

Since 1921, the Polk-Des Moines Taxpayers Association, a non-partisan, non-profit private organization, has been diligently working in the Des Moines metro area in support of good government. Its broad-based membership has encouraged sound fiscal policy by analyzing municipal budgets, following local governmental policies and practices, and performing independent research. The Association holds as its purpose the promotion of effective and efficient government that is conducted in full public view

After meeting with members of the Board of Supervisors and Polk County staff, the membership of the Polk-Des Moines Taxpayers Association voted to ACCEPT the proposed budget for FY2007/2008. The Association has many concerns on the long-term outlook of the County's financial situation and the effect on the taxpayers.

Polk County uses a budgeting process that provides Revenue and Expense numbers for two years. The Association believes that this is a practice. While 'targets' for Elected Officials and Departments work as a planning tool, the actual decisions must be based on priorities established by the Supervisors and Elected Officials working together to arrive at decisions and policies that benefit the citizens of Polk County. Iowa law creates a separation of responsibilities between the Row Offices and the Supervisors. In reality, all of the people elected to office in Polk County must break down the barriers between them and work together in a spirit of collaboration to make this county's government effective. For example, staff has recommended that the Sheriff's Patrol be moved out of the General fund and to the Rural Basic fund. We are a long-time supporter this action. The Association also supports the Supervisor's decision to reduce library funding. In addition, the Association supports the Supervisor's suggestion that the Sheriff must recoup all costs associated with providing services to the county's smaller towns. On the other hand, the Supervisors MUST work very closely with the Sheriff's Department and members of the Judicial system to reach long-term solutions on the operation of the new jail that will open in the summer of 2008.

Cooperation must not be limited within County government. The Association asks that high-level talks be re-energized between the County and the other local governments, including the neighboring counties. While the first steps have been good, there are still many, many more opportunities available that have not yet been taken advantage of. The Supervisors represent all of the taxpayers in Polk County. Therefore, actions must start here.

The Association wishes to recognize some of the positives of the past 12 months. There is the successful year that Global Spectrum and the Iowa Events Center has had. Polk County adopted new application forms for Economic Development funds that mirror State guidelines. Economic Development plans for the County's North and East sides are very important. Those Departments and Officials that continue to employ Strategic Planning or similar tools to look for ways to improve their areas of responsibility earn the Association's thanks. We urge every Department and Official not only to participate, but to stay current and involved in these processes. All Departments and Offices must become innovative in the ways they perform their daily tasks and use data to drive their decisions.

Finally, here are some specific issues that the Association would like to address:

Polk County should not use taxpayer's dollars to build a hotel by the Iowa Events Center. That is a private business concern, so let's leave that project to the private sector.

The Association supports and encourages Polk County's efforts in working with the state legislature to bring Mental Health funding to the point where it can meet today's needs. Successful interventions could even reduce jail overcrowding.

Review your hiring practices and guidelines. Almost all municipal governments now use benchmarks and performance measures to determine if, where, and when FTE's should be added or even retained. Nepotism, guessing, and incrementalism are not acceptable practices.

Do not use "Old Gaming" dollars to fund Debt Service for FY2007/2008. Instead, use those funds for one-time Economic Development opportunities.

Thank you for time and attention tonight to these comments.

**POLK COUNTY
BUDGET SUMMARY**

	ACTUAL FY03/04	ACTUAL FY04/05	% OF CHANGE	ACTUAL FY05/06	% OF CHANGE	RE-EST FY06/07	% OF CHANGE	PROPOSED FY07/08	AMOUNT CHANGE	% OF CHANGE
100% VALUATION	\$ 18,531,143,332	\$ 20,691,426,164	11.7%	\$ 22,227,988,166	7.4%	\$ 24,833,999,239	11.7%	\$ 25,929,680,753	\$ 1,095,681,514	4.4%
TAXABLE VALUATION	12,233,198,082	12,990,939,250	6.2%	13,991,872,178	7.7%	14,996,069,732	7.2%	15,569,066,512	572,996,780	3.8%
LEVY RATES:										
CITIES	6.34845	6.34845	0.0%	6.34845	0.0%	6.34845	0.0%	6.84207	0.4936	7.8%
TOWNSHIPS	10.94207	10.94207	0.0%	10.94207	0.0%	10.94207	0.0%	11.43569	0.4936	4.5%
PROPERTY TAX LEVY:	82,823,975	87,952,832	6.2%	91,360,000	3.9%	98,107,703	7.4%	109,731,765	11,624,062	11.8%
% OF TOTAL REVENUE	52.2%	53.4%	2.3%	48.7%	-8.7%	37.0%	-24.1%	54.8%	17.8%	48.2%
UTILITY REPLACEMENT EXCISE TAX	3,758,704	3,641,531	-3.1%	3,601,509	-1.1%	3,698,640	2.7%	4,010,994	312,354	8.4%
PROP. TAX REVENUES W/ UTILITY TAX	86,582,679	91,594,363	5.8%	94,961,509	3.7%	101,806,343	7.2%	113,742,759	11,936,416	11.7%
TOTAL REVENUE	\$ 158,773,301	\$ 164,806,146	3.8%	\$ 187,476,912	13.8%	\$ 265,096,271	41.4%	\$ 200,137,999	\$ (64,958,272)	-24.5%
TOTAL EXPENDITURE	161,722,861	171,140,010	5.8%	201,320,943	17.6%	259,978,580	29.1%	229,646,295	(30,332,285)	-11.7%
OTHER FINANCING SOURCES	-	-	N/A	-	N/A	-	N/A	-	-	N/A
NET GAIN (LOSS)	(2,949,560)	(6,333,864)	114.7%	(13,844,031)	118.6%	5,117,691	-137.0%	(29,508,296)	(34,625,987)	-676.6%
TOTAL FUND BALANCE	47,228,901	40,895,037	-13.4%	27,051,006	-33.9%	32,168,697	18.9%	2,660,401	(29,508,296)	-91.7%
FUND BALANCE RESERVE	29.2%	23.9%	-18.2%	13.4%	-43.8%	12.4%	-7.9%	1.2%	-11.2%	-90.6%
GENERAL FUND REVENUE	\$ 98,392,925	\$ 103,176,947	4.9%	\$ 108,445,596	5.1%	\$ 117,514,634	8.4%	\$ 125,574,015	\$ 8,059,381	6.9%
GENERAL FUND EXPENDITURE	93,854,672	94,467,187	0.7%	106,863,401	13.1%	116,240,922	8.8%	120,976,485	4,735,563	4.1%
OTHER FINANCING SOURCES	1,787,405	(5,688,326)	-418.2%	803,051	-114.1%	(2,837,086)	-453.3%	(3,876,187)	(1,039,101)	36.6%
NET GAIN (LOSS)	6,325,658	3,021,434	-52.2%	2,385,246	-21.1%	(1,563,374)	-165.5%	721,343	2,284,717	-146.1%
GENERAL FUND BALANCE	28,965,317	31,986,751	10.4%	34,371,997	7.5%	32,808,623	-4.5%	33,529,966	721,343	2.2%
FUND BALANCE RESERVE	30.9%	33.9%	9.7%	32.2%	-5.0%	28.2%	-12.2%	27.7%	-0.5%	-1.8%
POPULATION ESTIMATES	390,615	397,152	1.7%	401,006	1.0%	404,860	1.0%	408,714	3,854	1.0%
TAX REVENUE (per capita)	\$ 212	\$ 221	4.4%	\$ 228	2.9%	\$ 242	6.4%	\$ 268	\$ 26	10.8%
SALARIES & BENEFITS:	\$ 65,555,817	\$ 67,505,532	3.0%	\$ 75,082,232	11.2%	\$ 78,118,301	4.0%	\$ 82,309,853	\$ 4,191,552	5.4%
% OF OPERATING EXPENDITURES	44.3%	42.3%	-4.6%	41.5%	-1.9%	41.0%	-1.2%	44.5%	3.5%	8.6%
EMPLOYEES (FTE's)	1,061.0	1,053.0	-0.8%	1,054.0	0.1%	1,075.6	2.0%	1,092.1	16.5	1.5%
ENTERPRISE FUND (VETS, CONV CTR)	73.1	72.1	-1.4%	28.1	-61.0%	26.5	-5.7%	25.5	-1.0	-3.8%
PART-TIME (FTE's)	30.1	34.8	15.6%	39.3	12.9%	44.1	12.2%	46.6	2.5	5.7%
AVERAGE PER FTE	\$ 60,082	\$ 62,057	3.3%	\$ 68,675	10.7%	\$ 69,767	1.6%	\$ 72,284	\$ 2,517	3.6%
LONG-TERM BONDED DEBT:										
LEGAL LIMIT	\$ 926,557,167	\$ 1,034,571,308	11.7%	\$ 1,111,399,408	7.4%	\$ 1,241,699,962	11.7%	\$ 1,296,484,038	\$ 54,784,076	4.4%
DEBT OUTSTANDING	317,765,656	313,142,908	-1.5%	244,162,200	-22.0%	254,850,200	4.4%	240,646,870	(14,203,330)	-5.6%
% OF LEGAL LIMIT	34.3%	30.3%	-11.7%	22.0%	-27.4%	20.5%	-6.6%	18.6%	-2.0%	-9.6%