

## 2009 STATEMENT TO THE CITY OF URBANDALE

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 voted to SUPPORT the proposed budget for FY 2009/2010. The budget exhibits the sound fiscal policies and tight expenditure control that the Association has come to expect from the City of Urbandale.

We are grateful for the exceptional working relationship the Association has with the Mayor, Council, and Urbandale city staff. The mutual respect both parties have for each other leads to the free flow of ideas and suggestions.

The Association's analysis of the proposed budget reveals that the anticipated general fund ending balance will be above the recommended 25% of expenditures. With the current economic situation, and the long-distance projections developed by the City, that may be a good idea. However, when the economic situation turns around, and if reality turns out to be better than the projections, then the Association expects that the ending balances will be reduced in the future so that they fall within the guidelines. While increased taxes and fees may be inevitable, hard work by the Council and continued efficient operations will postpone that day and limit the increases in property taxes and fees.

Our analysis of Urbandale's trends also provides evidence that the taxable valuation of residential property as a share of the total is increasing. Part of that is the change in the rollback to 45.6%. Part of it may be because Urbandale has not taken full advantage of economic development opportunities. The Association believes that the City must emphasize commercial development to reverse that trend. The opportunity to hire a new city manager provides the opportunity to look at this situation in a new way.

Urbandale is a leader when it comes to working with other local governmental entities. The Association commends the Council for its past efforts, and strongly urges them to continue along that path. Whether in good economic times or in our current worrisome times, it generally makes good financial sense to partner with other governmental organizations whenever possible.

Once again, we thank the Mayor, Council and the City staff for the cooperation that we continue to receive and we look forward to continuing this spirit of cooperation with the new city manager.

**CITY OF URBANDALE  
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	\$2,372,572,852	\$2,488,560,860	4.9%	\$2,850,775,595	14.6%	\$3,165,212,510	11.0%	\$3,216,264,754	\$51,052,244	1.6%
REGULAR TAXABLE VALUATION	1,661,321,140	1,839,837,907	10.7%	1,991,947,802	8.3%	2,065,137,903	3.7%	2,230,341,483	165,203,580	8.0%
TIF VALUATION	92,806,300	117,432,360	26.5%	94,452,760	-19.6%	94,604,803	0.2%	105,691,300	11,086,497	11.7%
LEVY RATE	9.07010	9.07393	0.0%	9.22000	1.6%	9.22000	0.0%	9.22000	-	0.0%
PROPERTY TAX LEVY:	14,636,588	16,384,618	11.9%	18,004,530	9.9%	18,781,234	4.3%	20,212,354	1,431,120	7.6%
% OF OPERATING REVENUE	31.0%	35.5%	14.8%	38.7%	8.9%	41.4%	7.1%	39.4%	-2.0%	-4.8%
TOTAL REVENUE	\$52,463,511	\$52,487,297	0.0%	\$53,884,767	2.7%	\$57,601,465	6.9%	\$57,755,062	\$153,597	0.3%
TOTAL EXPENDITURE	52,564,416	49,152,739	-6.5%	52,758,301	7.3%	63,979,761	21.3%	58,703,026	(5,276,735)	-8.2%
TOTAL FUND BALANCE	23,807,247	27,141,805	14.0%	28,268,271	4.2%	21,889,975	-22.6%	20,942,011	(947,964)	-4.3%
FUND BALANCE RESERVE	45.3%	55.2%	21.9%	53.6%	-3.0%	34.2%	-36.1%	35.7%	1.5%	4.3%
BEGINNING GENERAL FUND BALANCE	\$6,029,512	6,037,739	0.1%	6,631,058	9.8%	6,875,942	3.7%	6,677,505	(198,437)	-2.9%
REVENUE	16,780,112	18,044,722	7.5%	19,169,019	6.2%	20,264,754	5.7%	22,453,125	2,188,371	10.8%
EXPENDITURE	16,771,885	17,451,403	4.1%	18,924,135	8.4%	20,471,191	8.2%	22,301,064	1,829,873	8.9%
TRANSFERS IN/OUT	-	-	0.0%	-	0.0%	8,000	0.0%	8,000	-	0.0%
ENDING GENERAL FUND BALANCE	6,037,739	6,631,058	9.8%	6,875,942	3.7%	6,677,505	-2.9%	6,837,566	160,061	2.4%
GENERAL FUND BALANCE RESERVE	36.0%	38.0%	5.6%	36.3%	-4.4%	32.6%	-10.2%	30.7%	-2.0%	-6.0%
OPERATING REVENUE	\$47,281,385	\$46,121,417	-2.5%	\$46,554,356	0.9%	\$45,350,091	-2.6%	\$51,287,862	\$5,937,771	13.1%
OPERATING EXPENDITURE	35,752,102	35,981,154	0.6%	37,095,497	3.1%	36,237,499	-2.3%	38,692,629	2,455,130	6.8%
POPULATION:	34,536	35,904	4.0%	36,404	1.4%	38,000	4.4%	39,000	1,000	2.6%
TAX REVENUE (per capita)	\$424	\$456	7.7%	\$495	8.4%	\$494	-0.1%	\$518	\$24	4.9%
SALARIES & BENEFITS:	\$11,569,681	\$12,110,979	4.7%	\$13,122,923	8.4%	\$13,760,037	4.9%	\$14,772,986	\$1,012,949	7.4%
% OF OPERATING EXPENDITURES	32.4%	33.7%	4.0%	35.4%	5.1%	38.0%	7.3%	38.2%	0.2%	0.5%
EMPLOYEES (FTE)	138.00	181.50	31.5%	194.50	7.2%	198.50	2.1%	206.00	8	3.8%
AVERAGE PER FTE	\$83,838	\$66,727	-20.4%	\$67,470	1.1%	\$69,320	2.7%	\$71,714	\$2,393	3.5%
LONG-TERM BONDED DEBT:										
LEGAL LIMIT	\$118,628,643	\$124,428,043	4.9%	\$142,538,780	14.6%	\$158,260,626	11.0%	\$160,813,238	\$2,552,612	1.6%
DEBT OUTSTANDING	46,820,000	35,525,000	-24.1%	37,055,000	4.3%	43,225,000	16.7%	43,600,000	375,000	0.9%
% OF LEGAL LIMIT	39.5%	28.6%	-27.7%	26.0%	-8.9%	27.3%	5.1%	27.1%	-0.2%	-0.7%