



**Important Update for property owners: If you received a tax statement from Dubuque County, you might have noticed some examples showing a big jump in property taxes. Don't be alarmed. It's not accurate.**

**☹️ The examples assume a 13.27% increase in assessed value, but this is NOT a reassessment year. Most properties won't have a change in assessed value unless they were improved. This means the tax increase shown does not reflect reality.**

**☑️ This statement is required by the State of Iowa and mailed by the local county auditor's office as an effort to increase awareness of property tax levy hearings.**



***Rising Home Values, Not Higher Taxes***

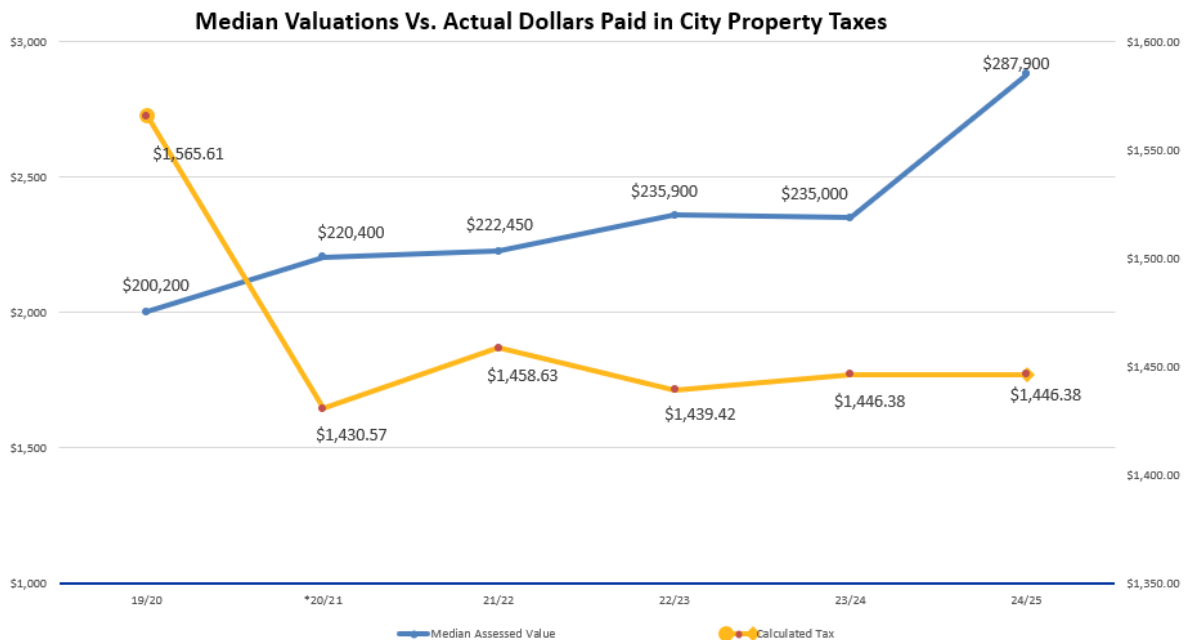
Rising Home Values bring Peosta Property Owners More Equity Not Higher Property Taxes due to Peosta’s Fiscal Responsibility.

As Peosta property owners receive their biennial property assessment notices, many are noticing a double digit increase in assessed values, with the median home valuation potentially rising from \$349,000 to \$379,100. In 2023, homeowners experienced an even greater average increase (24.86%) with the median home valuation growing from \$279,500 to \$349,000. Upon receiving the notice, many homeowners were concerned about the impact this would have on their property taxes and many homeowners also confuse an increase in assessment with a direct increase in property taxes.

### **City Property Taxes Remain Stable: A History of Fiscal Responsibility**

The City of Peosta has consistently worked to maintain and try to reduce the tax levy rate over time, ensuring that residents are not burdened by rising property assessments.

The chart below illustrates how median home values have risen in recent years, yet actual **CITY** property taxes have remained steady—a direct result of smart budgeting and efficient operations.



### **Key Takeaways from the Chart:**

City property taxes have remained proportionately stable even in the wake of rising home values, strengthening residents’ equity in their homes.

The City has consistently maintained a low increase in the tax levy rate, offsetting the effects of higher assessments.

Peosta prioritizes efficiency and long-term fiscal health, keeping taxes affordable without cutting essential services.

Strong financial management ensures that Peosta remains a great place to live and invest in a home.

### ***How the City of Peosta Keeps Property Owner's Community Investments Low While Providing Quality Services***

Unlike other portions of your total property tax bill (such as county, school district, or state taxes), the City of Peosta directly controls only the **CITY** portion of your tax rate.

Here's how Peosta has strategically managed tax rates to protect residents from unexpected increases:

#### ***1. Smart Budgeting & Cost Controls***

The City Council carefully evaluates budgets each year to ensure tax dollars are used efficiently.

The City consistently works to maximize operational efficiencies, meaning the City has been able to do more work without adding staff, which is the main driver of the City's budget.

#### ***2. Maintain the Tax Levy Rate***

The City tax levy per \$1,000 of taxable value was slightly increased (0.06927%) from \$9.74656 to \$9.81583 for 2024/2025.

Combined with the rollback provision in State law (a measure that has been in place since the 1970's to smooth dramatic valuation fluctuations), this reduction helps counteract rising property values, keeping actual city property taxes stable for homeowners.

#### ***3. Iowa's Rollback Adjustment Protects Homeowners***

The rollback percentage limits how much of a property's assessed value is actually taxed.

Even though median assessed values rose by 00.00%, the rollback dropped from 54.65% to 46.34%, reducing the taxable portion of home values.

This means residents are not paying 00.00% more in property taxes; they are paying the same amount as last year.

## ***How City Property Taxes Are Calculated***

Here's why higher assessments do not necessarily lead to higher property taxes and why the actual CITY tax bill for a median valued property remained unchanged in the wake of those higher assessments:

### ***Median Assessed Value (Determined by County):***

2023/2024: \$349,000

2024/2025: \$375,100 (+7.48%)

### ***2. Rollback Percentage (State-Determined):***

2023/2024: 54.65010%

2024/2025: 46.34280% (Lower taxable value)

### ***3. Taxable Value Calculation:***

2023/2024:  $\$349,000 \times 54.65010\% = \$190,728.85$

2024/2025:  $\$000,000 \times 46.34280\% = \$173,831.84$

### ***4. City Levy Rate (Increase of 0.06927%):***

2023/2024: \$9.74656 per \$1,000 of taxable value

2024/2025: \$9.81583 per \$1,000 of taxable value

### ***5. Final City Property Tax Calculation:***

2023/2024:  $\$349,000 \times \$9.74656 \div 1,000 = \$3,401.55$

2024/2025:  $\$000,000 \times \$9.81583 \div 1,000 = \$3,681.92$

***Bottom Line: Even with a significant increase in assessed home values, the actual CITY property tax remains (slightly) unchanged.***

## Calculated Property Tax Based on Annual Median Valuations

Year	23/24	24/25	% Increase
Median Assessed Value (as of Jan 1 year prior, prior to the start of FY)	\$349,000	\$375,100	7.48%
Rollback Percentage	54.65010	46.34280	
Taxable Value	\$190,728.50	\$173,831.84	
Tax Rate per \$1,000	9.74656	9.81583	
Calculated City Property Tax	\$3,401.55	\$3,681.92	

### ***Understanding Your Property Tax Statement***

Many residents have received their Property Tax Statement Mailer, which reflects changes in taxable home valuations and property tax rates. While property tax rates have decreased, the State of Iowa's rollback percentage has also changed, leading to adjustments in taxable home values.

<b>Property Tax Statement Mailer</b>						
Taxing Authority	Tax Using Current Tax Rate	Tax Using Proposed Tax Rate (as seen on tax statement)	% Change (as seen on statement)	Tax Using Proposed Tax Rate assessed value	Correct % Change	Amount % Change
City of Peosta	452.00	\$512.00	13.27	\$454.84	0.628318	\$2.84

The green columns are the numbers displayed on the back of the tax statement you received in the mail. The blue columns are the corrected values for the \$100,000 residential home valuation example.

Your home's taxable valuation has increased this year due to the State of Iowa changing the Rollback Percentage. Even though the actual property tax rate increases, decreases, or remains the same, the changes in the Rollback Percentage has resulted in a slight adjustment to your property tax investment in community services.

### ***Why Did My Tax Amount Change?***

The rollback percentage determines how much of your home's assessed value is taxable. Even though tax rates have decreased, your taxable valuation may have increased, causing

a slight adjustment in your total property tax. These changes ensure continued investment in community services, schools, and infrastructure.

### ***Peosta: A City Committed to Fiscal Responsibility & Quality of Life***

The City of Peosta is committed to responsible financial stewardship, ensuring residents receive essential services while keeping taxes affordable.

City services remain fully funded – Peosta continues to invest in public safety, infrastructure, parks, and quality of life improvements.

Efficient financial planning prevents tax spikes, making homeownership more predictable and sustainable.

Smart policies keep Peosta an attractive place to live and do business.

If you have questions about your **CITY** property taxes, budget, or assessments:

Contact the City Administrator at City Hall (add link)

View the full City budget (add link)

Dubuque County Assessor (insert link)

Learn more about property tax calculations at the [Iowa Department of Revenue](#)

### **Contact Us**

Hours: 7:30AM - 4:30PM Mon-Thurs, and 8:00AM-Noon, Fri

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563-556-8755

### **City Hall**

7896 Burds Road

Peosta, IA 52068

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