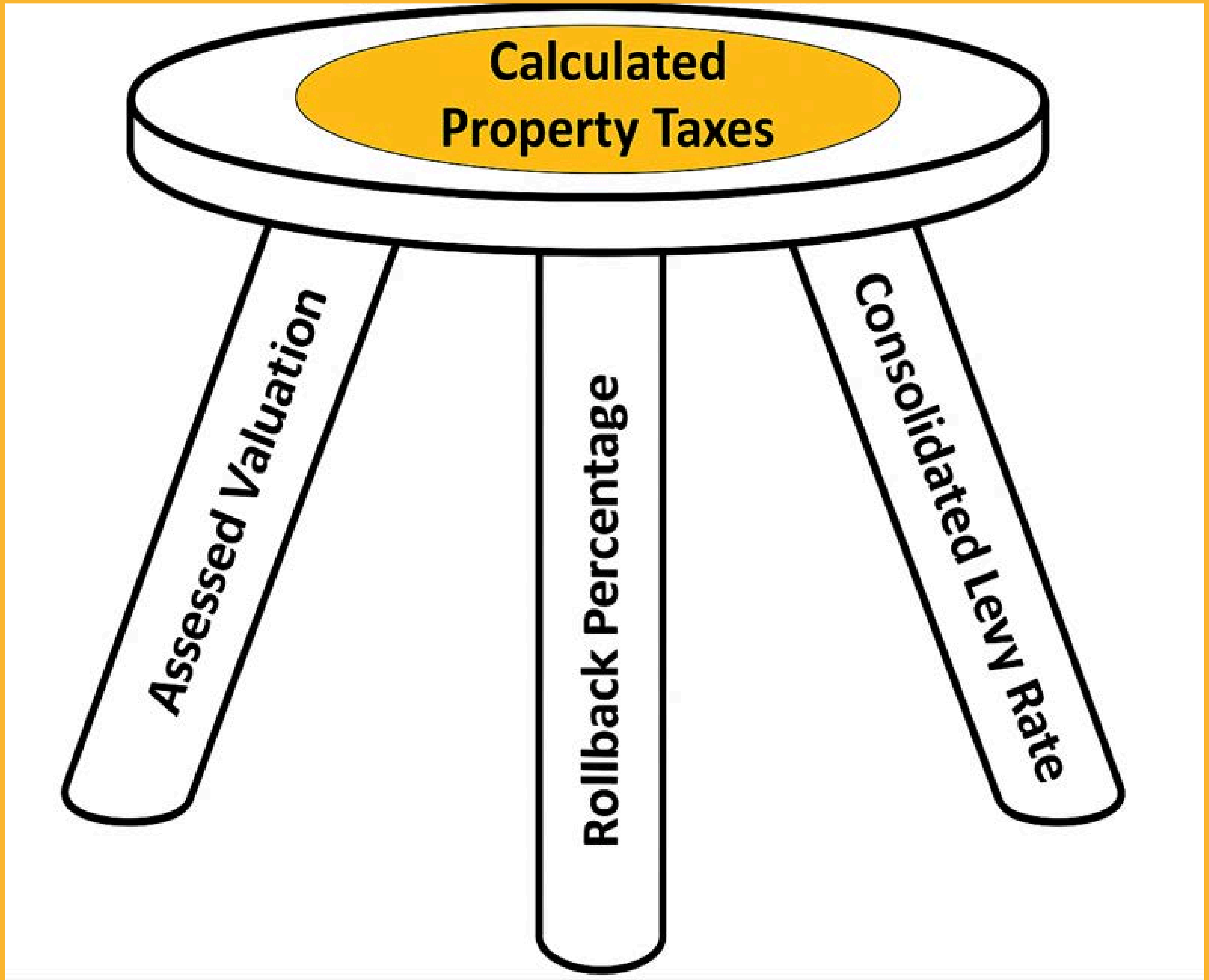
Teresa Kay Albertson
Ames Tribune

May 5, 2023, 2:31 p.m. CT

's note: This is the first of a series over the next two months dealing roperty taxes, including investigations into why Ames property suddenly jumped so much this year. How is the Iowa Legislature ng property taxes? Why do property taxes increase even when counties and school districts lower their levies? Where do my rty taxes go?

Ames Assessor Shari Plagge doesn't yet know the total number of ty owners who appealed their 2023 assessed values, but she does out of the more than 20,000 parcels of land in town, how many review.

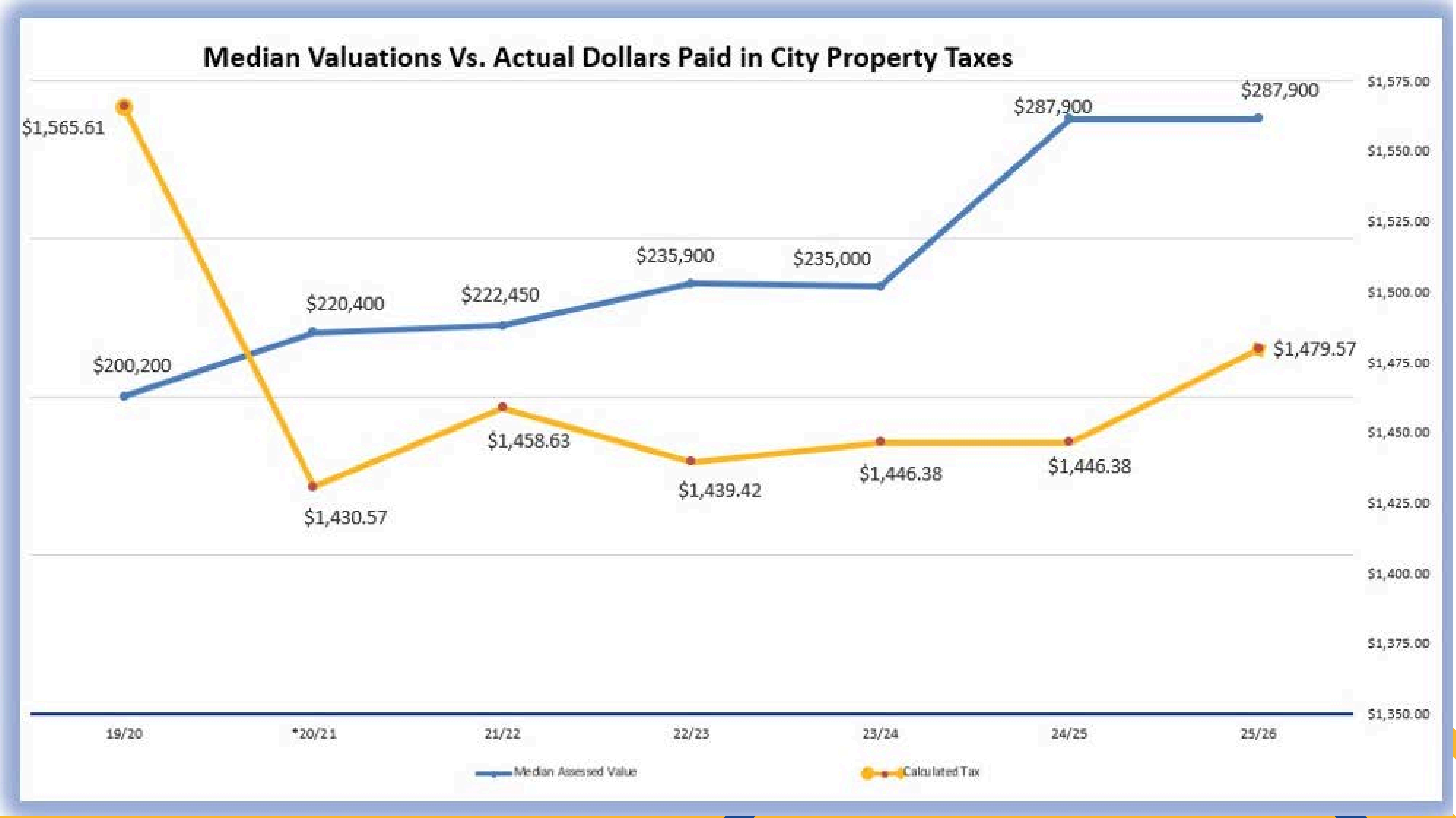
ASSESSMENTS VS TAXES



Property Tax investment is calculated based on assessed valuation times the rollback percentage creating the *taxable* valuation, to which the consolidated levy rate is applied.

BONDU HISTORICAL OVERVIEW

While the median property's valuation has grown more than 43%, individual property owners' City tax investment (in dollars) has been reduced by 5.50%. At the same time, the Midwest CPI has increased by 22.32%



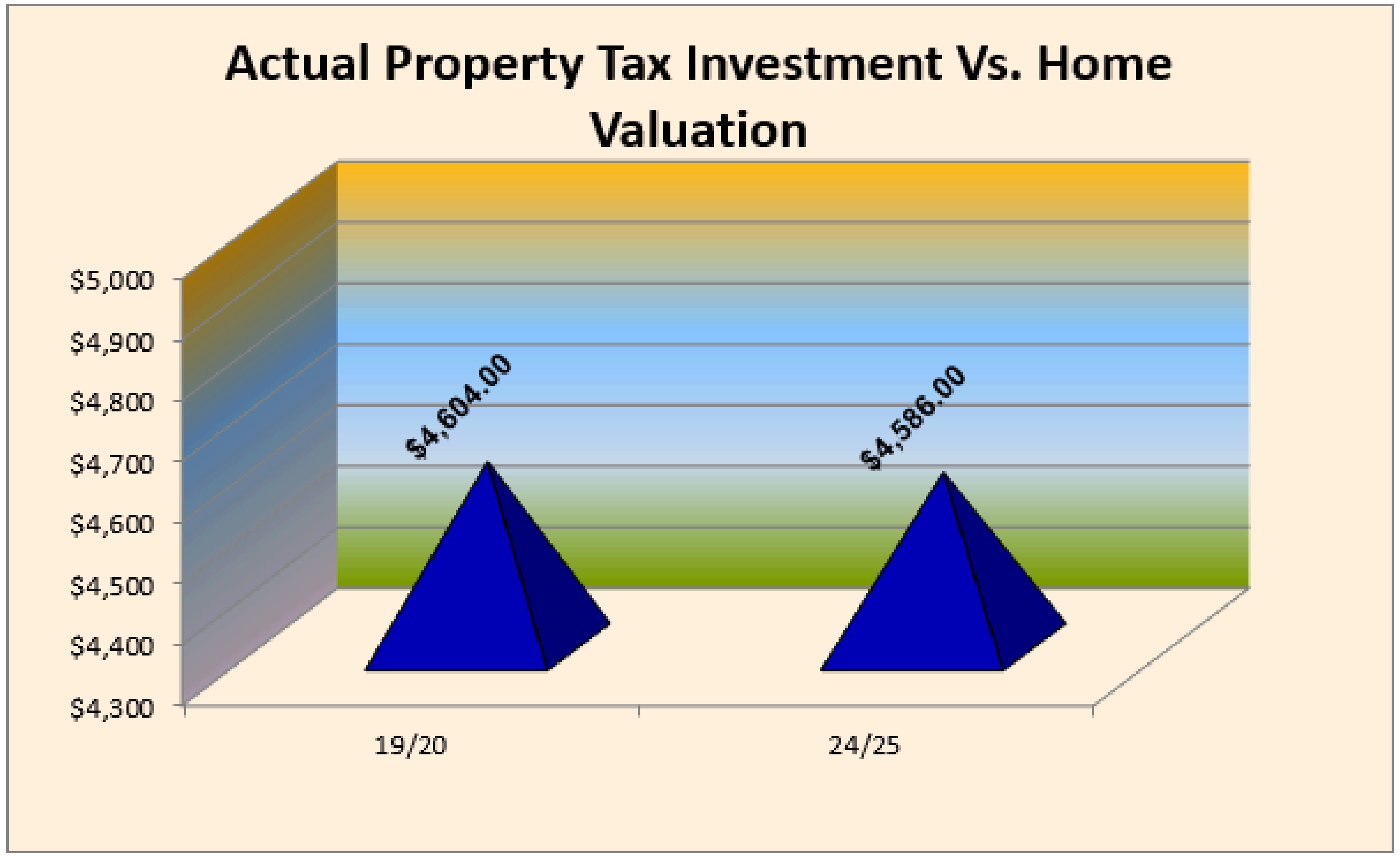
HISTORICAL OVERVIEW

Property Tax investment paid to all taxing entities has decreased from five years ago...even with the voter-approved school bond in FY22 and CPI increase.

City of Bondurant
Actual Property Tax Investment to All Taxing Entities Vs. Home Valuation

5-year span

Fiscal Year	19/20	24/25	% Change
Assessed Value (as of January 1 year prior to start of the FY)	$190,800	$266,400	39.62%
Valuation Percentage Increase/Decrease		39.62%	
Actual Property Taxes Paid	$4,604.00	$4,586.00	-0.39%
Actual Taxes Paid Percentage Increase/Decrease		-0.39%	



Payments include a voter-approved $23 million school bond in FY22; but the levy rate remained steady because development efforts had produced greater valuation.

Over the same period, Midwest CPI rose 22.32%.

Bondurant Example (707 Brick Street SE)

LEGISLATIVE CONCERNS

2023 HF718

- Removed significant local authority
- penalized growth by enshrining a formula in State Code that ratcheted down the general fund levy rate if a City grows more than 2%
- Eliminated multiple levies (including voter-approved levies)

GROWING IMPACT

2013 “Reform”

Backfill elimination

Business Property Tax Credit Shift

Rollback Reduction

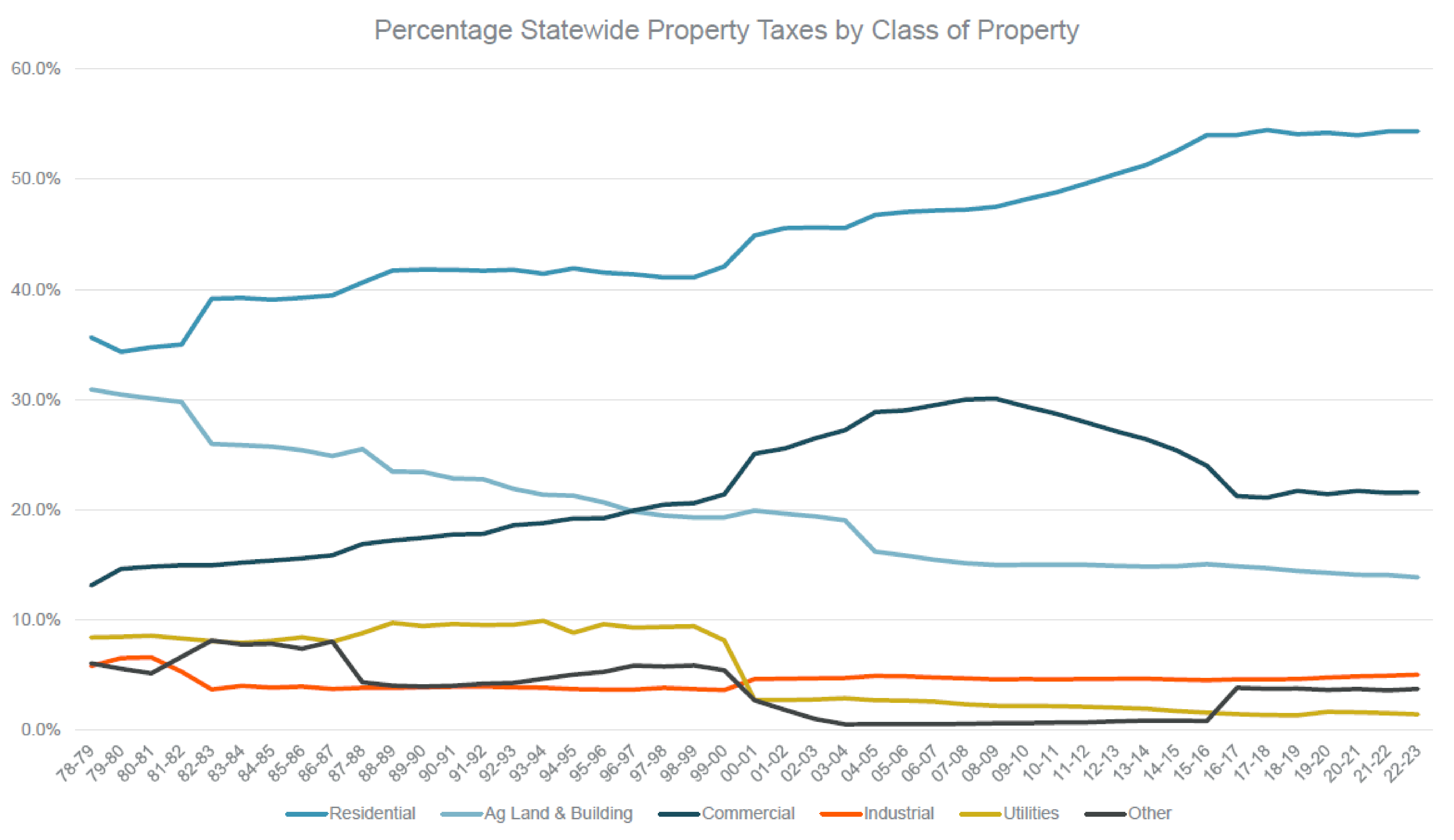
Expansion and shift of Senior & Military Exemptions

Daycare Shift

GROWING IMPACT

Class of Property Discussion

~What has been the historical trend of taxes paid by class of property on percentage basis?



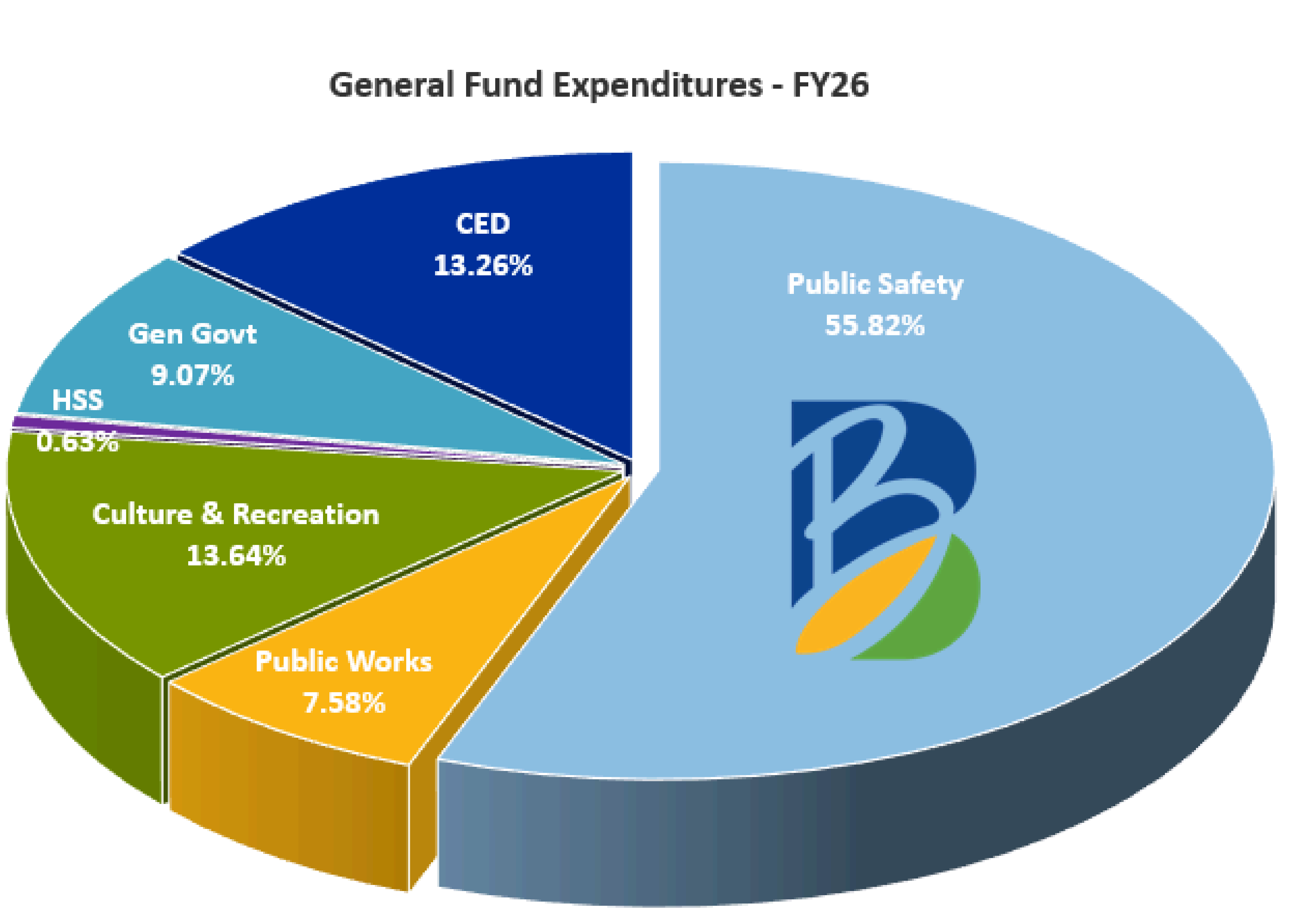
GROWING IMPACT

City of Bondurant Cumulative Impact of Recent State Legislative Actions FY26	General Fund	Full Budgetary Impact	Notes		
Backfill elimination	$81,990	$113,998	Never fully funded and final phase out in FY26		
Business Property Tax Credit (gap in reimbursement versus impact)	$61,063	$55,758	This loss of funding is the gap in the reimbursement the State is planning to provide ($47,562) versus the full impact, which is estimated at $103,320.		
SF181 (adopted and signed into law) reducing the rollback and devaluing property	$89,078	$112,000			
HF718 (Property Tax Collection Limitation)	$460,000	$460,000	This number grows each year as mandatory levy rate reductions are triggered.		
Expansion and shift of Senior & Military Exemptions	$15,652	$20,576	Exempt taxable value as of 01.01.2022:	$	331,971.00
			Exempt taxable value as of 01.01.2023:	$	1,476,350.00
Daycare moving to residential rollback	$21,225	$30,054			
Impact	**$707,783**	**$762,332**			

% of General Fund taxes lost or at risk due to recent legislation **16.53%**

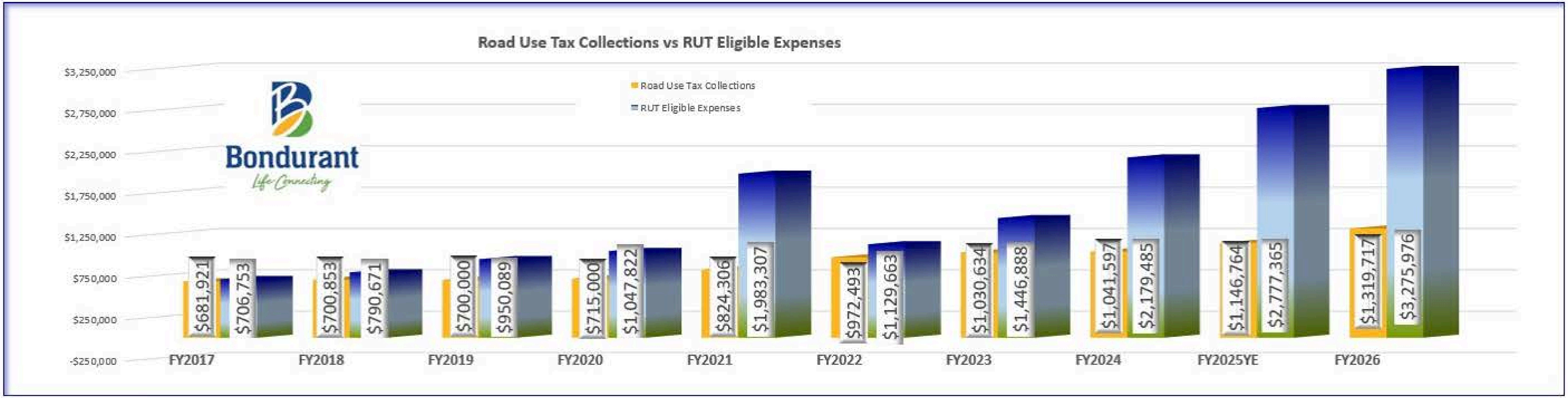
Please note this does not include the conversion of multi-residential properties from a commercial to a residential rollback.
There was never any backfill for the loss of that revenue.

GENERAL FUND



Supported by property taxes

ROAD USE TAX FUND



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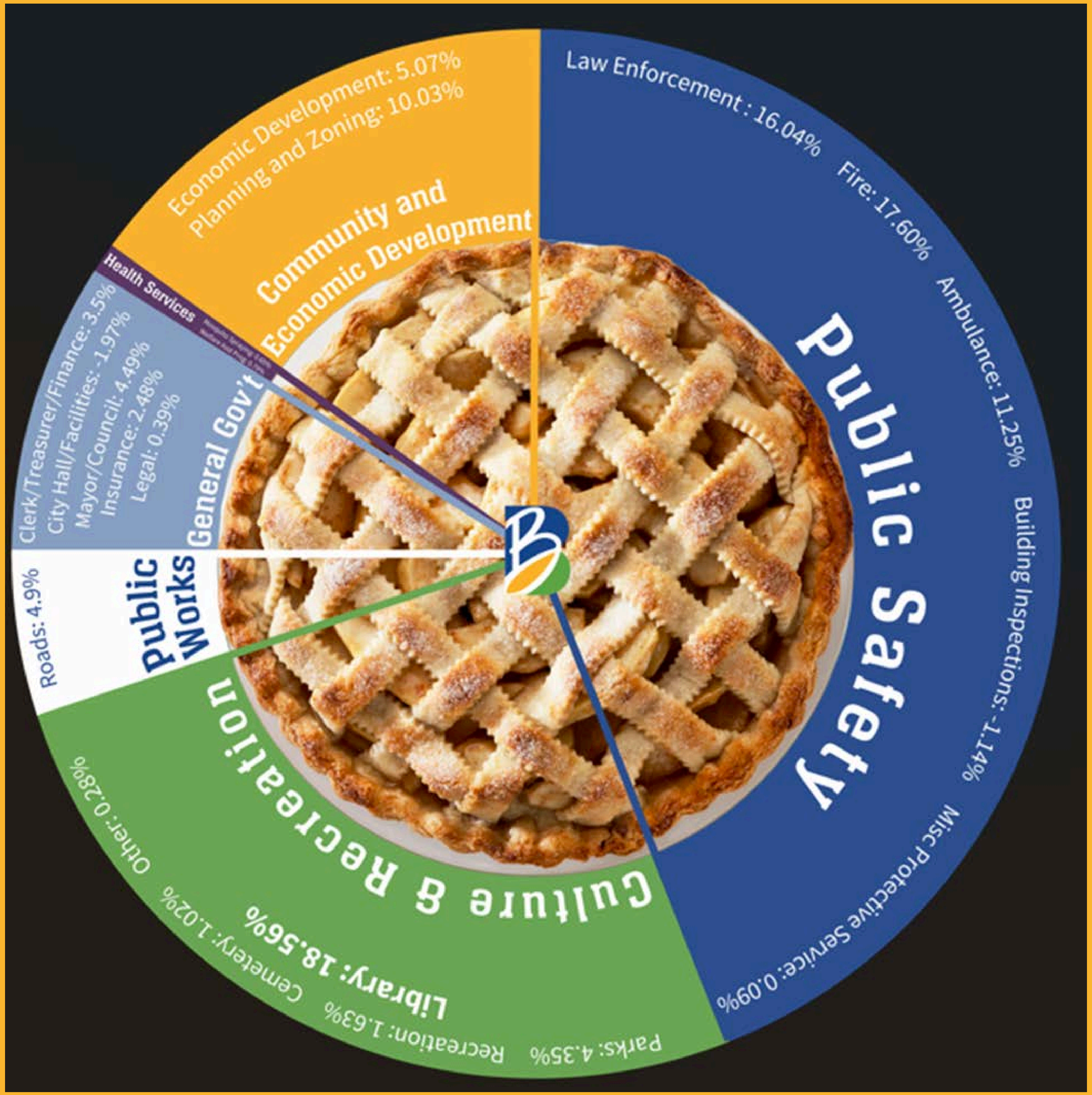
RUT-eligible expenses continue to outpace revenues

GAMIFYING THE MESSAGE



Property Tax Support

Public Safety (44%)

Public Works (5%)

Health & Social Services (1%)

Library, Parks, Cemetery (26%)

Community & Economic Development (15%)

General Government (9%)

GAMIFYING THE MESSAGE

$1,000 fully funded

Start Reducing!

Must take 16% ($160) off the Board

Draw a consequence card when money is taken

ENGAGEMENT

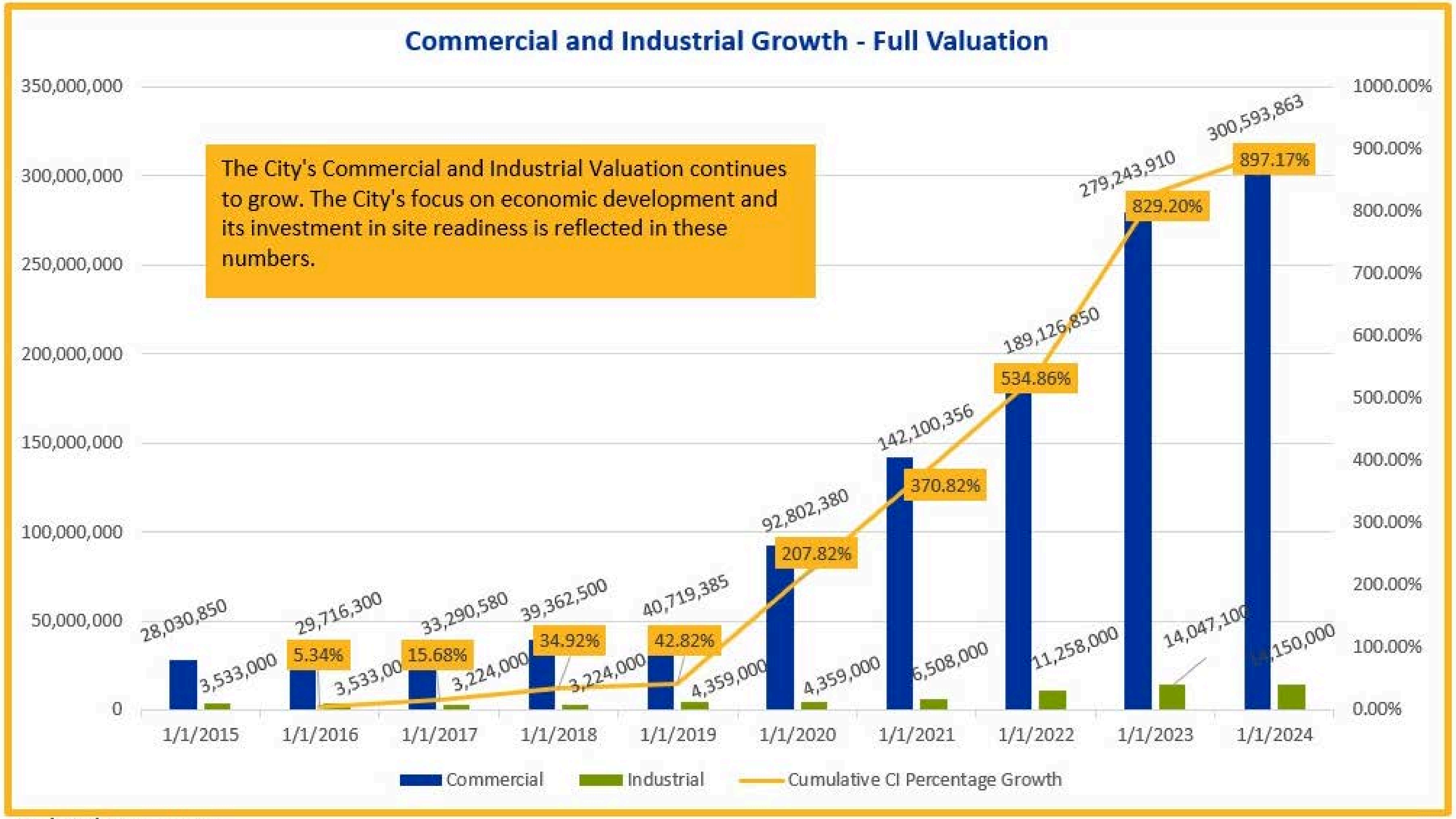
Message Reach

Pi Day Event 150+

Chamber Event 30+

Developers Event 40+

GROWING IMPACT



Updated 01.22.2025

COUNCIL'S VISION AND EFFECTIVE ECONOMIC DEVELOPMENT STRATEGIES

LEGISLATIVE CONCERNS

SSB1208 & HSB313 Property Tax System Overhaul

- Phases out the rollback over 5-year period
- Implements 2% revenue restriction - disproportionately affecting smaller communities
- New valuation/growth as defined in bill is excluded from revenue restriction
- Certain uncapped levies such as insurance and employee benefits excluded
- Strikes provisions allowing appropriations from County’s general fund for local emergency management expenses

LEGISLATIVE CONCERNS

Other Legislative proposals

- Eliminated franchise fee abilities moving forward
- Prohibited cities from requiring Fire Sprinkler systems in certain developments
- Prohibited cities from requiring commercial architectural standards
- Removes funding from Libraries that are part of the American Library Association
- Prohibits any position paid (directly or indirectly) with public funds from lobbying - specifically calling out the Iowa League of Cities
- Prohibits cities from establishing landscape design standards in commercial areas
- Puts a moratorium on Economic Development funding in Iowa’s largest counties
- Requires cities to allow Accessory Dwelling Units
- Requires public employers to include cancer screening benefits for eligible first responders
- Proposals that would render TIF useless

TIF: AN EXAMPLE

		FY26 Property Tax Distribution (during - if 100% of TIF Claimed)			Property Tax Distribution (after)	
	Base (pre-TIF)	TIF	Base + Exempted levies	Total		Total
City	$1,402.38	$4,031,382.38	$383,281.24	$4,414,663.63	City	$1,890,948.03
School	$2,201.54		$1,802,023.51	$1,802,023.51	School	$2,968,530.09
County	$868.35		$381,734.31	$381,734.31	County	$1,170,870.02
Other	$528.40		$144,416.42	$144,416.42	Other	$712,489.74
	$5,000.66			$6,742,837.87		$6,742,837.87

These calculations represent what entities would receive based on a recent project IF the City used 100% of the increment. Less than 13.3% of the City's valuation is used for TIF.

Prior to redevelopment, the property paid approximately $5,000.66 in property taxes to all taxing entities.

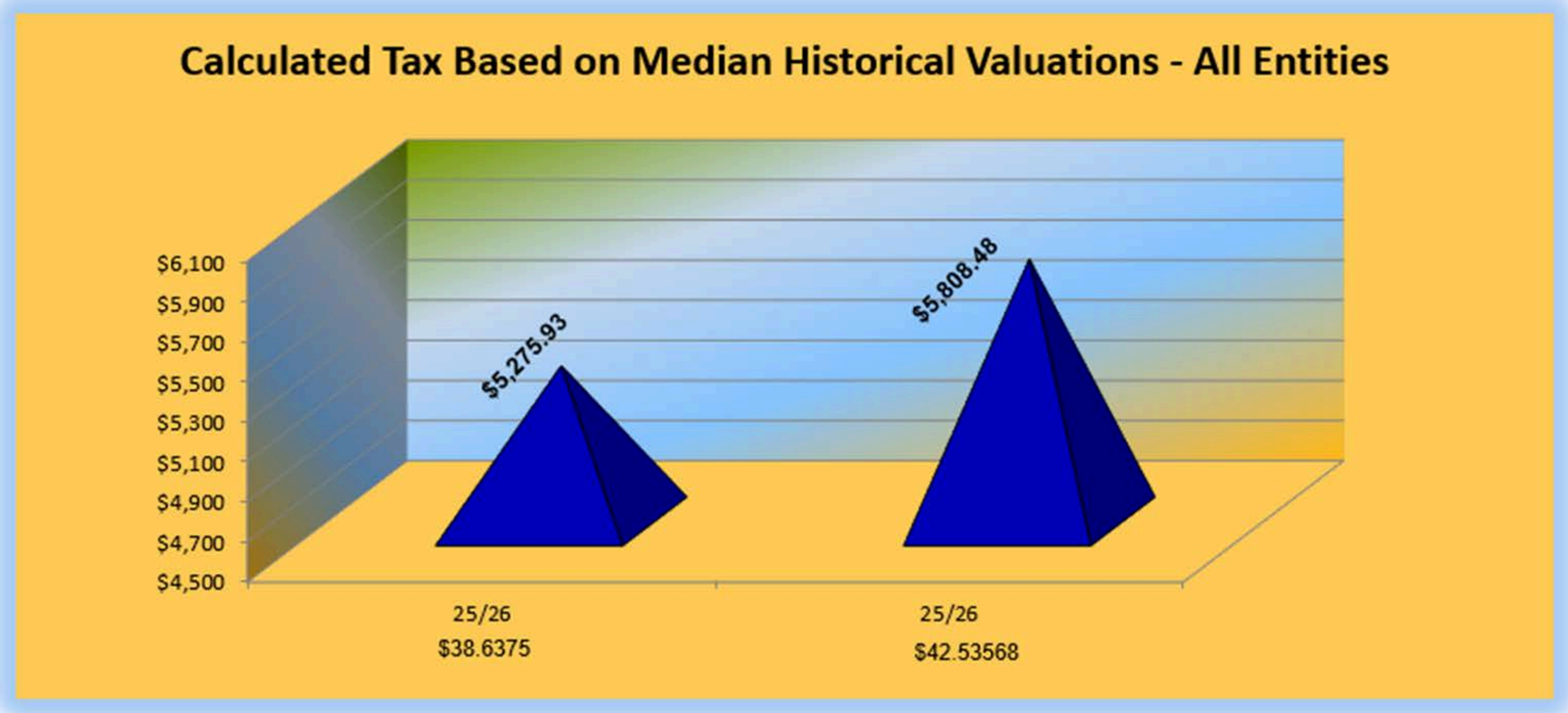
It is estimated that the State of Iowa collects more than $6.9 million annually from the people who work at this location.

TIF: RESIDENTIAL IMPACT

Calculated Tax Based on Median Valuations

Year	with TIF 25/26	w/o TIF 25/26	Difference
Median Assessed Value (as of January 1 year prior prior to start of the FY)	$287,900	$287,900	
Rollback Percentage	47.43160	47.43160	
Taxable Value	$136,556	$136,556	
Tax Rate per $1000	$38.63574	$42.53568	
Calculated Tax	$5,275.93	$5,808.48	$532.56

*Does not include any homestead, elderly, disabled, or veteran exemptions.



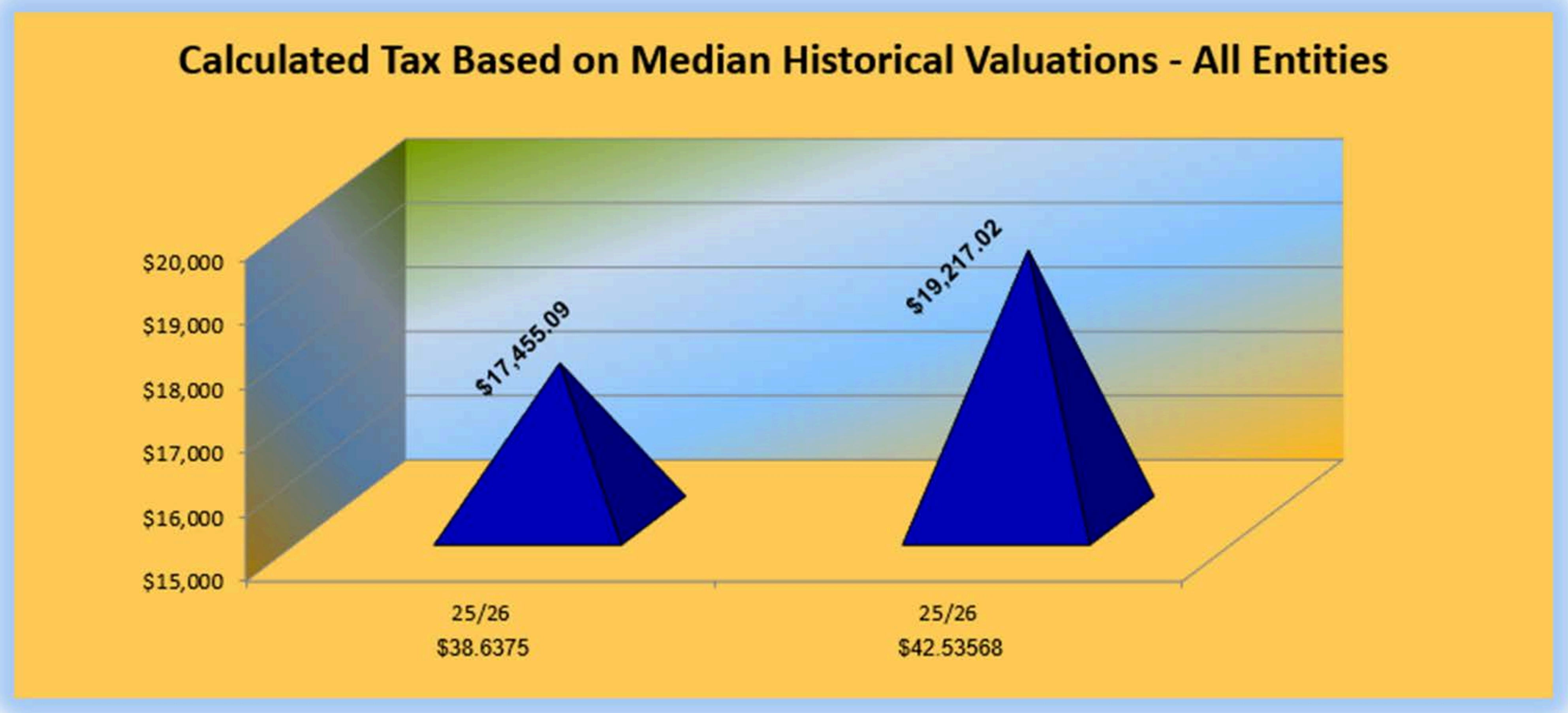
Updated median assessed values provided by Polk County on 12/15/2023

TIF: COMMERCIAL IMPACT

Calculated Tax Based on Median Valuations

Year	with TIF 25/26	w/o TIF 25/26	Difference
Median Assessed Value (as of January 1 year prior prior to start of the FY)	$952,500	$952,500	
Rollback Percentage	47.43160	47.43160	
Taxable Value	$451,786	$451,786	
Tax Rate per $1000	$38.63574	$42.53568	
Calculated Tax	$17,455.09	$19,217.02	$1,761.94

*Does not include any homestead, elderly, disabled, or veteran exemptions.



Updated median assessed values provided by Polk County on 07.16.2025

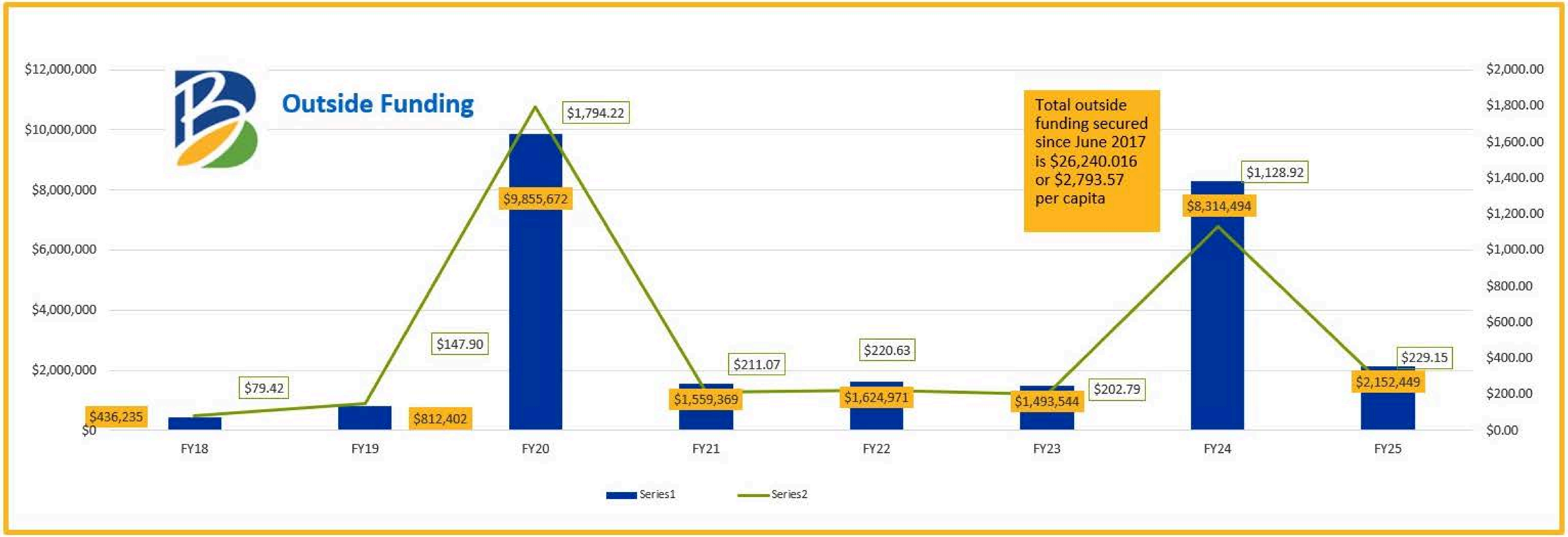
LEGISLATIVE CONCERNS: BEFORE

Department	FY25	FY26	FY27	FY28	FY29	FY30
Library	Replace Director due to retirement	Transition Adult Librarian to FT Librarian - PT	Librarian - PT	Librarian - PT	Librarian - PT	Librarian - PT
Parks & Rec			Transition Event & Communication Coordinator to Parks & Rec Director Events & Communication - FT			
Administration		Transition Finance & ES Director to ACA	Transition Administrative Services Director to Finance Director ES Specialist - PT			
Planning & Community Development				Building Official - FT		
Public Works	PW Ops Specialist - FT	PW Ops Specialist - FT Parks Laborer - FT Replace Water Coordinator due to retirement PW Adm Specialist – FT (Subject to Utility Rates)	PW Ops Specialist - FT	PW Ops Specialist - FT	PW Ops Specialist - FT	PW Ops Specialist - FT
Bondurant Emergency Services	2 Fire/Medic - FT	4 Captain Fire/Medic - FT	2 Fire/Medic - FT	2 Fire/Medic - FT		

LEGISLATIVE CONCERNS: AFTER

Department	FY25	FY26	FY27	FY28	FY29	FY30
Library	Replace Director due to retirement		Transition Adult Librarian to FT			
Parks & Rec			Transition Event & Communication Coordinator to Parks & Rec Director Events & Communication - FT			
Administration		Transition Finance & ES Director to ACA	Transition Administrative Services Director to Finance Director ES Specialist - PT			
Planning & Community Development						
Public Works	PW Ops Specialist - FT	Parks Laborer - FT Replace Water Coordinator due to retirement	PW Adm Specialist – FT (Subject to Utility Rates)	PW Ops Specialist - FT		
Bondurant Emergency Services	2 Fire/Medic - FT	4 Captain Fire/Medic - FT	2 Fire/Medic - FT	2 Fire/Medic - FT		

OUTSIDE FUNDING



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CITY STAFF CONTINUE TO SEEK OUTSIDE FUNDING TO SUPPORT PROJECTS AND PROGRAMS

KEY MESSAGES

REVENUE DIVERSIFICATION

EFFICIENCY

City are generally most efficient level of government

UNFUNDED MANDATES

Publications; 411

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Bondurant
Life Connecting