

## 2009 STATEMENT TO THE CITY OF ANKENY

For 88 years, the Polk-Des Moines Taxpayers Association's philosophy has been based on the principle that good government is the business of every citizen. The Association promotes sound fiscal policies that are tied to effective and efficient government. The Association strives to promote taxpayer awareness and foster intergovernmental cooperation.

The purpose of a budget is to provide a statement expressed in financial terms, which serves as the primary tool for planning and controlling operations. To achieve this basic purpose, a comprehensive budget must be developed, and then approved, to insure that the objectives of planning, coordinating, evaluation, and control are obtained.

The Board of Directors of the Polk-Des Moines Taxpayers Association, after much discussion, voted to ACCEPT the proposed City of Ankeny budget for FY2009/2010. The reason the Board of Directors could not SUPPORT the proposal was twofold. First, there was not enough information available on any long-term, comprehensive plans for the proposed Storm Water Utility. The anticipated Revenue in that fund is budgeted to be \$895,000, the equivalent to .49/\$1000 in property tax. Secondly, there are continuing questions on the Prairie Trail Civic Trust Fund.

Population and housing growth in Ankeny in 2008 was strong, if not as good as in the past few years. Taxable Valuation increased by 8.5%. But while growth provides a number of benefits, it also provides challenges that must be met with hard work. There are demands for services and infrastructure. It is important for the Council to determine the actual "needs" and not just give in to the "wants".

The Association would like to thank the Council and staff for the time and effort that was put into the budget workshops that started this fall. It is our opinion that the process was much improved over the manner in which it has been done in previous years. As with any process, however, it is ongoing. The Council must continue to be tireless in their efforts on a number of issues, including the long-term Capital Improvements Plan, the various Enterprise funds, the effects of the national and local economy on growth, and the Civic Trust Fund.

The Association would also like to extend our heartfelt thanks to the City staff for its successful effort to reduce the actual levy increase that was anticipated for the construction and expansion of our Public Safety facilities. At the time of the referendum, it was estimated that the increase in the Debt Service levy would be .75/\$1000. Staff was able to lower that to .72/\$1000.

The Association members who attended City Manager Metzger's public presentation on the budget thought that the slide show was very useful. Placing the budget material on the City's website was another good idea, as it made that material available to a large number of taxpayers. We would suggest that the City seek ways to improve the Question and Answer portion, however, as the free-flow of dialogue seemed constrained. Association members also missed the opportunity to directly talk with the Council and staff, even though the numerous workshops did provide some opportunities.

The Business Services Matrix is a very good idea, and the Association appreciates the City's efforts to prepare for FY2010/2011. The Matrix will certainly assist the Council in making decisions on controlling expenditures. As you all know, however, the property tax is not the only source of revenue for the City. Fees for water, sanitary sewer, and soon, storm water are also taxes on the citizens. We exhort the Council in the future to take note of the entire burden paid by the taxpayers. Strong consideration must be given to holding the line on all taxes for FY2010/2011.

The Association wants to again thank Council and staff for their efforts on the upcoming year's budget. We'd also like to thank staff for the several meetings this past twelve months we had on subjects other than the budget, and look forward to multiple opportunities to discuss issues in the next twelve months. As the City Manager said in his February 3<sup>rd</sup> report to the City Council, we expect "the city to come out of the recession stronger..."

**CITY OF ANKENY  
BUDGET SUMMARY**

	ACTUAL FY05/06	ACTUAL FY06/07	% OF CHANGE	ACTUAL FY07/08	% OF CHANGE	RE-EST FY08/09	% OF CHANGE	PROPOSED FY09/10	AMOUNT CHANGE	% OF CHANGE
TOTAL VALUATION	\$2,067,956,465	\$2,448,438,412	18.4%	\$2,761,087,066	12.8%	\$3,082,425,578	11.6%	\$3,270,172,872	\$187,747,294	6.1%
REGULAR TAXABLE VALUATION	1,220,106,765	1,392,188,577	14.1%	1,547,601,937	11.2%	1,687,233,461	9.0%	1,831,059,633	143,826,172	8.5%
TIF VALUATION	122,335,000	137,270,000	12.2%	139,675,000	1.8%	156,191,910	11.8%	156,056,000	(135,910)	-0.1%
LEVY RATE	10.38956	10.33956	-0.5%	10.28956	-0.5%	10.52956	2.3%	11.17646	64.69%	6.1%
PROPERTY TAX LEVY:	12,703,898	14,506,396	14.2%	16,004,043	10.3%	17,913,121	11.9%	20,703,510	2,790,389	15.6%
% OF OPERATING REVENUE	20.7%	34.3%	66.0%	30.0%	-12.6%	32.7%	9.2%	27.3%	-5.5%	-16.7%
TOTAL REVENUE	82,817,883	90,706,332	9.5%	93,544,187	3.1%	114,590,838	22.5%	99,711,148	(14,879,690)	-13.0%
TOTAL EXPENDITURE	88,098,723	69,602,123	-21.0%	92,837,874	33.4%	129,615,920	39.6%	106,590,452	(23,025,468)	-17.8%
TOTAL FUND BALANCE	45,979,774	67,083,983	45.9%	67,790,296	1.1%	52,765,214	-22.2%	45,885,910	(6,879,304)	-13.0%
FUND BALANCE RESERVE	52.2%	96.4%	84.7%	73.0%	-24.2%	40.7%	-44.2%	43.0%	2.3%	5.7%
BEGINNING GENERAL FUND BALANCE	\$3,843,928	4,519,904	17.6%	5,153,574	14.0%	5,548,536	7.7%	5,048,631	(499,905)	-9.0%
REVENUE	14,130,427	16,042,566	13.5%	17,218,585	7.3%	17,614,356	2.3%	18,699,018	1,084,662	6.2%
EXPENDITURE	13,093,325	15,408,896	17.7%	16,823,623	9.2%	17,650,661	4.9%	19,035,223	1,384,562	7.8%
TRANSFERS IN/OUT	(361,126)	-	-100.0%	-	0.0%	(463,600)	0.0%	(269,600)	194,000	-41.8%
ENDING GENERAL FUND BALANCE	4,519,904	5,153,574	14.0%	5,548,536	7.7%	5,048,631	-9.0%	4,442,826	(605,805)	-12.0%
GENERAL FUND BALANCE RESERVE	34.5%	33.4%	-3.1%	33.0%	-1.4%	28.6%	-13.3%	23.3%	-5.3%	-18.4%
OPERATING REVENUE	\$61,489,099	\$42,295,877	-31.2%	\$53,372,151	26.2%	\$54,717,270	2.5%	\$75,911,148	\$21,193,878	38.7%
OPERATING EXPENDITURE	49,477,175	29,119,397	-41.1%	32,362,041	11.1%	38,662,684	19.5%	37,623,493	(1,039,191)	-2.7%
POPULATION:	36,039	38,726	7.5%	40,582	4.8%	41,300	1.8%	42,000	700.00	1.7%
TAX REVENUE (per capita)	\$353	\$375	6.3%	\$394	5.3%	\$434	10.0%	\$493	\$59	13.7%
SALARIES & BENEFITS:	\$13,590,517	\$14,512,608	6.8%	\$16,001,126	10.3%	\$17,030,909	6.4%	\$18,625,394	\$1,594,485	9.4%
% OF OPERATING EXPENDITURES	27.5%	49.8%	81.4%	49.4%	-0.8%	44.0%	-10.9%	49.5%	5.5%	12.4%
EMPLOYEES (FTE)	166.05	182.75	10.1%	195.50	7.0%	207.25	6.0%	207.75	0.5	0.2%
AVERAGE PER FTE	\$81,846	\$79,412	-3.0%	\$81,847	3.1%	\$82,176	0.4%	\$89,653	\$7,477	9.1%
LONG-TERM BONDED DEBT:										
LEGAL LIMIT	\$103,397,823	\$122,421,921	18.4%	\$138,054,353	12.8%	\$154,121,279	11.6%	\$163,508,644	\$9,387,365	6.1%
DEBT OUTSTANDING	69,250,000	95,010,000	37.2%	117,415,000	23.6%	118,705,000	1.1%	136,805,000	18,100,000	15.2%
% OF LEGAL LIMIT	67.0%	77.6%	15.9%	85.0%	9.6%	77.0%	-9.4%	83.7%	6.6%	8.6%