

STATEMENT TO WEST DES MOINES PUBLIC SCHOOLS

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.

The members of the Association wish to thank the District for hosting us on April 9th. As a result of our discussions on last Wednesday, and our review of the District's finances, the Taxpayers Association voted to SUPPORT the proposed budget for FY2008/2009.

The Association was pleased to hear that the District employs the services of a demographer. We cannot emphasize enough that planning is always important. But with a number of issues facing the District, it is critical. It will take hard work to stay on top of the concerns facing this District. In your planning, all aspects of the District need to be considered: students, facilities, and finances. Once long-term plans are done, they then must be constantly updated and changed when needed.

There is legislation that is being considered that could have a severe negative impact on negotiations with bargaining groups. The Association agrees with Superintendent Narak that if this becomes law, that school districts will be negatively affected financially and operationally.

The local option one-cent sales tax expires in 2010 and the renewal of that tax is uncertain. The District will be debt free at that time – congratulations! We realize that there are still additional projects that need to be done. The Association believes that sales tax is the best funding alternative for those projects.

The Association is bothered to learn that the recent ERP purchase may not have been the best fit for the District and that implementation has been a struggle. Our members encourage your efforts to be doing the best that you can. If, however, the administration needs to take IT in a new direction, we are confident that you will do your due diligence to study all alternatives.

The Solvency Ratio is budgeted to be 17.1%. The IA-SB suggests, and the Association agrees, that a range of 5%-10% is acceptable. The Association feels better about that situation since the CFO has informed us he has started taking steps to reduce the Undesignated, Unreserved funds to a more reasonable level. We know that he always keeps a careful eye on the Unspent Spending Authority. You the Board must also closely monitor PPEL revenues and expenditures.

The Association was pleased to learn of the initiatives the District has taken to control health care costs. We also commend you on dealing with the GASB 45 requirements.

By being proactive on these matters, the West Des Moines Community School District continues to earn its reputation of being a well-run government.

The perception is that this district has many financial advantages and is without diversification. However, the demographics of the District are changing, just as the demographics of the state are changing. The Association is pleased to learn of the District's efforts to reach out to the immigrant population. Our study of the District's finances also made us aware of the increased costs of both ELL and Special Education. We are confident that the Board will continue to demand high expectations from all of its students.

**WEST DES MOINES 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	\$13.50200	\$13.50297	0.0%	\$13.70399	1.5%	\$13.70116	0.0%	\$13.69711	(\$0.00405)	0.0%
REGULAR TAXABLE VALUATION	\$3,253,765,335	\$3,336,798,349	2.6%	\$3,520,173,049	5.5%	\$3,638,985,530	3.4%	\$3,789,782,253	150,796,723	4.1%
TIF VALUATION	\$346,368,960	\$329,353,750	-4.9%	\$361,628,140	9.8%	\$320,251,660	-11.4%	\$353,407,440	33,155,780	10.4%
PROPERTY TAX REVENUE:	\$44,537,468	\$44,492,183	-0.1%	\$47,748,325	7.3%	\$49,591,621	3.9%	\$51,673,948	2,082,327	4.2%
% OF TOTAL REVENUE	44.2%	39.7%	-10.2%	41.0%	3.2%	41.9%	2.2%	42.2%	0.31%	0.7%
UTILITY REPLACEMENT EXCISE TAX	996,225	924,510	-7.2%	942,943	2.0%	914,001	-3.1%	931,344	17,343	1.9%
PROP TAX WITH UTILITY EXCISE TAX	\$45,533,693	\$45,416,693	-0.3%	\$48,691,268	7.2%	\$50,505,622	3.7%	\$52,605,292	2,099,670	4.2%
ALL STATE AID:	\$24,981,259	\$25,612,912	2.5%	\$26,715,536	4.3%	\$28,390,326	6.3%	\$30,156,445	1,766,119	6.2%
% OF REVENUE	24.8%	22.8%	-7.8%	22.9%	0.3%	24.0%	4.6%	24.6%	0.006	2.7%
TOTAL REVENUE	\$100,759,913	\$112,096,654	11.3%	\$116,542,440	4.0%	\$118,429,011	1.6%	\$122,494,591	4,065,580	3.4%
TOTAL EXPENDITURE	\$110,749,691	\$127,728,257	15.3%	\$110,681,167	-13.3%	\$115,384,955	4.2%	\$120,715,404	5,330,449	4.6%
NET GAIN (LOSS)	(\$9,989,778)	(\$15,631,603)	56.5%	\$5,861,273	-137.5%	\$3,044,056	-48.1%	\$1,779,187	(1,264,869)	-41.6%
TOTAL ENDING BALANCE	\$40,505,088	\$24,873,485	-38.6%	\$30,734,758	23.6%	\$33,778,814	9.9%	\$35,558,001	1,779,187	5.3%
FUND BALANCE	36.6%	19.5%	-46.8%	27.8%	42.6%	29.3%	5.4%	29.5%	0	0.6%
GENERAL FUND REVENUE	\$66,494,688	\$69,450,813	4.4%	\$75,807,242	9.2%	\$79,935,314	5.4%	\$82,375,751	2,440,437	3.1%
GENERAL FUND EXPENDITURES	\$65,523,887	\$68,423,532	4.4%	\$72,739,399	6.3%	\$79,067,435	8.7%	\$81,440,276	2,372,841	3.0%
NET GAIN (LOSS)	\$970,801	\$1,027,281	5.8%	\$3,067,843	198.6%	\$867,879	-71.7%	\$935,475	67,596	7.8%
ENDING GENERAL FUND BALANCE	\$8,675,832	\$9,703,113	11.8%	\$12,770,956	31.6%	\$13,638,835	6.8%	\$14,574,310	\$935,475	6.9%
GENERAL FUND BALANCE	13.2%	14.2%	7.1%	17.6%	23.8%	17.2%	-1.8%	17.9%	0.6%	3.7%
SOLVENCY RATIO	9.2%	10.3%	12.0%	16.2%	57.3%	16.5%	1.9%	17.1%	0.6%	3.6%
INSTRUCTION COST:	\$45,631,136	\$46,844,752	2.7%	\$50,579,755	8.0%	\$55,729,134	10.2%	\$57,660,800	\$1,931,666	3.5%
% OF TOTAL EXPENDITURES	41.2%	36.7%	-11.0%	45.7%	24.6%	48.3%	5.7%	47.8%	-0.5%	-1.1%
% OF GENERAL FUND EXPENDITURES	69.6%	68.5%	-1.7%	69.5%	1.6%	70.5%	1.4%	70.8%	0.3%	0.5%
STUDENT (WEIGHTED) ENROLLMENT	9,820	9,868	0.5%	9,922	0.5%	9,922	0.0%	10,031	109	1.1%
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:	\$51,295,467	\$53,329,000	4.0%	\$55,863,717	4.8%	\$60,813,000	8.9%	\$63,915,514	\$3,102,514	5.1%
% OF EXPENDITURE	78.3%	77.9%	-0.4%	76.8%	-1.5%	76.9%	0.1%	78.5%	1.6%	2.0%
EMPLOYEES (FTE):										
ADMINISTRATION	36.0	36.0	0.0%	39.0	8.3%	39.0	0.0%	39.0	-	0.0%
INSTRUCTORS	596.5	597.6	0.2%	596.0	-0.3%	615.9	3.3%	628.4	12.5	2.0%
SUPPORT	458.4	462.8	1.0%	479.7	3.7%	485.9	1.3%	485.9	(0.0)	0.0%
TOTAL STAFF	1,090.9	1,096.4	0.5%	1,114.7	1.7%	1,140.8	2.3%	1,153.3	12.5	1.1%
LEGAL BONDED DEBT LIMIT	\$162,688,267	\$166,839,917	2.6%	\$176,008,652	5.5%	\$181,949,277	3.4%	\$189,489,113	\$7,539,836	4.1%
LONG-TERM BONDED DEBT:	\$5,985,000	\$5,955,000	-0.5%	\$6,025,000	1.2%	\$6,012,008	-0.2%	\$6,277,009	\$265,001	4.4%
% OF ASSESSED VALUE	0.2%	0.2%	-2.3%	0.2%	-4.4%	0.2%	-2.2%	0.2%	0.0%	-0.2%