

■ POLK ■ DES MOINES ■
TAXPAYERS
■ ASSOCIATION ■

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2009 STATEMENT TO THE CITY OF URBANDALE

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.

2009 STATEMENT TO THE CITY OF ANKENY

The Board of Directors of the Polk-Des Moines Taxpayers Association, after much discussion, voted to ACCEPT the proposed City of Ankeny budget for FY2009/2010. The reason the Board of Directors could not SUPPORT the proposal was twofold. First, there was not enough information available on any long-term, comprehensive plans for the proposed Storm Water Utility. The anticipated Revenue in that fund is budgeted to be \$895,000, the equivalent to .49/\$1000 in property tax. Secondly, there are continuing questions on the Prairie Trail Civic Trust Fund.

Population and housing growth in Ankeny in 2008 was strong, if not as good as in the past few years. Taxable Valuation increased by 8.5%. But while growth provides a number of benefits, it also provides challenges that must be met with hard work. There are demands for services and infrastructure. It is important for the Council to determine the actual "needs" and not just give in to the "wants".

The Association would like to thank the Council and staff for the time and effort that was put into the budget workshops that started his fall. It is our opinion that the process was much improved over the manner in which it has been done in previous years. As with any process, however, it is ongoing. The Council must continue to be tireless in their efforts on a number of issues, including the long-term Capital Improvements Plan, the various Enterprise funds, the effects of the national and local economy on growth, and the Civic Trust Fund.

The Association would also like to extend our heartfelt thanks the City staff for its successful effort to reduce the actual levy increase that was anticipated for the construction and expansion of our Public Safety facilities. At the time of the referendum, it was estimated that the increase in the Debt Service levy would be .75/\$1000. Staff was able to lower that to .72/\$1000.

The Association members who attended City Manager Metzger's public presentation on the budget thought that the slide show was very useful. Placing the budget material on the City's website was another good idea, as it made that material available to a large number of taxpayers. We would suggest that the City seek ways to improve the Question and Answer portion, however, as the free-flow of dialogue seemed constrained. Association members also missed the opportunity to directly talk with the Council and staff, even though the numerous workshops did provide some opportunities.

The Business Services Matrix is a very good idea, and the Association appreciates the City's efforts to prepare for FY2010/2011. The Matrix will certainly assist the Council in making decisions on controlling expenditures. As you all know, however, the property tax is not the only source of revenue for the City. Fees for water, sanitary sewer, and soon, storm water are also taxes on the citizens. We exhort the Council in the future to take note of the entire burden paid by the taxpayers. Strong consideration must be given to holding the line on all taxes for FY2010/2011.

The Association wants to again thank Council and staff for their efforts on the upcoming year's budget. We'd also like to thank staff for the several meetings this past twelve months we had on subjects other than the budget, and look forward to multiple opportunities to discuss issues in the next twelve months. As the City Manager said in his February 3rd report to the City Council, we expect "the city to come out of the recession stronger..."

2009 STATEMENT TO BROADLAWNS MEDICAL CENTER

The Polk-Des Moines Taxpayers Association voted to resolutely SUPPORT the proposed BMC budget for FY2009/2010. The strong leadership from the Board of Trustees and Senior Management has convinced the Association that Broadlawns continues to head in the right direction, maximizing its people, tools, and facilities. The Association members understand that the journey is not complete. Your own data shows that there is room for improvement. We noted at our discussion on the budget that there are organizational culture changes that need to be made. The future, because of the national economic situation, is very uncertain.

Last year the Association praised BMC for its use of performance measures and the Vital Signs report. We continue to be impressed with Broadlawns' data-driven decision making and its insistence on benchmarking the actions of the entire staff to insure accountability from each and every member. The results of the patient surveys demonstrate the success BMC has achieved.

The Association was impressed with the long-range contingency plans developed by staff. As we mentioned earlier, with the uncertainties facing all organizations, it is vital that one be prepared to change direction as the circumstances change. It is evident that staff has worked hard to be ready for any eventuality.

Our discussions for the past year about the expansion and remodeling of the facilities have convinced us that the administration and Trustees have been prudent in their decisions. Unfortunately, the Bond market has not been as good as once projected. It is reassuring to know that the Debt will be managed within the current Debt Levy. The phasing of the construction allows for flexibility in the project so that changes in funding will not seriously compromise the plans.

The Association wants to commend the Trustees for their support of the Administration. Their mutual trust and respect is evident as the Association's staff observes discussions that take place at meetings.

Finally, the Polk-Des Moines Taxpayers Association wants to thank the entire BMC staff for their hard work and efforts with the ongoing process of making Broadlawns a better hospital, and the positive working relationship between the Board, the administration, and the Association.

2009 STATEMENT TO THE CITY OF DES MOINES

The Polk-Des Moines Board of Directors voted to SUPPORT the proposed budget for FY 2009/2010. The Association commends the City Council for taking their stand to keep the total levy rate for the next fiscal year the same as it is this year. Times of crisis lead to times of change. With strong leadership from the Council, and good management from the administration, the City of Des Moines can come out of this current economic situation stronger and better than ever.

Terminating employees is always a difficult thing to do. The Association believes that this time it was the right thing to do. Des Moines MUST get leaner and more efficient to stay competitive. The Association continues to encourage the council and administration to look for better ways to provide the services that you do, since across-the-board cuts are NOT the way to balance a budget. Privatization can be a good route to take, but it is not a panacea. Contracts must be carefully written and the contractor's performance be monitored and evaluated.

The Association is pleased to understand that starting early this spring you will be looking for suggestions from the public, internally, and perhaps even from outside experts on how to control expenses and become even more effective. Your benchmarking and performance measures should enable the City to identify problems in the process, analyze the workforce, provide feedback to your workers, eliminate duplication and overlapping job responsibilities, and help set priorities that lead to solutions on the issues that are facing you.

The Des Moines budget workshops are a great tool and provide an excellent example for the rest of the metro area communities. This year the City of Ankeny has replicated your efforts. Our members want to thank all of you for the time you take to be involved in these discussions.

The Association commends, and continues to support, your efforts at the Legislature to diversify the revenue streams that are available to Iowa's cities. Cities are the economic development engine that drives the state's economy. They need more tools if they are to continue to be strong and vibrant.

The Association was concerned when it first heard that \$1 million of Gaming funds - funds that are now currently being used for repair and construction of roads and bridges - was being transferred to the Operational budget. We have been assured that these funds will not go toward on-going salaries and benefits, but will instead be used for materials only.

The City of Des Moines faces challenges with its limited growth in Taxable Valuation. The change in the Rollback back to 45.6% will help a little to offset possible decreases in Residential Value due to foreclosures and other issues caused by the economy. The vacancy rate in the downtown office buildings also is a concern to our members. The positive manner in which the City Manager addressed our questions on these matters mitigated our unease with this situation.

For many, many years, the Association has promoted collaboration among the metro area governments. Every year we urge that all of the local governments in the metro area seek ways to cooperate. We'd be remiss if we did not thank you for your past efforts and once again exhort the City of Des Moines to keep a positive attitude, be a leader, and find ways to team up with other entities, for all of central Iowa is in this together.

2009 STATEMENT TO THE CITY OF WEST DES MOINES

The Polk-Des Moines Taxpayers Association voted to **SUPPORT** the City of West Des Moines proposed FY2009/2010 budget. The City currently is in exceptionally strong financial shape, yet the economic situation facing the nation demands that local governments be prudent in their approach to spending in the next year. This proposed budget does just that.

The Association would like to make a number of additional comments.

First, the Association would like to thank the Mayor, the City Manager, and his staff for the time they take to meet with us, their hospitality, and the tour the Association members received of the new Public Safety facility.

The Staff and Association members find the budget binder assembled by the City is of exceptional quality, both in the presentation of the material, but more importantly, in the quality of the information provided. We commend you on your distinguished budget award for the tenth consecutive year. More importantly, taxpayers in general and the Council members have an outstanding resource for understanding the objectives of the City. The financial management of the City has been recognized again by the CFOA for the 15th year, which confirms the City's strong financial management team.

The Association appreciates the steps the City has taken to control their costs, including health care costs, and encourages the Council and administration to continue to work hard on this issue.

The Association has long advocated the use of Citizen Surveys as an aid in planning for the future. The City of West Des Moines' survey results demonstrate that the City has done an exceptional job in reacting to resident's concerns. In past years, the Association has urged the City to also connect with businesses, since commercial property makes up approximately 60% of the tax base. Mayor Gaer informed the Association that they had in fact started an outreach effort to the major businesses. The Association thanks the City for that effort, and encourages even greater effort in that direction.

We commend you for your use of clusters within the City organizational structure. Better relationships, synergies and efficiencies are established through increased interactions of the departments. Departments have become more strategic partners as they embrace long-term issues and strategic planning issues. We would encourage you to introduce this concept to neighboring cities. It may help them deal with duplication of services within multiple departments leading to more efficient government.

The Association recommends that all local governments engage in cooperative measures with their neighboring governments where and when possible. Collaboration usually means providing better service to the taxpayers at a lower cost. The budget binder includes a long list of initiatives where this has taken place. The Association commends the City for their efforts. Projects such as the new salt facility, the joint fire/EMS facility with Clive, providing animal control to Clive, Westcom, your support of the Iowa events center, the new agreement with Iowa Health Systems to provide administration and operation of emergency medical services, and many other examples show West Des Moines' commitment to support a better quality of life for all residents of the metro area. And, many of those initiatives serve to lower the costs for all cities by sharing them with the other cities.

The City Manager informed the Association of his efforts to work with the new medical facilities to discuss the cost of services to their new facilities. The effects of tax-exempt property, including governmental, medical, churches, etc., should be carefully addressed by all cities. The Association also urges the City to further explore expanding User Fees, using that additional income to offset property taxes. The City should encourage the Legislature to allow all cities other possible Revenue streams rather than be so heavily reliant on property tax. The Association also recommends that the City seek ways in which public/private ventures can enhance the quality of life within the City, yet not place the entire burden on the taxpayer.

We believe that West Des Moines has been aggressively pursuing many of these issues and we urge you to continue your efforts.

The economic development and growth that the City of West Des Moines has orchestrated over the past several years has been phenomenal and the growth in property valuation (especially commercial valuation) has put the City in a very favorable financial condition. West Des Moines' taxable valuation per capita is the highest of Iowa's; ten largest cities. And you are coming off of your best performance in history (the total building permit valuation was in excess of \$490,000,000). However, we encourage you to keep an eye on the older neighborhoods and parks. Your commitment to older neighborhoods of \$2.1 million is a step in the right direction. Parks need to be continually updated and expanded. You enjoy being rated as one of the top ten suburbs to live in. The price for that is exceptional parks, cultural and recreational facilities.

It must be recognized that although the property tax levy rate has remained constant at 12.05 since FY07/08, the taxpayers of West Des Moines now pay a Des Moines Area Rapid Transit levy as well, in effect, a property tax increase for the citizens and businesses of West Des Moines. We commend the City for: closely monitoring personnel costs and looking at not filling positions when possible; taking the initiative on reducing cost of living increases for senior management; identifying cost saving options for health insurance; not adjusting solid waste collection rates, etc. And, we understand the thinking of maintaining healthy cash reserves during economic times like these (in excess of 28% or \$13.4 million). We also understand the volatile nature of this recession, the potential for vacant commercial space, and the potential for lower property valuations. However, once the economic situation becomes clearer, the Association strongly urges the Council and administration to assess the growth in Taxable Valuation, re-evaluate Revenues, Expenditures, and Fund Balances, and then provide as much property tax relief as judiciously possible.

We will be looking forward to seeing your planning and financial modeling of futures years. And, we anticipate discussions of what the upper limit of cash reserves should be.

Visit the website for more detailed budget summaries

www.polkdesmoines taxpayers.org