

❖ Des Moines City Profile

Location

Des Moines, the largest city in Iowa with over 198,000 people, is recognized as a center for government, education, business, culture and the arts. It is located in Polk County, right in the middle of the State. Interstate I-80 and I-35 meet in Des Moines and link it to busy trucking routes going both east-west as well as north-south. More than 400,000 people reside in Des Moines, its surrounding suburbs, and the unincorporated county. The nearest large cities include Kansas City to the south, Minneapolis-St. Paul to the north and Chicago to the east.

History

The history of Des Moines can be traced to 1834, when John Dougherty, an Indian Agent at Fort Leavenworth, Kansas, recommended that a military post be established at the convergence of the Des Moines and Raccoon Rivers. In May, 1843 Captain James Allen and his company of U.S. Dragoons established a military garrison. Originally named Fort Raccoon, General Winfield Scott directed it to be re-named Fort Des Moines. The exact meaning of "Des Moines" is not clear. It is probably a combination of the Native Americans' name of the river "Moingonia" or "river of the mounds" and French explorers who came through the area and translated the Native American name to "La Rivere des Moines," which has no direct translation, but has come to mean "the middle."

Settlers began locating almost immediately near the fort, which is now the site of Principal Park (Sec Taylor Field), home to the Iowa Cubs AAA baseball team. Streets were platted in 1847 and in 1851 the town was officially incorporated. In 1857, Fort Des Moines was shortened to Des Moines and later that year the City was designated the capital of the State of Iowa.

Des Moines enjoys international recognition as a major insurance center (third largest in the world) with nearly 60 life, health, and casualty companies. More recently Des Moines is also experiencing rapid growth in the financial services industry as well. The City's climate controlled skywalk system serves as an important link to parking garages, hotels, restaurants, stores and businesses. The City's numerous tourist attractions and facilities have established it as a popular and thriving Midwest city.

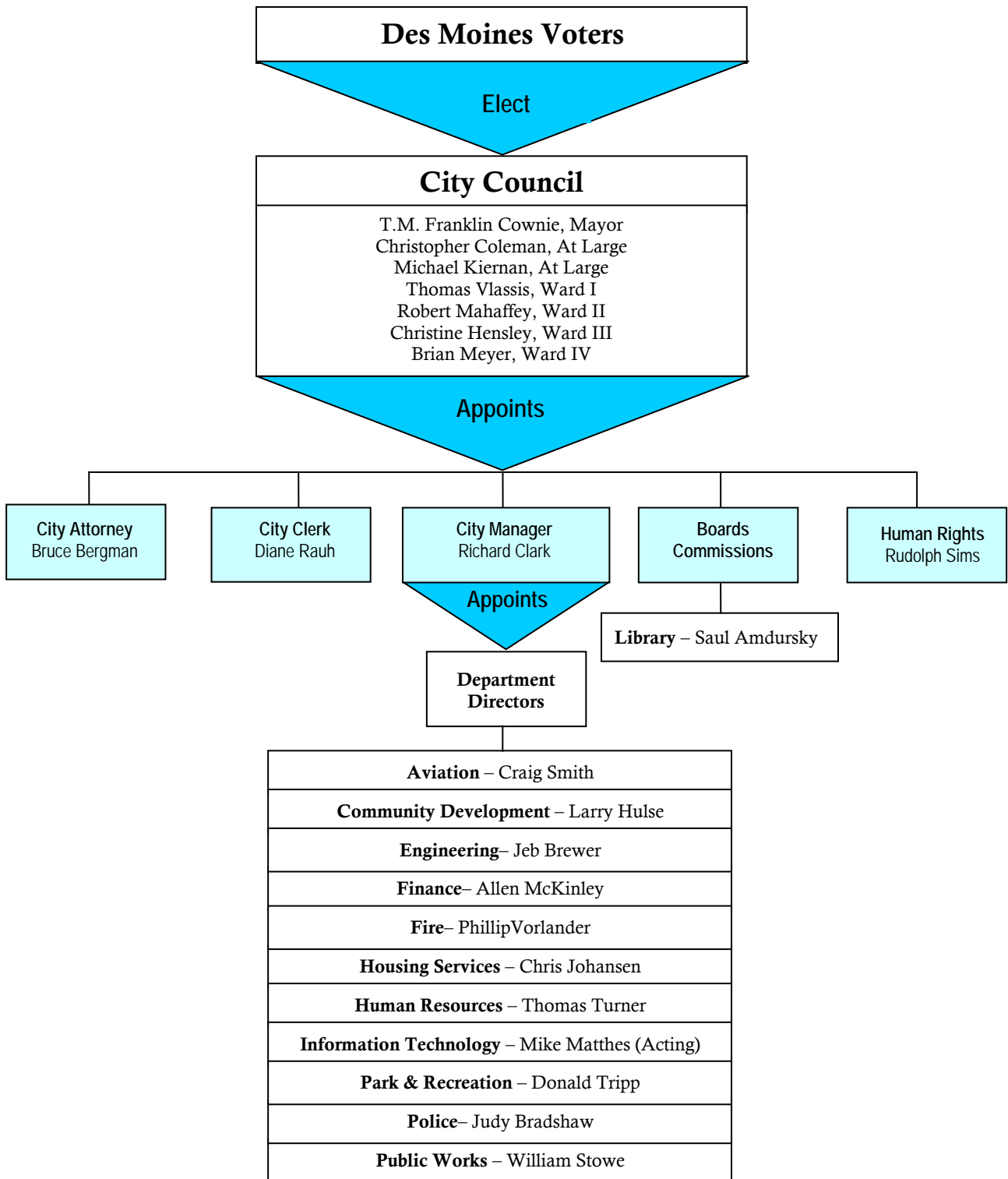
Government

The City of Des Moines was organized under the president-council form of government during the 1850s. The Reverend Thompson Bird was the first town president, and the first "town council" was elected in 1851. The president-council form of government lasted for more than fifty years. In 1907, Des Moines adopted a commission form of government in which elected Commissioners held both legislative and administrative powers. In 1945, a City Manager system was established for Des Moines by a special referendum. This new arrangement called for five Council members to be elected at-large to overlapping terms of four years each. The Mayor was chosen from among the Council members. In 1968 the Council formed yet another system of government called the Council-Manager-Ward Plan. This form of government called for voters to elect a Mayor and two Council members at-large. Residents of each of the four wards also elected a Council member to represent their area of the city.

The City provides a full range of services including police and fire protection; solid waste and recycling collection; park and recreation programs; enforcement of zoning and building codes; traffic control and parking; operation of an international airport; library services; construction and maintenance of infrastructure (streets, sewers, bridges); and housing services.

The Des Moines Independent Community School District is the primary provider of K-12 education to Des Moines residents. The Des Moines Water Works, Des Moines Metropolitan Transit Authority, Des Moines Metropolitan Wastewater Reclamation Authority, and the Metro Waste Authority provide water treatment and distribution, transit services, wastewater treatment, and landfill services to the citizens of Des Moines via agreements or joint ventures with surrounding communities. In 2003 Des Moines was selected an All-America City. The All-America City Award, a 56-year-old program of the National Civic League recognizing civic excellence, annually honors 10 communities that best exemplify the spirit of grassroots citizen involvement and cross-sector collaborative problem solving. Des Moines was previously selected an All-America City in 1949, 1976, and 1981.

Budget Summary



❖ Budget Process

Adoption of the Budget

Chapter 384 of the Code of Iowa requires adoption of an annual budget on or before March 15 of each year. The adopted budget provides appropriations (authority to spend) for program operations for the fiscal year that begins on July 1 and ends on June 30 of the following year. In practice, the Des Moines City Council typically adopts the budget at their first meeting in March each year. After adoption, the Research and Budget Officer sends the certified budget to the County Auditor.

Amendment of Budget

Budget amendments (revisions to the adopted budget) must be prepared and adopted in the same manner as the original budget. An amendment action is required for a variety of reasons, such as unanticipated changes in expenses or revenues, Council and City Manager program modifications, and changes in legal requirements. Because State law prohibits expenditures from exceeding program appropriations, the City of Des Moines usually amends the budget once during the fiscal year, at the same time the next fiscal year budget is being considered for adoption. Amendments can occur more often and the process is not limited by the March 15 requirement.

Budget Documents

While the City is formulating the annual operating budget, a parallel process is taking place to develop a capital improvements program. Two separate, but interrelated documents are prepared during the budget process. Each communicates to stakeholders how the City intends to allocate resources to meet customer needs.

The first document, the Operating Budget, focuses on the annual departmental operations and includes summary information on the capital improvement program. The document provides fiscal and program information for changes to the current fiscal year budget (amending) and projections for the following fiscal year budget (recommending). The second companion document, the Capital Improvement Program, focuses on projects that involve major one-time expenditures related to the city's infrastructure and economic development efforts. The local funding source is generally bonds. This document provides project detail for changes to the current fiscal year, the proposed budget for the following year, and projections for the following five years.

The activities to prepare these two documents begin about eight months prior to the Council adoption of the budget in February/March. It should be noted that the City Council, City Manager, boards, commissions, and city staff continue to review financial and program issues throughout the year. In reality, a budget process is a continuous set of activities undertaken throughout the year.

Changes made by Council during the adoption process are reflected in the budget certified to the County Auditor. The documents are then reprinted incorporating the Council changes.

Roles of Participants in the Budget Process

Departments -

Department Directors and staff review historical data, current fund balances, and future projections. Operating programs and capital improvement projects are reviewed for necessary changes to improve service delivery to the community and to implement changes directed by the Council and City Manager. The department must evaluate the changes that have occurred and how they impact its mission. Departments then consider alternatives and develop proposed program and project changes. In the operating budget, departments prepare a "current service level" budget, which provides necessary resources to continue the current program without enhancements. Program modifications are prepared and proposed. A similar process occurs for the capital project budget. All this information is submitted to the Research and Budget Office.

Research and Budget Office -

Prior to the departmental submissions being received, the Research and Budget Office assists departments in preparation of their proposed budgets by providing projections, historical data tables, forms, and other information as requested. Discussions with department staff on policy and program issues are ongoing throughout the process. The Research and Budget Office reviews submissions to ensure they conform with the City Manager's budget plan. After projections are completed for all projects and funds, final adjustments (additions and reductions) may be directed by

Budget Summary

the City Manager. The Research and Budget Office works with City Manager staff in preparing the recommended document. Council changes are incorporated in the final adopted budget.

Boards, Commissions -

Several departments have boards and commissions that review, approve, or assist in preparation of the budget and monitor the execution of the programs.

City Manager -

The City Manager is responsible for reviewing total program funding requests from departments and developing the recommended budgets for submittal to the Council. The Manager provides direction to the Research and Budget Office on what budget changes to make in order to implement the City Manager's work plan. Council policies and priorities for the following year are incorporated into the plan. The Recommended Operating Budget and Capital Improvement Program are completed near the end of December, with the City Manager submitting the documents to the Council in January.

Mayor and Council -

The Council conducts hearings and meetings throughout the year that results in policy actions incorporated in the recommended budget. Hearings become much more frequent starting in August. Specific fiscal policies and issues are considered in the workshop setting. The Council typically adopts the recommended budget, with any changes, at the last Council meeting prior to the March 15 deadline.

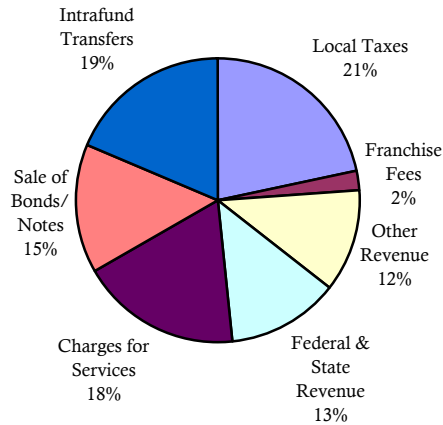
Public -

Public input is provided at various Council meetings throughout the budget process and during the budget workshops from August through February. The City Clerk publishes notice of hearing on adoption of the budget. Copies of the budget documents are made available in January and are provided to City Libraries and on the City website. Presentations are made as requested to organizations. There are many citizen groups and committees that meet throughout the year and play a vital role in program development.

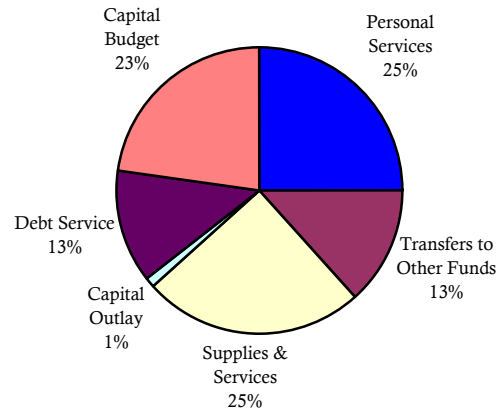
Budget Summary

❖ City of Des Moines FY 2009 Budget - \$609,964,903

Revenues by Category



Budget by Category



The total \$610 million budget can be divided into an operating budget and a capital budget.

Operating Budget: includes funding for the day to day operations of the general fund (police and fire departments, parks and recreation, libraries, code inspections, and general administration, and other activities); the seven enterprise operations (airport, golf courses, housing services, parking system, sanitary sewers, solid waste collection, and storm sewer); internal service operations that serve all the city departments; debt service on general obligation debt; and special revenue funds (such as Road Use Tax and various federal and state grant programs). The \$471 million operating portion of the budget is an increase of \$38 million over the FY 2008 adopted budget or an increase of 9%. Most of that increase (65%) is accounted for in debt service fund payments on past capital improvement projects and transfers from the enterprise funds for new capital improvement projects. The General Fund increase is 3%. The table below provides an operating budget breakdown by fund. More detail and definition on each of those funds is provided throughout the budget summary.

FY 2009 Operating Budget By Department by Fund

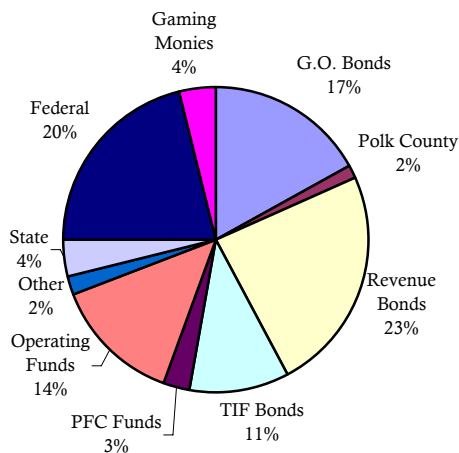
	General	Special Revenue	Enterprise	Internal Service	Other	Total
Finance	\$ 5,984,670	\$ 41,389,049	\$ -	\$ 429,745	\$ 45,257,806	\$ 93,061,270
Public Works	1,817,407	13,185,390	65,949,676	1,274,065	1,931	82,228,469
Police	47,971,859	3,296,562	2,808,229	782,954	-	54,859,604
Aviation	-	-	54,068,152	-	-	54,068,152
Human Resources	2,239,648	10,265,461	-	24,019,826	-	36,524,935
Fire	29,504,232	390,495	-	-	-	29,894,727
Engineering	8,080,809	5,171,661	16,383,692	-	-	29,636,162
Housing	-	-	21,755,869	-	-	21,755,869
Community	5,727,310	13,813,052	-	-	-	19,540,362
Park & Recreation	16,570,267	194,300	2,087,465	-	157,471	19,009,503
Library	6,820,195	500,000	-	-	-	7,320,195
Information Technology	4,310,325	-	-	588,810	-	4,899,135
City Manager	2,327,323	1,466,478	-	9,658,420	-	13,452,221
Legal	2,913,558	-	-	-	-	2,913,558
City Clerk	755,775	5,000	-	-	-	760,775
Mayor & Council	456,663	-	-	-	-	456,663
Human Rights	307,960	-	-	-	-	307,960
	\$ 135,788,001	\$ 89,677,448	\$ 163,053,083	\$ 36,753,820	\$ 45,417,208	\$ 470,689,560

Budget Summary

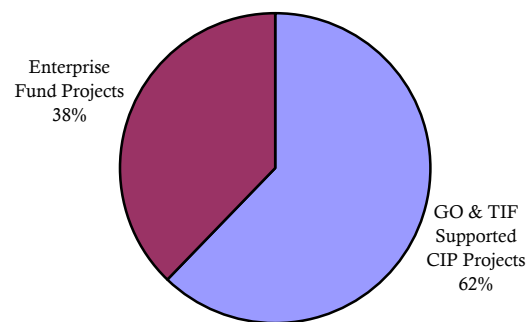
Capital Budget: includes funding for major construction or acquisition projects financed in whole or part through the issuance of bonds, federal and state funds, contributions, and user fees. A separate Capital Improvement Program (CIP) document details all the projects and funding sources. The \$139 million capital budget is an increase of \$25 million over the FY 2008 adopted budget or an increase of 22%. Most of that increase is accounted for in airport projects and a smaller portion in street projects. A decrease of approximately \$12 million in Neighborhood and Economic Development is due to a State requirement to report most economic development activity in the operating budget. Below are the categories utilized in the 6-year Capital Improvement Program.

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % Total
Streets	\$ 22,790,087	\$ 35,738,408	\$ 34,034,898	\$ 41,726,555	30%
Airport	13,276,995	22,865,100	16,025,984	40,749,369	29%
Municipal Buildings	4,366,622	5,858,868	8,337,035	15,190,245	11%
Parks	12,574,637	12,428,000	16,686,154	14,430,753	10%
Storm Sewers	11,673,709	6,419,926	11,062,592	6,085,000	4%
Fire	1,588,140	2,495,000	4,930,544	5,505,000	4%
Sanitary Sewers	5,352,531	5,260,000	7,536,852	4,425,001	3%
Bridge & Viaduct	3,596,220	2,800,000	3,629,571	2,950,000	2%
Neighborhood & Econ Dev	15,080,624	14,254,548	25,164,873	2,437,500	2%
Libraries	2,461,554	655,000	1,533,383	1,556,800	1%
Sidewalks	418,395	2,439,243	2,734,355	1,469,120	1%
Traffic Control	1,922,228	1,110,000	2,507,849	1,425,000	1%
Parking	3,330,861	1,400,000	2,667,540	1,325,000	1%
	\$ 98,432,603	\$ 113,724,093	\$ 136,851,630	\$ 139,275,343	100%

FY 2009 CIP Revenues



FY 2009 Adopted Capital Budget

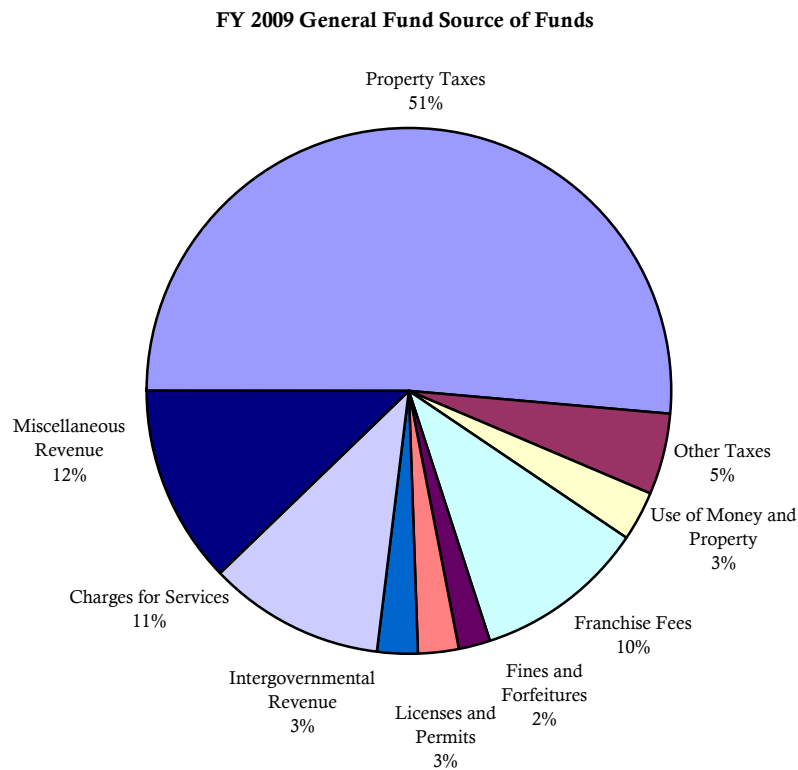


❖ General Fund

The general fund is the primary operating fund of the city for services such as police and fire protection, parks and library operations, planning and code enforcement, and general administration. Often this budget area is of most interest to residents because it accounts for delivery of the core city services and because most property taxes are accounted for in this fund. The following pages focus on the major General Fund revenues and expenditures. Beyond that is additional information on all funds and detailed information on activities in each department.

General Fund Revenues

General Fund revenues are generated from a variety of sources. The four largest categories in the General Fund are property taxes, other taxes (hotel/motel and utility excise), franchise fees, charges for services, and miscellaneous revenues (return on investment, indirect cost allocation charges, and payments in lieu of taxes). Charges for services is revenue generated by users of a particular service provided by a department and include charges related to cemeteries, pools, other recreation activities, inspections services, emergency medical services and transport, and departmental charges for work on capital projects. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. The graph below shows the sources of revenue on a percentage basis.



Budget Summary

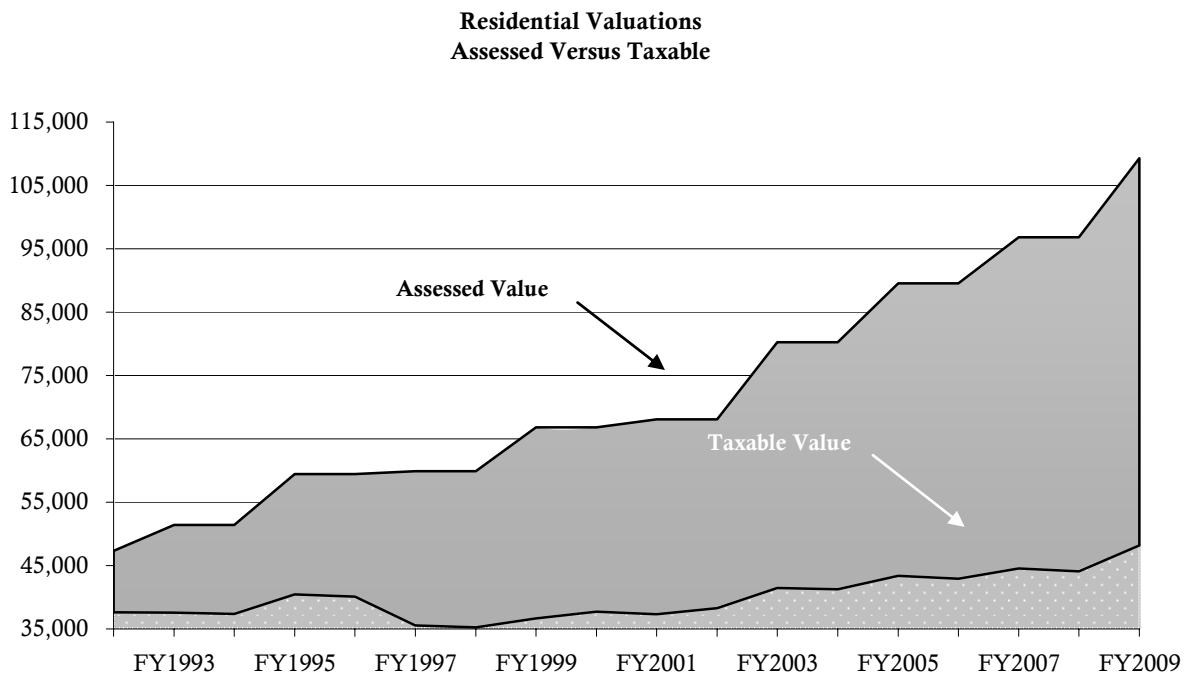
General Fund Property Taxes

General Overview

Property tax is the primary funding source for municipalities in Iowa and the traditional formula 'value' x 'rate'='levy' applies. However, like most other states there are adjustments or limitations in place for parts of the formula. In Iowa the value and rate portions are regulated by the state. A city tax rate can be made up of several "subrates" which are all delineated by purpose in Chapter 384 of the state code. The Council-adopted tax rate is applied to property valuations to yield a tax levy more commonly called a tax bill.

Valuations

Each property in Iowa is first designated either as tax exempt, non-taxable, or taxable. Only taxable property is subject to property taxation. Taxable property is broken down by class (commercial, industrial, agricultural, residential). Each taxable property class is subject to a state imposed rollback which determines how much of a property's assessed value (market value) will be subject to taxation (taxable value). The residential rollback was instituted in 1978 with a limitation of six percent applied to the annual growth of residential and agricultural property. When assessed valuation growth exceeded six percent the valuation was "rolled back" a sufficient amount to six percent growth. In 1979, the six percent limit was also enacted for industrial and commercial property and the residential and agricultural valuations were linked so that neither class of property would increase more than the other. In 1980, the growth limitation was further reduced to 4%. The residential rollback reached a high of 80.6% in 1989 and has since steadily trended downward. The rollback for taxes payable in FY2009 has been set at 44.0803%. The rollback has dramatically reduced taxable residential values. Commercial property taxable valuations are 99.7312% of assessed value. The chart below is a presentation of the assessed and taxable valuations of an average residential property since 1992. This is the same property used in the presentation of tax rates and tax bills later in this section.



Budget Summary

City Tax Rates and Tax Bills

As previously discussed value in the formula is not the assessed or market value but rather is the taxable value. The taxable value is assessed value adjusted by the rollback percentage. Tax credits can further reduce a property tax bill and are primarily applicable to residential properties. The homestead credit is available to owner occupied residential properties and is funded by the state. The military service credit is also available; however, this credit is not funded by the state.

The tax rate and bill history table is based on an actual residential property in Des Moines that had an assessed value approximately equal to the average assessed value in 1990. This methodology is used rather than calculating the tax bill on each year's average assessed residential valuation because the average would include both the growth in valuation of the existing housing stock plus the valuation of new homes constructed during the year. The intent of the table is to show the impact of the tax rate on a home over a period of time. The table indicates the property owner's city tax bill has increased from \$576 in FY95 to \$731 in FY09. The \$155 increase over the 15-year period equates to an average annual increase of 1.71%.

	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>
Tax Rate	16.19909	16.10600	16.18284	16.24935	16.93966
Average Assessed Value	\$ 59,420	\$ 59,420	\$ 59,900	\$ 59,900	\$ 66,800
Rollback	68.0404 %	67.5074 %	59.3180 %	58.8584 %	54.9090 %
Average Taxable Value	40,430	40,113	35,531	35,256	36,679
Gross Tax Bill	\$ 655	\$ 646	\$ 575	\$ 573	\$ 621
Homestead Exemption	\$ (79)	\$ (78)	\$ (78)	\$ (79)	\$ (82)
Net Tax Bill	\$ 576	\$ 568	\$ 497	\$ 494	\$ 539
	<u>1999-2000</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Tax Rate	16.81579	16.57304	17.04857	17.04857	17.04806
Average Assessed Value	\$ 66,800	\$ 68,070	\$ 68,070	\$ 80,270	\$ 80,270
Rollback	56.4789 %	54.8525 %	56.2651 %	51.6676 %	51.3874 %
Average Taxable Value	37,728	37,338	38,300	41,474	41,249
Gross Tax Bill	\$ 634	\$ 619	\$ 653	\$ 707	\$ 703
Homestead Exemption	\$ (82)	\$ (80)	\$ (83)	\$ (83)	\$ (70)
Net Tax Bill	\$ 553	\$ 538	\$ 570	\$ 624	\$ 633
	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
Tax Rate	17.05539	16.52000	16.45000	16.59003	16.59000
Average Assessed Value	\$ 89,530	\$ 89,530	\$ 96,800	\$ 96,800	\$ 109,308
Rollback	48.4558 %	47.9642 %	45.9960 %	45.55596 %	44.08030 %
Average Taxable Value	43,382	42,942	44,524	44,098	48,183
Gross Tax Bill	\$ 740	\$ 709	\$ 732	\$ 732	\$ 799
Homestead Exemption	\$ (70)	\$ (68)	\$ (68)	\$ (68)	\$ (68)
Net Tax Bill	\$ 670	\$ 641	\$ 665	\$ 663	\$ 731

Property Tax Rates (per 1,000 taxable value)

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2008</u>	<u>FY 2009</u>
	<u>Actual</u>	<u>Adopted</u>	<u>Amended</u>	<u>Adopted</u>
General Levy	\$ 8.10	\$ 8.10	\$ 8.10	\$ 8.10
Employee Benefit	4.33	4.14	4.14	3.94
Insurance	0.28	0.31	0.31	0.31
Debt Service	3.74	4.04	4.04	4.24
	<u>\$ 16.45</u>	<u>\$ 16.59</u>	<u>\$ 16.59</u>	<u>\$ 16.59</u>

Other Rates

Ag Levy	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00
Downtown SSMID	1.00	1.00	1.00	1.00
Sherman Hill SSMID #1	1.50	1.50	1.50	1.50
Sherman Hill SSMID #2	1.50	1.50	1.50	1.50
Highland Park SSMID	1.75	1.75	1.75	1.75
Ingersoll SSMID	0.00	1.75	1.75	1.75

Budget Summary

Hotel/Motel Tax

Hotel/Motel Tax is authorized by State Code (Chapter 422A). The tax can be imposed or repealed by a simple majority of a general or special election. The rate can be set at any whole percent increment not to exceed seven percent. The City of Des Moines began collecting Hotel/Motel taxes at a rate of 5% on April 1, 1979. A second successful election raised the rate to 7% effective April 1, 1985. Also effective April 1, 1985 was a 28E Agreement involving several local area governments to allocate the additional 2% to support the Greater Des Moines Convention and Visitors Bureau (CVB). State law requires at least 50% of this tax revenue be used for constructing, improving, enlarging, equipping, repairing, operating, or maintaining of recreation, convention, cultural, or entertainment facilities including but not limited to memorial buildings, halls and monuments, civic center convention buildings, auditoriums, coliseums, and parking areas or facilities located at those recreation, convention, cultural, or entertainment facilities or the payment of principal and interest, when due, on bonds or other evidence of indebtedness issued by the city for those recreation, convention, cultural, or entertainment facilities; or for the promotion and encouragement of tourist and convention business in the city and surrounding areas. As of July 1, 2007, 82 Iowa municipalities had a seven percent tax.

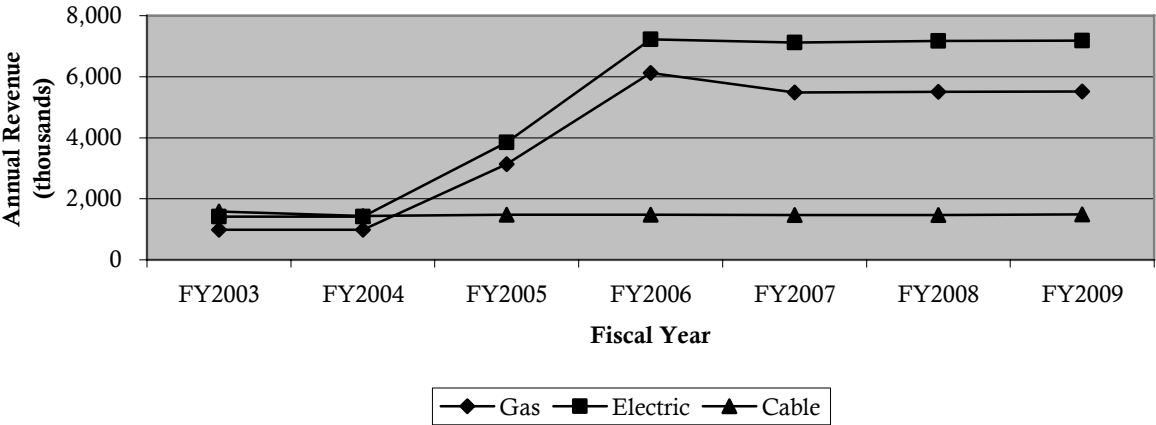
The table shows the history of the hotel/motel tax on an accrual basis. That means the revenue collected by the State for the period April through June is reflected in the fiscal year ending June 30th even though the City did not actually receive the revenue until August. The tax has been used to support a variety of activities since its inception in 1979. The table reports how the tax was used the first 27 years, the past year, and the two budget years. It is projected that through the end of fiscal year 2009 the City will have generated over \$75.4 million of hotel/motel tax.

	FY 1980 - 2006 Actuals	FY 2007 Actual	FY 2008 Amended	FY 2009 Adopted
Debt Service	\$ 18,795,851	\$ 731,079	\$ 957,706	\$ 959,350
Convention & Visitors Bureau	17,699,074	1,099,626	1,100,000	1,100,000
Botanical Center/Zoo	10,241,244	380,705	301,200	301,200
Convention Center	4,095,698	-	-	-
General Operations	3,870,543	974,733	739,281	737,637
Civic Center	3,128,461	-	-	-
Art Center	1,875,057	-	-	-
Vets' Capital Program	1,218,000	-	-	-
Grand Prix	858,918	-	-	-
Science Center	753,702	-	-	-
BRAVO	585,176	659,610	739,893	739,893
Sister Cities	253,178	2,939	11,920	11,920
Central Place	105,000	-	-	-
Tennis Court Resurfacing	105,000	-	-	-
Library	100,000	-	-	-
RAGBRAI	50,000	-	-	-
Golden Gloves	48,000	-	-	-
Hoyt Sherman	30,000	-	-	-
Salisbury House	30,000	-	-	-
Black Officers Memorial	20,000	-	-	-
Council For Int'l. Understanding	20,000	-	-	-
DM Sports Authority	20,000	-	-	-
Iowa Workers Memorial	10,000	-	-	-
Police Training	8,900	-	-	-
Fairgrounds	7,500	-	-	-
Living History Farms	5,000	-	-	-
Ice Arena	4,500	-	-	-
	<u>\$ 63,938,802</u>	<u>\$ 3,848,692</u>	<u>\$ 3,850,000</u>	<u>\$ 3,850,000</u>

Budget Summary

Franchise Fees

During fiscal year 2005 the City Council voted to raise the gas and electric franchise fee from 1% to 5%. The additional revenue generated from this fee was used to fund 12 additional police officers, 24 additional firefighters, expanded library hours, expanded utility assistance payments, decrease the property tax rate, and balance the budget. The City has had a gas and electric franchise fee in place at least as far back as 1960. The city also has a 5% (federal maximum) fee on cablevision. The FY09 budget continues to reflect these franchise fee rates and their stated purposes. The chart below is a five-year history and the budgets of these franchise fees.

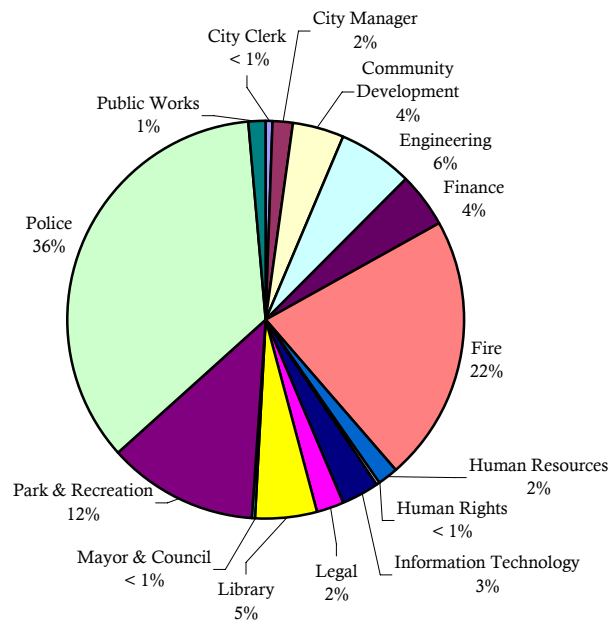


Budget Summary

General Fund Expenditures

The General Fund budget supports a variety of services to the citizens and visitors of Des Moines such as police and fire protection, libraries, a variety of recreation services, building and housing inspection, human rights, and the support and management functions located in departments such as Legal, Human Resources, Finance, City Manager, City Clerk, and Mayor and Council. The table and chart on the next page shows the allocation of the General Fund budget by department. As expected, the Police and Fire Departments account for 58% of the General Fund while Park and Recreation accounts for an additional 12%.

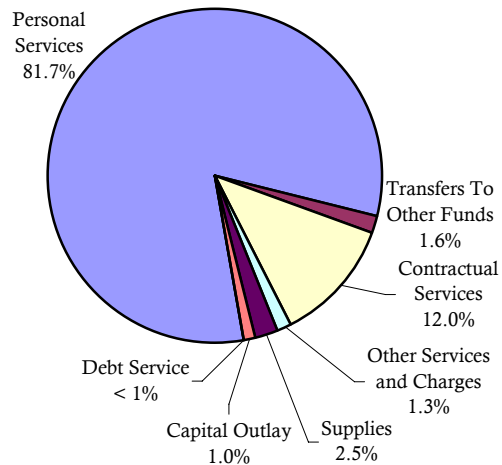
	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % of Total
Police	\$ 46,592,961	\$ 46,681,455	\$ 47,656,442	\$ 47,971,859	36%
Fire	29,114,942	28,804,021	29,540,372	29,504,232	22%
Park & Recreation	15,688,092	16,369,201	16,446,410	16,570,267	12%
Engineering	7,121,581	7,675,260	7,585,449	8,080,809	6%
Library	6,278,002	6,571,740	6,573,610	6,820,195	5%
Finance	5,082,661	5,522,308	5,902,380	5,984,670	4%
Community Development	4,830,616	5,132,139	5,230,950	5,727,310	4%
Information Technology	4,015,085	4,405,070	4,229,620	4,310,325	3%
Human Resources	2,740,958	2,083,055	2,081,975	2,239,648	2%
Legal	2,642,870	2,877,137	2,857,378	2,913,558	2%
City Manager	2,133,751	2,140,428	2,190,460	2,327,323	2%
Public Works	1,672,964	1,852,775	1,888,812	1,817,407	1%
City Clerk	785,163	911,146	1,000,605	755,775	< 1%
Mayor & Council	516,733	463,023	698,633	456,663	< 1%
Human Rights	266,910	293,940	289,990	307,960	< 1%
	\$ 129,483,289	\$ 131,782,698	\$ 134,173,086	\$ 135,788,001	100%



Budget Summary

The chart below shows the allocation of expenditures in the general fund by major expenditure categories. Personal Services includes salaries of permanent full-time employees, casual and part-time wages, and related benefits such as pensions and health insurance. Contractual services would include fleet maintenance, utility expenses, and forestry services. Transfers are for the hotel/motel tax support of the debt service costs related to the construction of Principal Park, funding of the employee development program, and funding for separation payouts. Commodities include supplies and equipment. Capital Outlay is for purchases of equipment that generally have a useful life of more than one year.

FY 2009 General Fund Expenditures by Category



Budget Summary

❖ Enterprise Funds

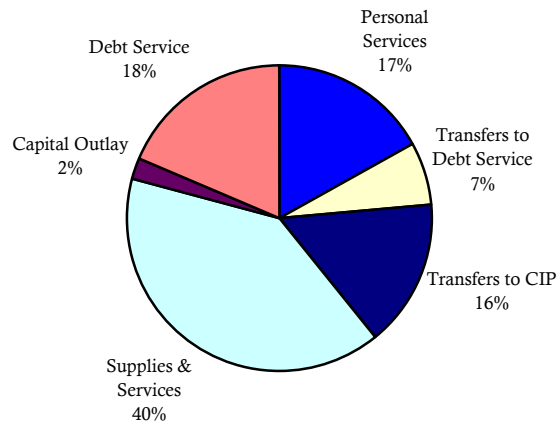
Enterprise funds are used to finance and account for the operation and maintenance of the City's facilities and services that are supported primarily by user charges. The following comprise the City's enterprise funds:

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % Total
Aviation	\$ 117,666,246	\$ 57,767,508	\$ 55,820,561	\$ 56,349,598	35%
Sanitary Sewer	29,397,886	32,799,211	32,105,045	34,887,540	21%
Housing	3,381,283	20,243,694	20,429,621	21,755,869	13%
Parking	14,928,226	16,803,063	17,202,705	16,910,475	10%
Stormwater	12,237,343	15,523,626	16,676,973	18,695,904	11%
Solid Waste	10,465,994	11,199,218	12,003,084	12,366,232	8%
Golf	2,084,637	2,032,112	2,031,315	2,087,465	1%
	\$ 190,161,615	\$ 156,368,432	\$ 156,269,304	\$ 163,053,083	100%

Selected Enterprise Fund Fees

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted
Sanitary Sewer Fee				
Volume Charge/1,000 Gallons	\$ 3.46	\$ 3.74	\$ 3.74	\$ 3.74
Monthly Service Fee	4.40	4.40	4.40	4.40
Stormwater Utility Fee Per ERU	\$ 6.12	\$ 6.43	\$ 6.43	\$ 6.75
Solid Waste Collection Fee				
First 96 Gallon Container	\$ 12.00	\$ 12.00	\$ 12.00	\$ 12.00
First 64 Gallon Container	11.00	11.00	11.00	10.00

FY 2009 Enterprise Funds Expenditures by Category



Budget Summary

❖ Special Revenue Funds

Special Revenue funds are only spent for specific targeted purposes or to segregate income sources and transfers for required reporting.

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % Total
TIF	\$ 23,368,572	24,383,770	28,209,244	26,535,312	30%
Employee Benefit Tax Accounts	22,831,801	23,907,852	24,104,526	23,403,461	26%
Road Use Tax Fund	18,999,574	19,059,659	19,247,260	19,461,453	22%
Community Development Grants	13,338,851	10,245,700	14,790,315	13,682,009	15%
City Manager Programs	3,146,019	2,724,977	2,702,298	1,466,478	2%
Police Grants	2,225,640	1,738,405	3,530,482	2,167,880	2%
SSMIDs	1,006,872	1,073,405	1,073,405	1,118,060	1%
Severance Payouts	1,040,301	460,000	460,000	460,000	1%
Community Development Programs	410,702	431,200	199,500	98,000	< 1%
Parks Programs	253,807	423,003	308,800	194,300	< 1%
City Training & Benchmark	410,847	195,000	195,000	195,000	< 1%
Fire Programs	31,595	116,700	235,654	390,495	< 1%
Library Gifts	560,017	100,000	500,000	500,000	< 1%
City Clerk Programs	16,885	9,700	5,660	5,000	< 1%
Mayor and Council Programs	2,587	-	4,423	-	< 1%
	\$ 87,644,070	\$ 84,869,371	\$ 95,566,567	\$ 89,677,448	100%

Further Breakdown of Road Use Tax Allocations:

To account for the allocated revenue from the Iowa Road Use Tax Fund for construction, maintenance and supervision of City streets.

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % Total
Street Maintenance	\$ 9,970,599	\$ 9,543,990	\$ 9,698,101	\$ 10,061,187	52%
Street Lighting	3,181,368	3,331,633	3,299,430	3,336,473	17%
Police	964,827	1,178,400	1,275,476	1,128,682	6%
Street Cleaning	1,248,202	1,250,774	1,238,792	1,081,180	6%
Street Trees	864,672	967,177	949,734	1,005,915	5%
Signal Installation & Maintenance	728,422	768,828	754,943	784,543	4%
Bridge Maintenance	577,796	552,608	545,523	518,455	3%
Street Excavation	452,215	453,307	454,460	468,653	2%
Sign Installation & Maintenance	394,311	396,138	395,115	412,094	2%
Street Markings	276,129	262,705	281,289	294,035	2%
Traffic Engineering	199,199	208,239	210,941	220,705	1%
Ordinance and Accident Investigation	91,834	95,860	93,456	99,531	1%
Walnut Mall	50,000	50,000	50,000	50,000	< 1%
	\$ 18,999,574	\$ 19,059,659	\$ 19,247,260	\$ 19,461,453	100%

Budget Summary

❖ Internal Service Funds

Internal Service funds are used to finance and account for services and commodities provided by designated departments or agencies to other departments and agencies of the City.

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % Total
Employee Health Insurance	\$ 20,804,206	\$ 20,701,101	\$ 21,064,480	\$ 24,019,826	65%
Equipment Maintenance & Parts	5,275,903	5,096,999	5,150,078	5,447,455	15%
Fuel	2,518,552	2,307,895	2,780,515	2,689,965	7%
Equipment Purchases	640,078	1,274,000	2,021,000	1,521,000	4%
Forestry	1,088,122	1,163,077	1,141,734	1,197,915	3%
Radio Services	575,253	753,467	878,189	782,954	2%
Telephone Communications	617,654	562,520	569,590	588,810	2%
Print Shop/Courier Service	397,591	383,428	402,215	429,745	1%
Central Supplies	71,076	76,150	76,150	76,150	< 1%
	\$ 31,988,435	\$ 32,318,637	\$ 34,083,951	\$ 36,753,820	100%

❖ Debt Service Funds

Debt Service funds are used to pay debt service (principal and interest) on issued general obligation bonds and lease purchase payments funded through debt service tax revenue.

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % Total
GO Bonds	\$ 29,165,869	\$ 26,537,358	\$ 40,687,146	\$ 44,719,512	99%
Lease Purchase	1,408,608	368,180	702,947	513,294	1%
	\$ 30,574,477	\$ 26,905,538	\$ 41,390,093	\$ 45,232,806	100%

Bond Rating

The City's general obligation bonds are rated in the double-A category by the two largest municipal bond rating agencies.

Moody's	Standard & Poor's
Aaa	AAA
Aa1	AA+
Aa2	AA+
Aa3	AA-
A1	A+
A2	A
A3	A-
Baa1	BBB+
Baa2	BBB
Baa3	BBB-

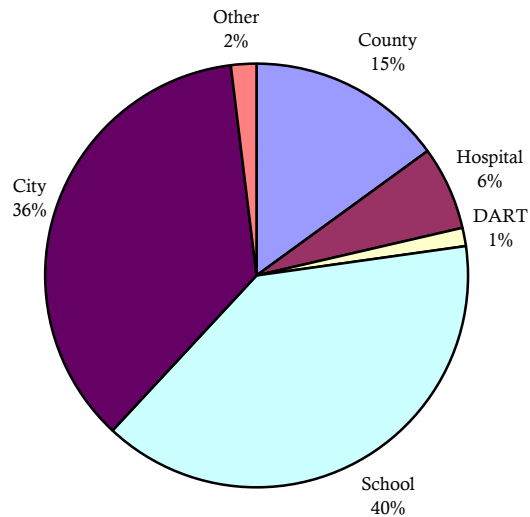
Any bonds graded below Baa3/BBB- are not "investment grade", i.e. junk bonds.

Budget Summary

❖ All City Funds

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted	FY 2009 % Total
Enterprise	\$ 190,161,615	\$ 156,368,432	\$ 156,269,304	\$ 163,053,083	27%
General	129,483,289	131,782,698	134,173,086	135,788,001	22%
Capital Projects	98,432,603	113,724,093	136,851,630	139,275,343	23%
Special Revenue	87,644,070	84,869,371	95,566,567	89,677,448	15%
Internal Service	31,988,435	32,318,637	34,083,951	36,753,820	6%
Debt Service	30,574,477	26,905,538	41,390,093	45,232,806	7%
Expendable Trust	40,910	159,402	159,402	159,402	< 1%
Special Assessment	139,599	25,000	25,000	25,000	< 1%
	<u>\$ 568,464,998</u>	<u>\$ 546,153,171</u>	<u>\$ 598,519,033</u>	<u>\$ 609,964,903</u>	<u>100%</u>

Percent of Des Moines Homeowner's Property Tax by Jurisdiction



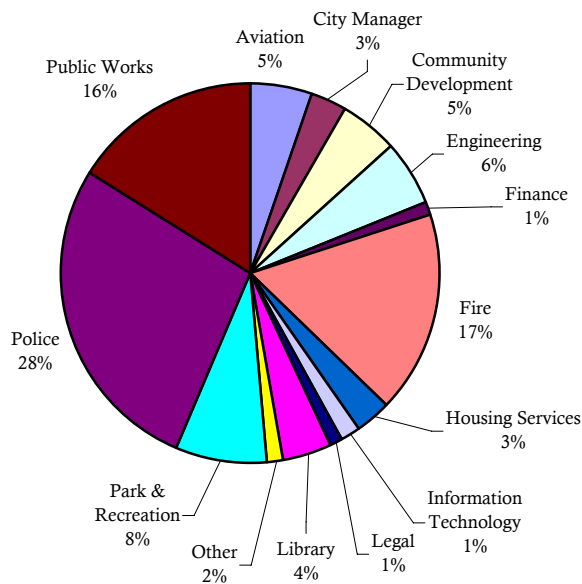
Des Moines Resident Tax & Fee Payments in Fiscal Year	FY 2009
Tax bill (Assessed Home Value \$109,308)	\$ 731
Sewer bill (family using 7,500 Gal/Month)	389
Stormwater bill	81
Solid Waste Collection bill	144
	<u>\$ 1,345</u>

Budget Summary

❖ Staffing Overview – FY2009 All Funds

The following table and chart provide information on full-time authorized positions within each department. These numbers do not reflect part-time or seasonal employees. A portion of pump station employees are funded by the Wastewater Reclamation Authority, not shown below; therefore, resulting in an uneven number of employees.

	FY 2007 Actual	FY 2008 Adopted	FY 2008 Amended	FY 2009 Adopted
Aviation	93.4	93.4	97.4	98.4
City Manager	16.0	16.0	54.0	56.0
Community Development	82.0	83.0	84.0	88.0
Engineering	101.0	101.0	101.0	102.0
Finance	24.0	26.0	25.0	25.0
Fire	310.0	310.0	311.0	311.0
Housing Services	61.0	61.0	61.0	61.0
Information Technology	26.0	26.0	26.0	26.0
Legal	22.0	22.0	22.0	22.0
Library	76.0	76.0	76.0	76.0
Other	28.0	28.0	28.0	28.0
Park & Recreation	145.6	145.6	145.6	141.6
Police	504.0	504.0	508.0	505.0
Public Works	334.8	334.8	298.7	294.7
	1,823.8	1,826.8	1,837.7	1,834.7



The staffing revisions reflect the impact of the Fiscal Year 2009 budget reduction plan. An overview of the budget reduction plan is included in the City Manager's Budget Message to the Mayor and City Council. Details are available in the individual department budgets following the Financial Tables section.

❖ Measures of Success

Many cities provide performance measure information with no connection to the budget or city policies and goals. The City of Des Moines is committed to establishing and publishing meaningful measures of performance and established a Performance Measurement Program that consists of three components:

- Departmental budget performance measures
- Annual Residential Satisfaction Survey
- Participation in the International City Management Association (ICMA) Center for Performance Measurement benchmark program – a program to benchmark the City against cities with comparable characteristics

Data from those sources is combined in an annual City of Des Moines Performance Report which is mailed to every household in Des Moines. The 2006 report was based on the major themes of the City's vision statement. All that information is not duplicated in this budget document.

The resident survey is conducted by a firm that administers the survey to more than 140 cities and counties in 28 states. The 2007 report contained the following:

Compared to other cities in the United States, the City of Des Moines rated in the top 25% of all cities in seven areas:

- Overall quality of life
- Overall quality of fire services
- Overall quality of police services
- Quality of animal control
- Number of walking and biking trails
- Number of City parks
- Quality of City swimming pools

Copies of the various documents or summaries can be found at the City web site. A quarterly newsletter is sent to all residents to highlight programs and services and information of interest to residents. Cable channel 7 also broadcasts the Council, board and commission meetings, and shows describing programs and services provided by the City. Future budget documents will incorporate the 12 goal statements adopted by the City Council.

An Award Winning City – the City of Des Moines has been recognized nationally as an award winning city. Some recent awards include:

- “Best Cities for Every Stage of Your Life” – *Kiplinger's Personal Finance News, May 2007*
- Fourth Best Place to do Business and Have a Career – *Forbes Magazine, April 2007*
- Top 10 Downtown Turnarounds – *Urban Land Institute Magazine, April 2007*
- One of “America's 50 Hottest Cities” - *Penton's Expansion Management, July 2007*
- All-American City – *National Civic League, 2003*

¡Información en su idioma!

¿Quisiera saber más de la municipalidad de Des Moines?

El Informe de Rendimiento 2006 presenta información sobre los servicios y logros del gobierno municipal para el año fiscal 2006. Para obtener un resumen del informe en español, visite <http://www.dmgov.org/performance/esp.htm> o llame al 283-4500.

Budget Summary

