

FY2008/2009 PROPOSED BUDGET
CITY COMPARISON
DES MOINES, URBANDALE, WEST DES MOINES, ANKENY

FY 2008/09 CITY BUDGETS

The source of the data for the following charts are the state forms filed by each city and the additional data the Association requests from the CFO's. The four city governments reviewed by the Association are: Des Moines, West Des Moines, Ankeny, and Urbandale. *Per Capita* numbers are based on population **estimates**, and not an exact count. Therefore, they should only be discussed in that context.

PIE CHARTS

The first series of pie charts – **Property Class by Per Cent** - reveals the ratio of Residential, Commercial, and Industrial property classes that make up the Taxable Valuation of the city. West Des Moines has the highest percentage of Commercial/Industrial/Other property @ 59%. This is significant because Commercial & Industrial property is usually taxed at its full-assessed value. Residential property, thanks to the Rollback, is taxed at approximately 44% of its assessed value. Ankeny is at the other end of the continuum with only 37% Commercial/Industrial/Other.

The second set of pie charts depicts the **Source of Operating Revenues**. West Des Moines and Urbandale have the highest reliance on Property Tax, @ 43% and 42%, respectively. Des Moines has the lowest percentage @ 24%. General Fund Revenues only would disclose a different picture. Service Charges are the 2nd largest category, running from 30% in Des Moines and Urbandale to 13% in West Des Moines. Ankeny is way off the average in the Misc. Revenue category at 22%.

The third set of pie charts is **Expenditures**, set in seven uniformly reported departments. Public Safety (Fire, Police, Ambulance, Building Inspections, Emergency Mgmt.) is usually the largest slice, with Des Moines having the largest share at 38%, followed by West Des Moines at 31%, Ankeny at 29%, and Urbandale at 23%. Debt Service is usually the 2nd largest division (Ankeny has reversed these two categories), with Ankeny having the highest percentage @ 32% and Des Moines the lowest @ 21%. Urbandale spends 18% of its budget on Culture and Recreation (Library, Parks, & Other), significantly a larger share than the other three cities. Its Public Works expenditures are high, too, relative to the others.

PER CAPITA CHARTS

Chart #1 - Property Tax. This chart mirrors the **Property Class** chart. West Des Moines is the highest, with the largest amount of Commercial/Industrial property in relation to its population.

Chart #2 – TIF Revenue. West Des Moines has the highest amount, almost double the next highest (Des Moines). West Des Moines has much of its area within TIF Districts: Highway 5 Urban Renewal, Mills Parkway Urban Renewal, Jordan Creek Urban Renewal, Westtown Urban Renewal, and Valley Junction Urban Renewal.

Chart #3 - Other City Taxes mirrors the **Revenue by Source** pie chart. Des Moines generates twice as much as the next two cities: West Des Moines and Urbandale.

Chart #4 – licenses/Permits. The rapid growth in housing generates meaningful revenue in inspection fees and permits for Ankeny.

Chart #5 – Use of Money. Balances are invested to generate income for a governmental entity. Even though Des Moines, as a percentage of Revenues and on a Per Capita basis (Chart #13) has low balances, they generate quite a bit of revenue because the dollar amounts are so large.

Chart #6 – Intergovernmental Revenue. Intergovernmental Revenue may come from the Federal government, State government, or other local governments. It may be in the form of grants, such as CBDG, or as an additional funding source for construction projects. Des Moines records \$405 for each person, twice the next highest city (West Des Moines).

Chart # 7 – Service Charges. The Operating Revenue pie chart shows us that Des Moines generates 30% of its Operating Revenue from Service Charges. This is \$621 per person in Des Moines, a little more than 1.5 times as much as Ankeny or Urbandale.

Chart #8 – Miscellaneous Revenue. If one doesn't know where else to put it, it goes into Miscellaneous. Ankeny's miscellaneous Revenue is twice as high as the next highest - DM. It may be better for Ankeny to actually determine a category for these revenues rather than dump 22% of the Operating Revenue into a catchall grouping.

Chart # 9 – General Fund Revenue. This chart matches up with the Property Class pie charts. West Des Moines is higher than the others due to the fact that only 40% of the Taxable Valuation is Residential property.

Chart #10 – General Fund Expenditures. The flip side of the Revenue/Expenditure coin. *Transfers In* are used to balance the General Fund Revenue with the General Fund Expenditures. Des Moines had the biggest gap between the two at Revenues being only 83% of Expenditures, followed by WDM at 88.5%. Urbandale and Ankeny hit 97%.

Chart #11 – Property Tax Levy. Property tax is used to finance more than just the General Fund so some of the dollar amount are higher on this chart compared to Chart #9. However, the chart depicts the same relationship among the four governments as the two previous charts.

Chart #12 – Taxable Valuation. Chart #12 reveals the “wealth” of each city in taxable property. It takes a higher levy in the “poorer” cities to generate the same dollar amount as it does in the “richer” cities.

Chart #13 – General Fund Balance. This chart displays the dollar amount for each citizen that each city has in reserve. It also gives a little illustration to the percentage of Reserves, since DM has estimated a 10.8% reserve in the General Fund, and WDM 26%.

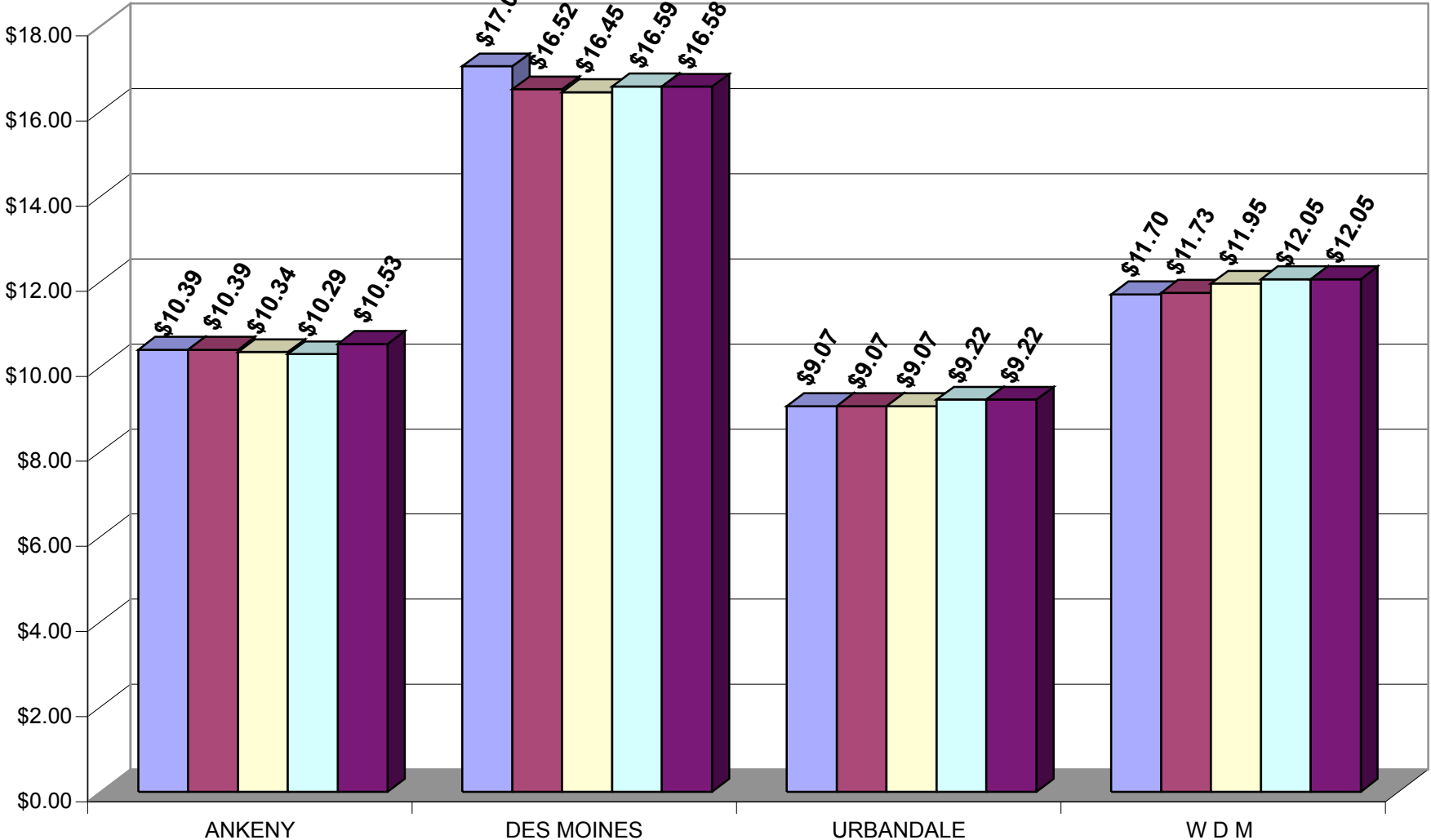
Chart #14 – % of General Fund Balance. The General Fund Balance (reserves) as a percent of General Fund Expenditures. ICMA recommends between 15% and 25%. Urbandale and WDM exceed the recommendation.

Chart #15 - % of Legal Debt Limit. The State limits the amount of Debt a city can carry to 5% of the Total Valuation. This chart indicates how close to that limit each entity has come. DM has a Council imposed limit of 80%. WDM went to the limit in order to finance Jordan Creek, and are now reducing that debt.

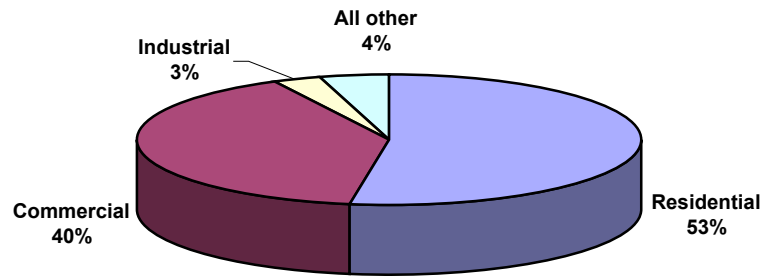
Chart #16 – Population per FTE. Chart #16 discloses the ratio of city employees (full-time equivalent) to its estimated population. DM, with its 100% full-time Fire Department and entrenched bureaucracy has far more employees for each citizen. The key is not only the number of employees, but also in what department.

Chart #17 - % of Salary and Benefits as of the Operating Expenditures. Salary and benefits are the largest expenditure Object in a government budget. It is important to carefully evaluate all hiring prior to making that decision and to work hard to negotiate wage/benefit settlements.

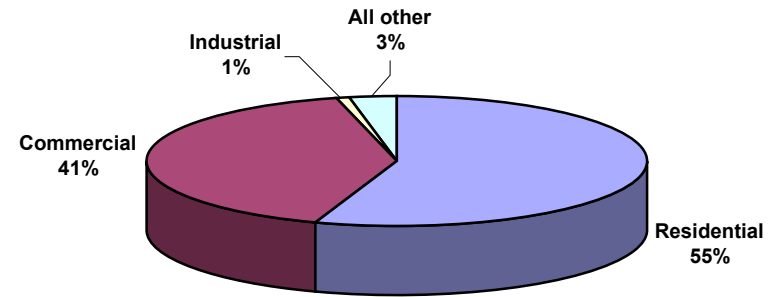
TAX RATE HISTORY FY04/05 TO FY08/09



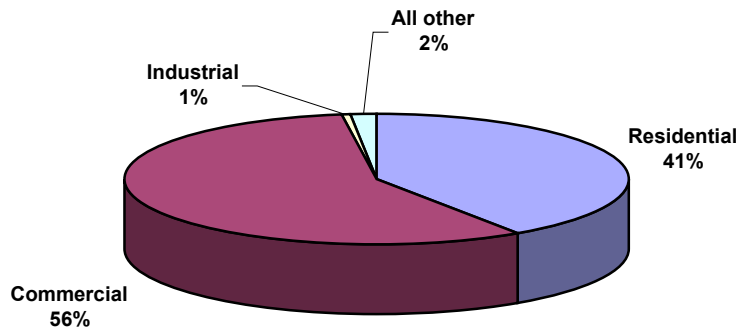
DES MOINES - Property Class by %



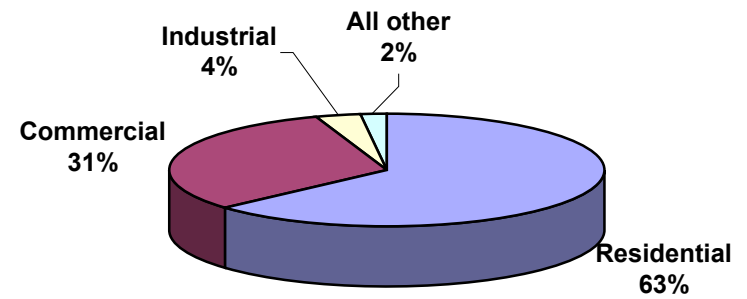
URBANDALE - Property Class by %



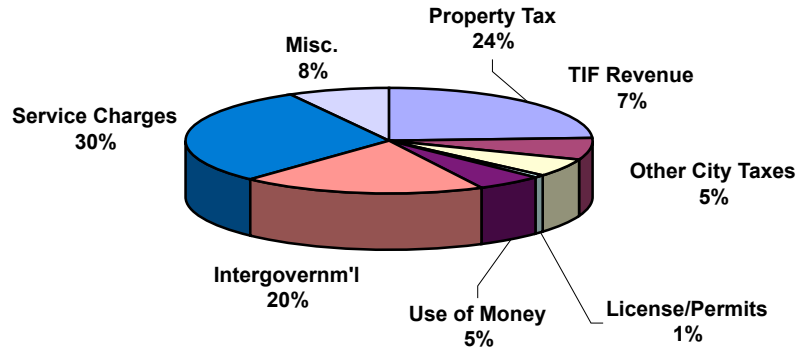
WEST DES MOINES - Property Class by %



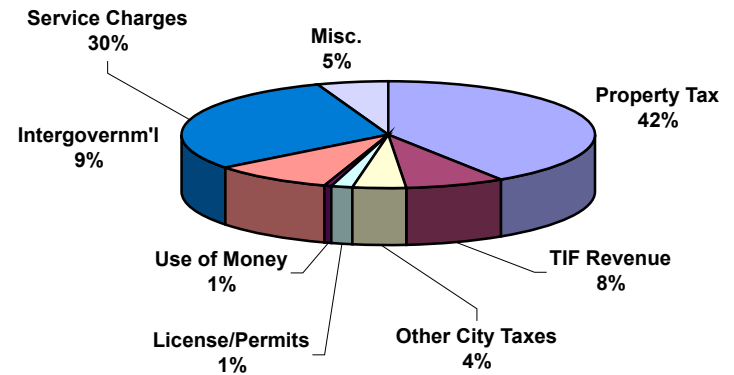
ANKENY - Property Class by %



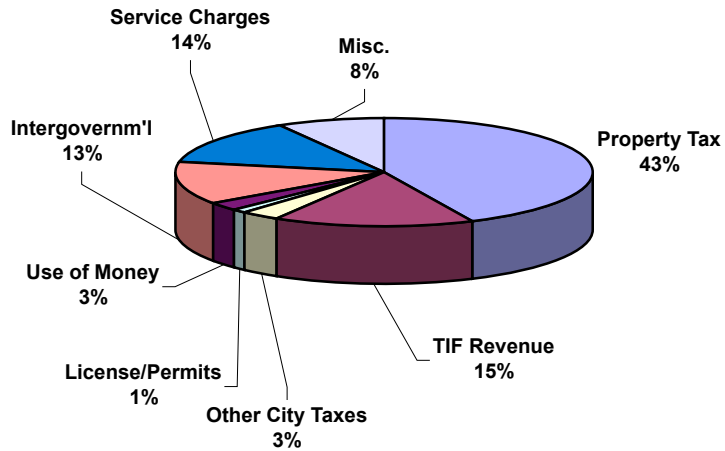
DES MOINES - Operating Revenue Sources by %



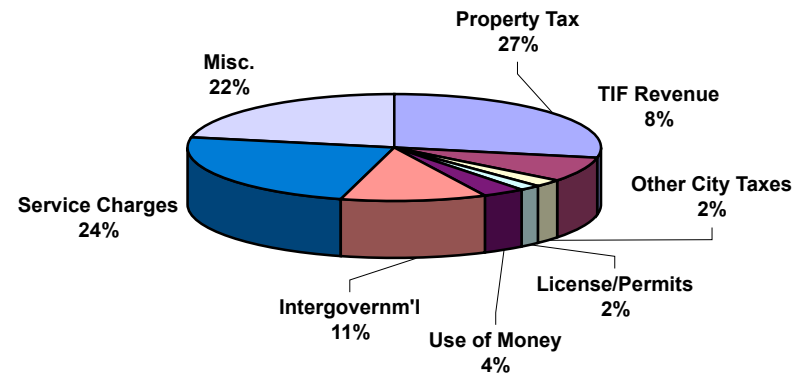
URBANDALE - Operating Revenue Sources by %



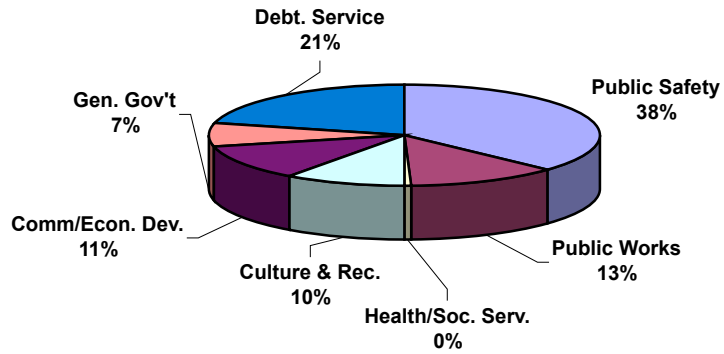
W D M - Operating Revenue Sources by %



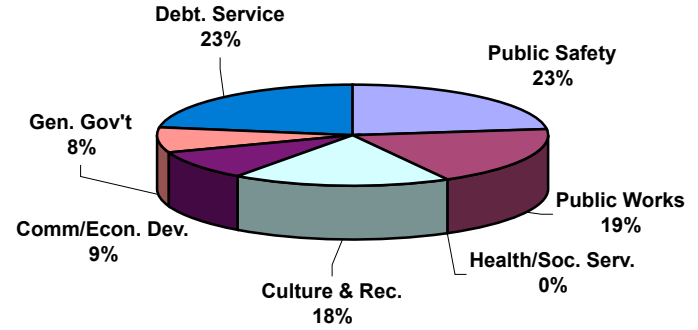
ANKENY - Operating Revenue Sources by %



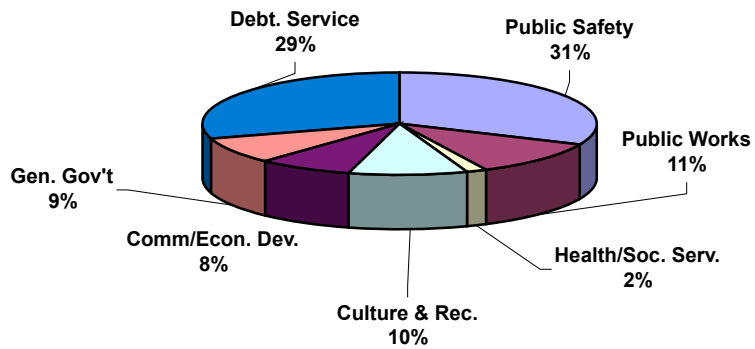
DES MOINES - Expenditures by %



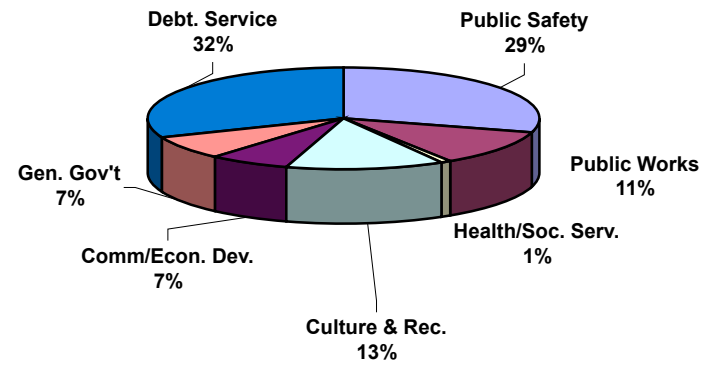
URBANDALE - Expenditures by %



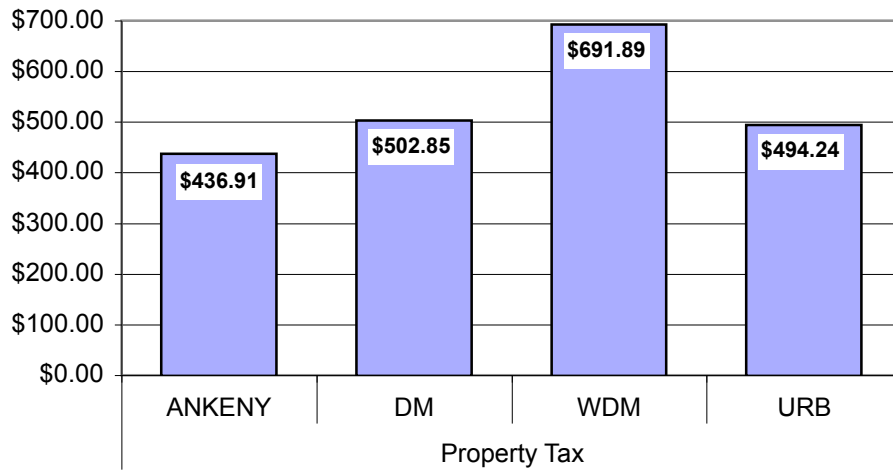
WEST DES MOINES - Expenditures by %



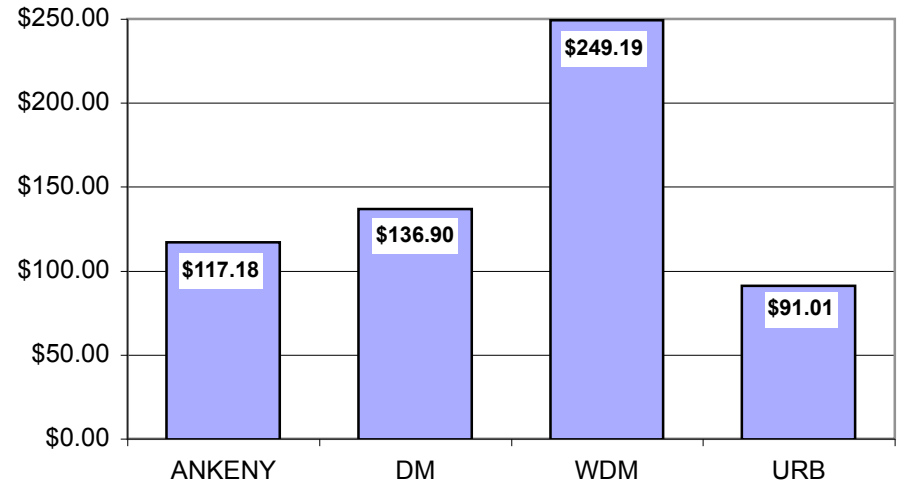
ANKENY - Expenditures by %



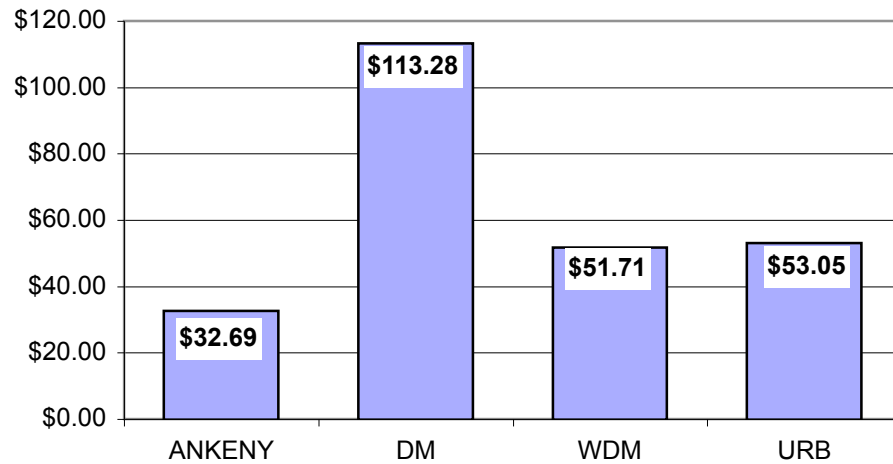
#1 - PROPERTY TAX PER CAPITA



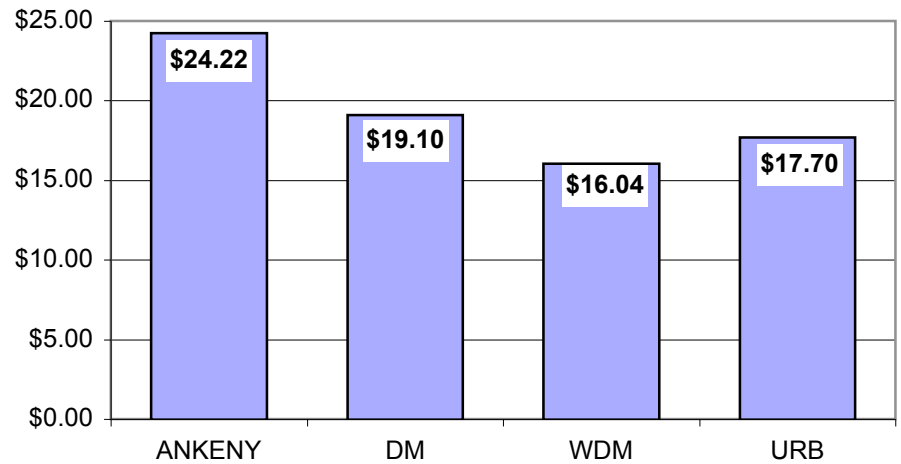
#2 - TIF REVENUE PER CAPITA



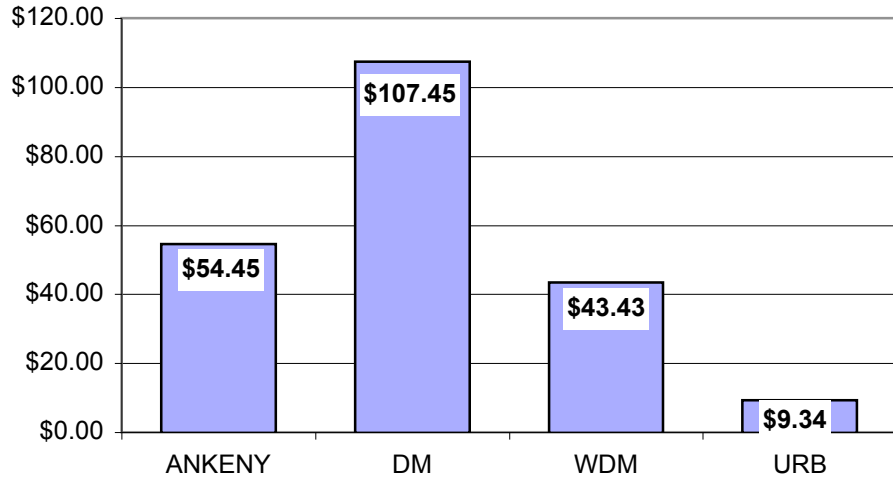
#3 - OTHER CITY TAXES PER CAPITA



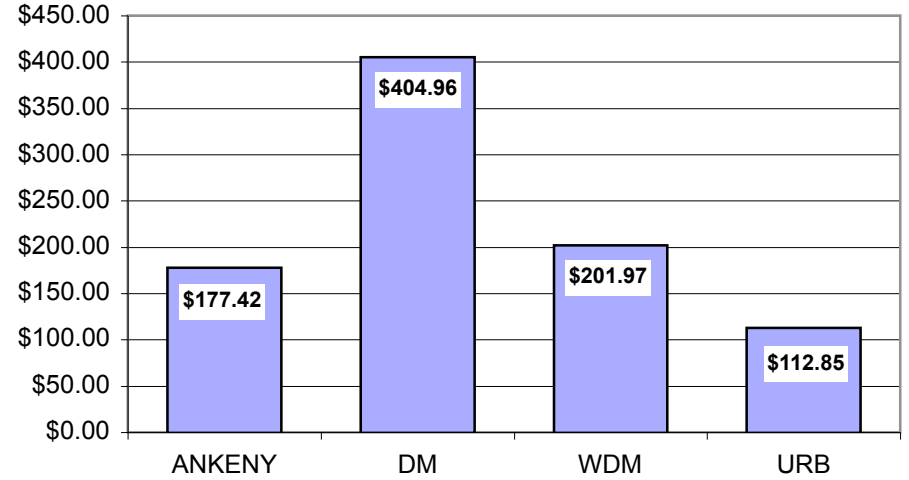
#4 - LICENSES/PERMITS PER CAPITA



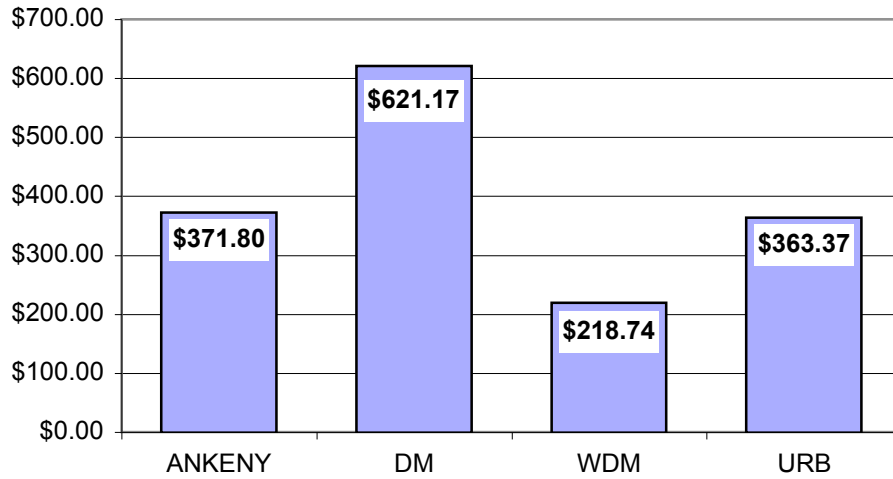
#5 - USE OF MONEY PER CAPITA



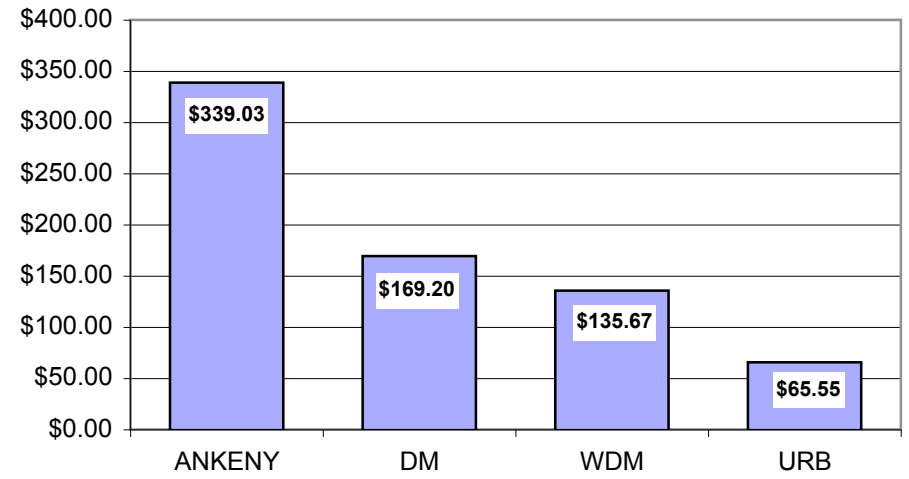
#6 - INTERGOVERNMENTAL REVENUE PER CAPITA



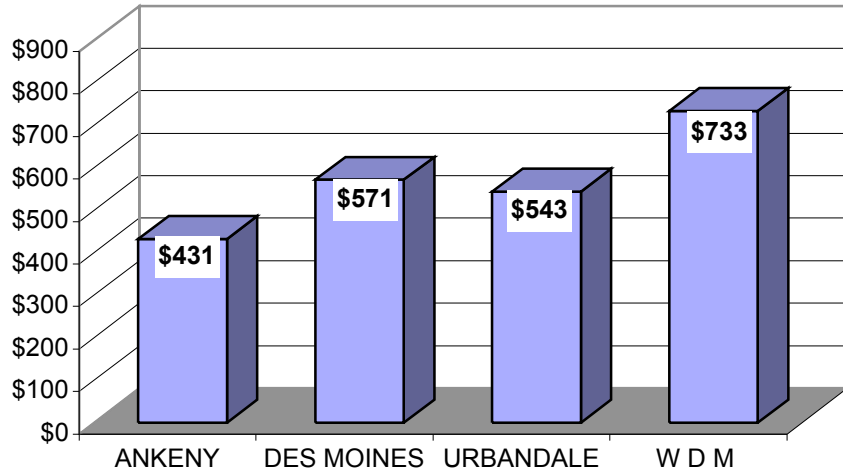
#7 - SERVICE CHARGES PER CAPITA



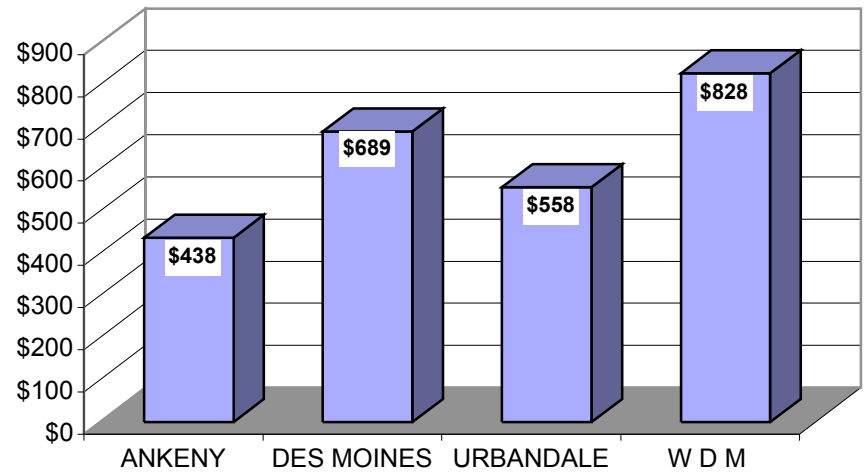
#8 - MISC. REVENUE PER CAPITA



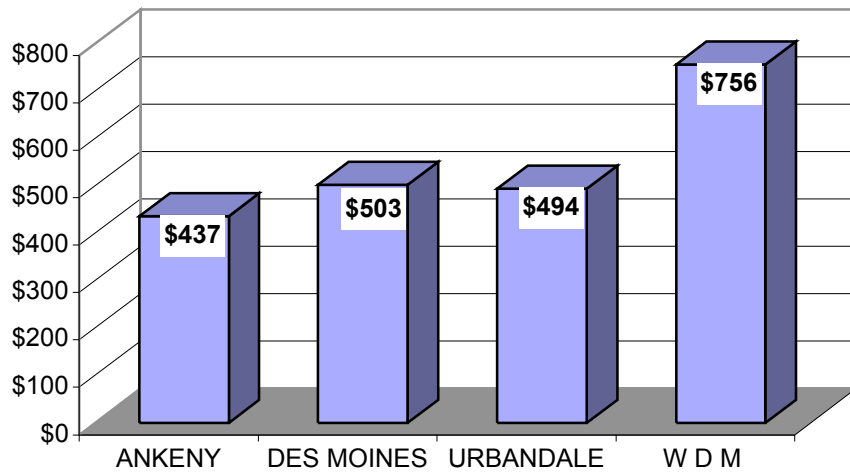
#9 - GEN. FUND REVENUE PER CAPITA



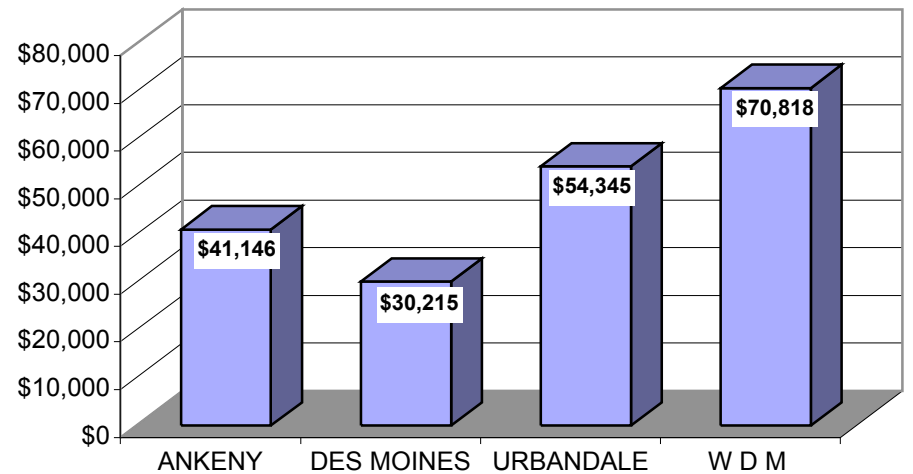
#10 - GEN. FUND EXPENDITURES PER CAPITA



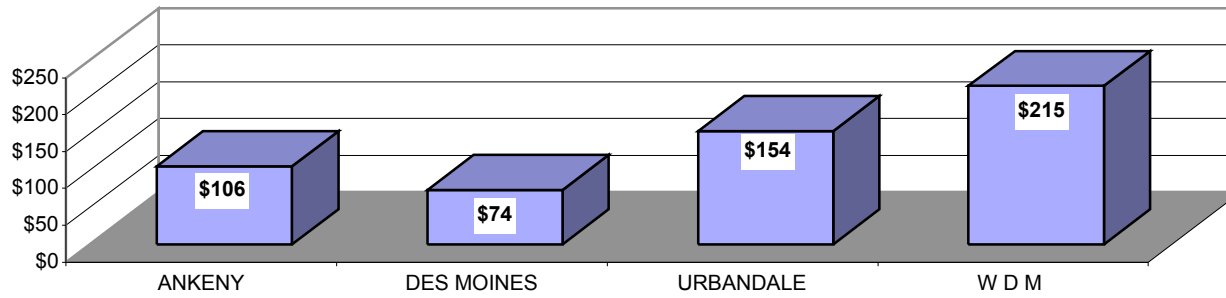
#11 - PROPERTY TAX LEVY PER CAPITA



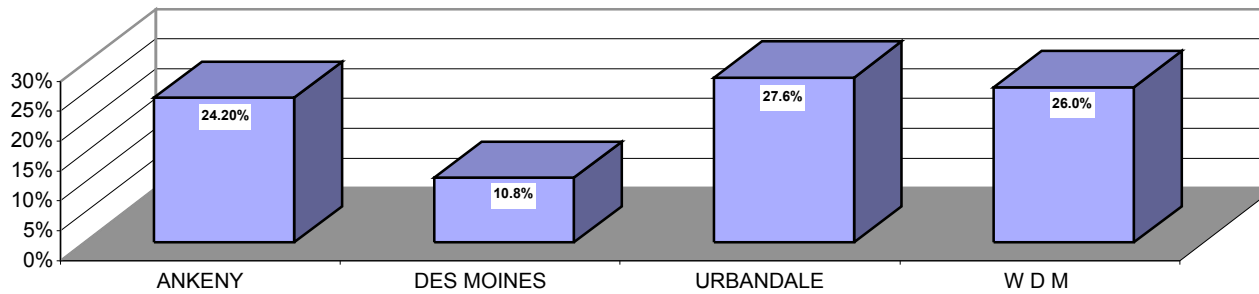
#12 - TAXABLE VALUATION PER CAPITA



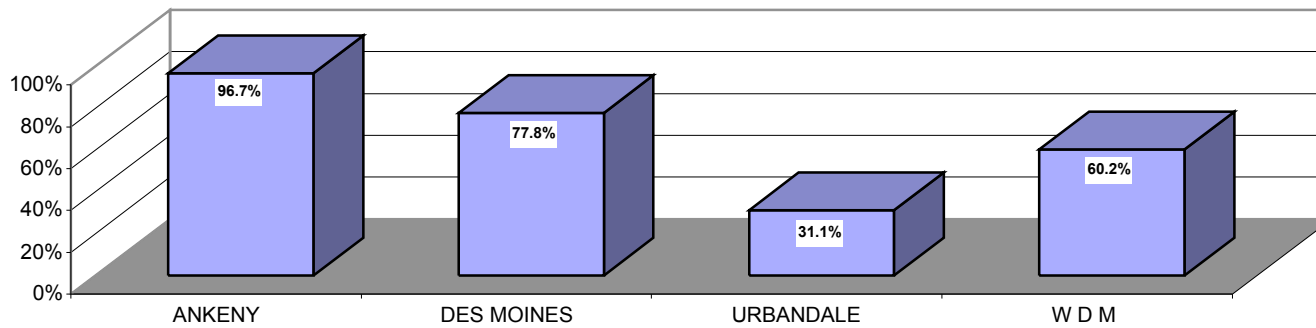
#13 - GENERAL FUND BALANCE PER CAPITA



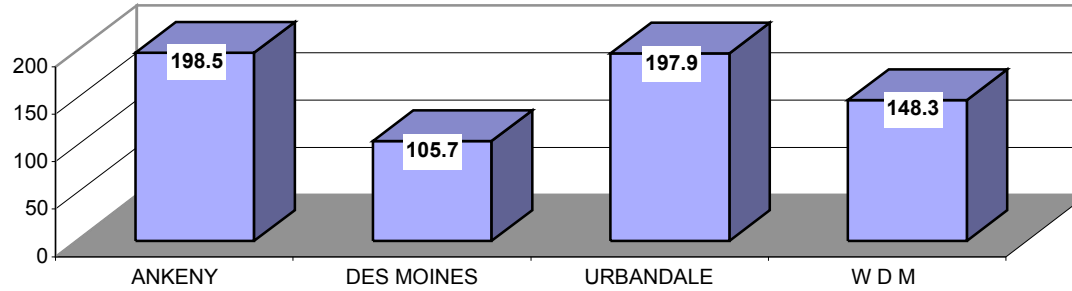
#14 - GENERAL FUND BALANCE - %



#15 - % OF LEGAL DEBT LIMIT



#16 - POPULATION PER FTE



#17 - % of SALARY & BENEFITS - OP. EXPEND

