

STATEMENT TO ANKENY COMMUNITY SCHOOL DISTRICT

The Polk-Des Moines Taxpayers Association was founded in 1921. It is a private, independent, non-partisan organization whose purpose is the promotion of efficient and economical local government. The Association's philosophy is that good government is the business of every citizen. Sound fiscal policies are promoted and supported by an informed, broad-based membership, made up of community leaders and taxpayers.

Board members, superintendents, and business managers have two levels of fiscal responsibility. The first level is compliance with states and federal law. Compliance ensures that the budget meets state standards and that state funds are directed to legislated accounts and programs. Compliance, however, does not ensure that funds are being used efficiently or effectively.

The second, higher order of responsibility is that of fiscal stewardship, which goes well beyond compliance and ensures that funds are spent on programs that make a difference and move the district toward its vision. Fiscal stewardship requires that policy and processes be in place and periodically reviewed to ensure that funds are used effectively and wisely.

As a result of an open dialogue, numerous questions, and the straightforwardness in the answers provided by Dr. Hansel, and Mrs. Peterson, which the members greatly appreciated, the Polk-Des Moines Taxpayers voted to SUPPORT the Ankeny Community School District's proposed budget for FY2008/2009. It was not an easy decision.

The Association wants to make it perfectly clear that the proposed \$1.68 levy rate increase for the upcoming year is painful for the taxpayers residing in the district. One of the draws to the district has been the relatively low tax rate, partially the result of using Sales Tax to reduce the Debt. Any future increases need to be analyzed carefully and mitigated wherever possible. Incremental or across-the-board budgeting is not the answer, but financial planning is. Programs are renewed not because they have become a part of the budget, but because they produce results for our students.

We suggest several avenues that may produce good results. The Board and the administrative staff should, as a priority, search for reductions in non-personnel costs, much as the District did with transportation, a change that the Association supported. We also suggest that the District's hiring, compensation, and Early Retirement policies be reviewed. The District needs to reconsider its assumptions and the logic in achieving the best value for our education dollar. Last year we suggested an outside group might be able to bring in a fresh perspective. We still consider that to be a viable idea.

Saving tax dollars is not just for the Operating Budget. Facility plans, too, must be thoroughly examined and value-engineered to keep costs down, yet result in the community gaining a quality, long-term investment. The Association suggests that PPEL

be directed to its original purpose – maintenance on the existing buildings, and not new construction. Cost-saving steps, such as refunding bonds when possible, are both very welcome, and expected from a professional staff. Sales tax funds, whether from the State or Polk County, must be spent on infrastructure only.

The Association appreciates the time and effort Dr. Hansel and his staff put into the Taxpayers Association budget review binder. It is a wealth of great information in an easy to understand format. We hope that all of the Board members and the public have access to it and spend time reviewing the information.

Association members have met several times the past year with Board members and administration to discuss possibilities and options. We've committed ourselves to set up quarterly meetings with the District so that both are aware what the other is thinking. Transparent government and open lines of communication help to insure trust and understanding. We eagerly look forward to these future meetings and hope that you do, too.

**ANKENY COMMUNITY SCHOOL DISTRICT
BUDGET SUMMARY**

	ACTUAL FY04/05	ACTUAL FY05/06	% OF CHANGE	ACTUAL FY06/07	% OF CHANGE	RE-EST FY07/08	% OF CHANGE	PROPOSED FY08/09	AMOUNT CHANGE	% OF CHANGE
LEVY RATE	\$16.90251	\$16.70207	-1.2%	\$16.70202	0.0%	\$17.90661	7.2%	\$19.58589	\$1.67928	9.4%
REGULAR TAXABLE VALUATION	\$1,306,649,384	\$1,397,924,796	7.0%	\$1,576,520,597	12.8%	\$1,733,617,954	10.0%	\$1,891,308,608	157,690,654	9.1%
TIF VALUATION	\$110,200,000	\$122,240,000	10.9%	\$137,270,000	12.3%	\$139,675,000	1.8%	\$155,462,910	15,787,910	11.3%
PROPERTY TAX REVENUE:	\$21,955,088	\$23,224,930	5.8%	\$26,402,668	13.7%	\$31,176,992	18.1%	\$37,314,757	6,137,765	19.7%
% OF TOTAL REVENUE	33.3%	28.4%	-14.7%	24.4%	-14.1%	28.4%	16.3%	32.6%	4.2%	14.8%
UTILITY REPLACEMENT EXCISE TAX	369,533	467,090	26.4%	497,048	0.0%	555,196	0.0%	618,144	62,948	11.3%
PROP TAX WITH UTILITY EXCISE TAX	\$22,324,621	\$23,692,020	6.1%	\$26,899,716	13.5%	\$31,732,188	18.0%	\$37,932,901	6,200,713	19.5%
ALL STATE AID:	\$25,127,749	\$27,764,685	10.5%	\$30,752,286	10.8%	\$33,722,625	9.7%	\$36,482,364	\$2,759,739	8.2%
% OF REVENUE	38.2%	34.0%	-10.9%	28.5%	-16.3%	30.7%	8.0%	31.9%	\$0.01154	3.8%
TOTAL REVENUE	\$65,851,015	\$81,671,508	24.0%	\$108,086,959	32.3%	\$109,705,450	1.5%	\$114,387,286	\$4,681,836	4.3%
TOTAL EXPENDITURE	\$67,519,916	\$79,199,079	17.3%	\$84,811,029	7.1%	\$104,198,600	22.9%	\$173,395,310	\$69,196,710	66.4%
NET GAIN (LOSS)	(\$1,668,901)	\$2,472,429	-248.1%	\$23,275,930	841.4%	\$5,506,850	-76.3%	(\$59,008,024)	(\$64,514,874)	-1171.5%
TOTAL ENDING BALANCE*	\$27,752,815	\$30,225,244	8.9%	\$53,501,174	77.0%	\$59,008,024	10.3%	\$0	(\$59,008,024)	-100.0%
FUND BALANCE	41.1%	38.2%	-7.2%	63.1%	65.3%	56.6%	-10.2%	0.0%	-56.6%	-100.0%
GENERAL FUND REVENUE	\$44,922,221	\$48,937,636	8.9%	\$55,018,028	12.4%	\$59,377,455	7.9%	\$66,725,296	\$7,347,841	12.4%
GENERAL FUND EXPENDITURES	\$45,277,415	\$49,704,160	9.8%	\$55,970,430	12.6%	\$60,683,252	8.4%	\$72,987,720	\$12,304,468	20.3%
NET GAIN (LOSS)	(\$355,194)	(\$766,524)	115.8%	(\$952,402)	24.2%	(\$1,305,797)	37.1%	(\$6,262,424)	(\$4,956,627)	379.6%
GENERAL FUND BALANCE	\$9,287,147	\$8,520,623	-8.3%	\$7,568,221	-11.2%	\$6,262,424	-17.3%	\$0	(\$6,262,424)	-100.0%
GENERAL FUND BALANCE	20.5%	17.1%	-16.4%	13.5%	-21.1%	10.3%	-23.7%	0.0%	-10.3%	-100.0%
SOLVENCY RATIO	12.5%	5.5%	-56.3%	3.1%	-43.0%	3.6%	17.0%	3.1%	-0.5%	-14.8%
INSTRUCTION COST:	\$31,190,416	\$33,459,038	7.3%	\$38,250,114	14.3%	\$41,732,815	9.1%	\$51,903,936	\$10,171,121	24.4%
% OF TOTAL EXPENDITURES	46.2%	42.2%	-8.5%	45.1%	6.8%	40.1%	-11.2%	29.9%	-10.1%	-25.3%
% OF GENERAL FUND EXPENDITURES	68.9%	67.3%	-2.3%	68.3%	1.5%	68.8%	0.6%	71.1%	2.3%	3.4%
STUDENT (WEIGHTED) BUDGET ENROLLMENT	6,985	7,285	4.3%	7,746	6.3%	8,004	3.3%	8,339	335	4.2%
STATE AID: Allowable Growth in Cost Per Student	\$4,741	\$4,931	4.0%	\$5,128	4.0%	\$5,333	4.0%	\$5,546	\$213	4.0%
SALARIES & BENEFITS:	\$34,853,852	\$36,900,247	5.9%	\$39,396,949	6.8%	\$44,827,978	13.8%		(\$44,827,978)	-100.0%
% OF EXPENDITURE	77.0%	74.2%	-3.6%	70.4%	-5.2%	73.9%	4.9%	0.0%	-73.9%	-100.0%
EMPLOYEES (FTE):										
ADMINISTRATION	28.0	28.0	0.0%	29.0	3.6%	29.2	0.7%		(29.2)	-100.0%
INSTRUCTORS	412.7	440.0	6.6%	482.2	9.6%	505.2	4.8%		(505.2)	-100.0%
SUPPORT	284.0	285.0	0.4%	307.0	7.7%	305.0	-0.6%		(305.0)	-100.0%
TOTAL STAFF	724.7	753.0	3.9%	818.2	8.7%	839.4	2.6%		(839.4)	-100.0%
LEGAL BONDED DEBT LIMIT	\$65,332,469	\$69,896,240	7.0%	\$78,826,030	12.8%	\$86,680,898	10.0%	\$94,565,430	\$7,884,533	9.1%
LONG-TERM BONDED DEBT:	\$19,220,000	\$25,710,000	33.8%	\$22,524,368	-12.4%	\$18,550,000	-17.6%	\$23,268,576	\$4,718,576	25.4%
% OF ASSESSED VALUE	1.4%	1.7%	24.7%	1.3%	-22.3%	1.0%	-24.7%	1.1%	0.1%	14.8%