

# Executive Overview





THE CITY OF  
**West Des Moines**®  
www.wdm-ia.com

**City Manager**

4200 Mills Civic Parkway  
P.O. Box 65320  
West Des Moines, IA 50265-0320

515-222-3610  
FAX 515-222-3638

E-mail [cityinfo@wdm-ia.com](mailto:cityinfo@wdm-ia.com)

'AAA'  
Credit Rating from  
Standard & Poor's

January 23, 2016

Honorable Mayor and Council:

I respectfully present the proposed budget for the City of West Des Moines for the fiscal year beginning July 1, 2016. The adopted budget authorizes resources and sets the direction for our programs and services for the coming fiscal year. As the City's financial and spending plan for the year, the adoption of the budget is the single-most important action taken by the City's elected officials.

As you review the preliminary draft of our FY 16-17 budget, it is staff's belief that the format of the material enhances the public's understanding of the various services we are able to deliver to citizens. It is vital that the City's policymakers are provided with information needed to ensure that the budget document reflects the public interest. It is my intent for the final budget document to serve as an effective public policy document and financial planning tool.

***Recent Accomplishments in Financial Management***

As we move into the second half of the FY 15-16, we are pleased to note two recent accomplishments in the management of the City's financial resources.

- ◆ In March 2015, the City's bond rating on outstanding general obligation debt was reaffirmed by Standard & Poor's at AAA, the highest rating that can be achieved. Standard & Poor's reaffirmation follows Moody's Investors Services July 2014 Aaa rating which noted: "The City's financial position is expected to remain strong given healthy reserve levels and conservative budgeting practices." In their published rating report, Standard & Poor's states: "West Des Moines has a very strong economy, strong City management and financial policies, and strong budgetary performance and flexibility." Currently, West Des Moines is the only city in Iowa and only one of approximately 100 in the United States to receive the highest bond rating from each of the two agencies.
- ◆ The Government Finance Officers Association of the United States and Canada (GFOA) has again awarded a Certificate of Achievement for Excellence in Financial Reporting for our comprehensive annual financial report for the fiscal year ending June 30, 2014. This is the twenty-second consecutive year the City has received this prestigious award.

### ***Highlights of the FY 16-17 Recommended Budget***

- ◆ The proposed budget as recommended by staff maintains the current property tax rate of \$12.00 per thousand dollars of taxable valuation, which has been in place since FY 15-16.
- ◆ Included in the FY 16-17 staff recommended budget is the addition of ten employee positions and changes to eight existing positions:
  - The Fire Department will add two firefighters in order to meet ever-increasing staffing needs. The Fire Department will also promote three firefighters to lieutenant, and three firefighters to fire driver/operator in order to operate a full response crew 24/7 from Public Safety Station 19. Staff also recommends adding a part-time secretary to the department.
  - WestCom will add two dispatchers due to increased volume and the recent addition of the City of Waukee to the system, along with a training and Computer Aided Dispatch (CAD) supervisor who will support the dispatch system. The cost of these WestCom employees will be shared with the cities of Clive, Norwalk, Urbandale and Waukee. West Des Moines will be responsible for approximately 42% of the overall cost.
  - The Police Department will add a Lieutenant position to handle administrative and supervisory duties, which will provide additional senior leadership in the department.
  - Emergency Medical Services (EMS) will upgrade an existing part-time CPR coordinator position to full-time status in order to meet the demand for CPR and AED training needs in the community. Funding for this position is largely or completely offset by corresponding revenue generated by training class fees.
  - The Library will add a part-time Children's Services Assistant and a Young Adult Services Assistant in order to meet the public demand for programming in those associated areas. During recent years, many youth registrations for programming have been rejected and programming has been limited due to insufficient resources. Adding these staff this will help alleviate the problem.
  - Public Works will upgrade two Building Maintenance Workers to Building Maintenance Specialist positions. This move will align job duties and responsibilities with the job description and allow these employees to perform higher level duties.
  - The Information Technology Services Department will be adding an Enterprise Applications Analyst to support and advance several software systems the City has invested in over the past years, primarily those for development services, finance, human resources, and parks and recreation. These systems all require regular maintenance and technical support.
  - Human Resources is adding an Administrative Assistant to increase efficiency and help the department maintain workflow associated with the recruitment processes and maintenance of existing employees.

- ◆ Proposed employee compensation take into consideration terms of bargaining unit contracts for each of the 254.5 union employees. Projected personnel expenditure levels rely on historical trends, current contract information, and projected terms for agreements yet to be finalized. The proposed compensation budget will address 164.5 non-union employees using existing pay plans and benefit packages, including health insurance plans for new employees.

Bargaining unit employees are expected to receive cost-of-living adjustments ranging from 2.10% to 2.50% in agreement with the terms of their respective contracts. All contracts have been negotiated and executed into FY 16-17 with the exception of the ASFCME bargaining unit, which is currently in contract negotiations. In addition to the cost-of-living increases, bargaining unit employees who are not at the maximum pay of their range may be eligible to receive “step” increases dependent upon performance and classification.

Non-union employees who have not yet reached the maximum pay level for their position may be eligible at July 1, 2016 to receive pay increases based solely upon job performance.

- ◆ The City will receive approximately \$7.68 million dollars in Road Use Tax funding during FY 16-17. This is an increase from previous years due to: 1) a state legislative increase to the collection rate, and 2) a larger percentage of collections attributable to the City due to increased population as a result of the City’s 2015 special census. This revenue allows for approximately \$6.70 million in Road Use Tax funds to be expended for street-related expenditures (CIP and operating), along with spending of the remaining funds for street lighting and repayment of debt related to Iowa Highway 5 construction. Staff’s goal for the Road Use Tax Fund is to maintain a steady fund balance from year-to-year.
- ◆ The proposed FY 16-17 budget reflects a decrease in the contribution rate for the Municipal Fire and Police Retirement System of Iowa (MFPRSI). The City’s contribution rate of covered wages for FY 16-17 will be 25.88% as compared to 27.77% for FY 15-16. The decreased rate amounts to a reduction of \$174,025 in annual pension costs. The proposed budget also reflects no change in the contribution rate for Iowa Public Employees Retirement System (IPERS). The City’s contribution rate for IPERS will remain at 8.93% for FY 16-17.
- ◆ During FY 16-17, staff will examine the adequacy of current residential solid waste collection fees, last modified in 2007. Although the contracted services provided by Metro Waste Authority for residential solid waste and recycling currently outpace the rates charged to residents, a strong fund balance allows for the rates charged to residents to remain steady.
- ◆ In 2013, the City Council approved multi-year adjustments to the City’s sanitary sewer fees and this enterprise fund should be able to meet Wastewater Reclamation Authority (WRA) operating expenses and debt payments associated with necessary conveyance system improvements.
- ◆ Continuing with the City’s preference to be proactive on enterprise fund revenues rather than reactive, the City Council in 2010 approved actions indexing both sanitary sewer capital charges as well as sanitary sewer connection fee district per acre charges.
- ◆ During the remainder of FY 15-16, or shortly thereafter, the City should initiate an analysis of

stormwater management fees and determine whether those rates, initially effective in 2005, meet known or expected stormwater expenses.

- ◆ The proposed budget reflects the carryover of cash to ensure the FY 2016-2017 budget maintains prudent general fund balances, which protect the City of West Des Moines' financial integrity. General Fund total revenues are projected to be \$66,875,981 and total expenditures will be \$69,683,992. The projected Uncommitted General Fund composite balance on June 30, 2017, (expected balance of \$20,129,364) will be slightly under 34% of annual operating expenditures. This is sufficient for meeting unexpected shortfalls in revenues or demands on future fund resources and remains within the guideline set by members of City Council, who have consistently ratified a desire to maintain a General Fund cash reserve balance over 25%.

### ***Outlook for FY 16-17 and Beyond***

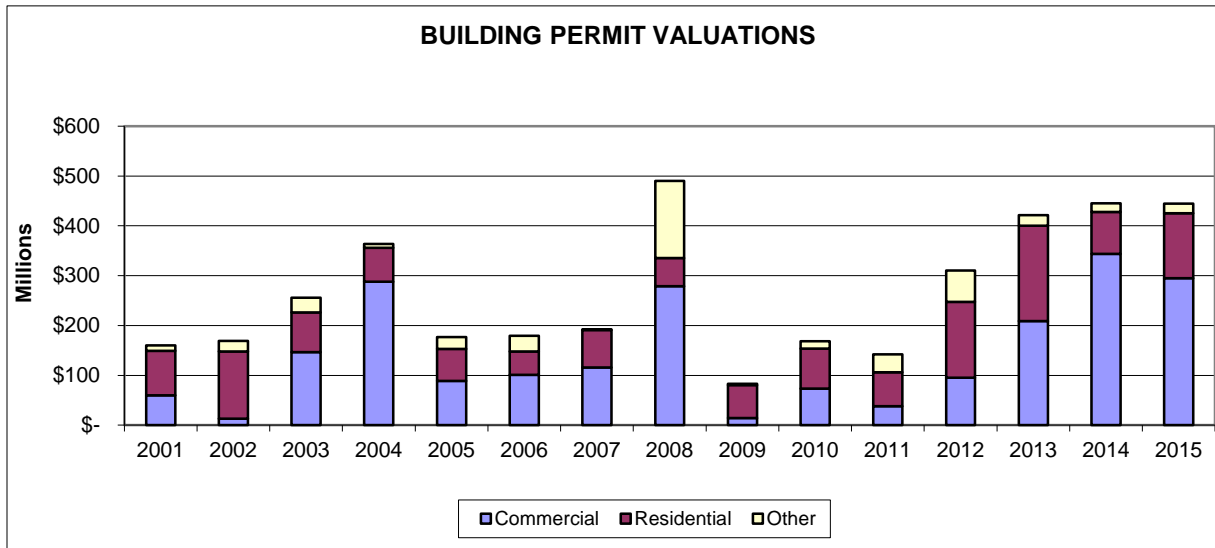
The recent national economic recession changed the way many cities conduct business, including West Des Moines. The City was able to meet budget challenges due to the recession through a reduction in staffing and discretionary spending, while maintaining core services. Present budgeting philosophy is very conservative budgeting to ideally ensure that funding is adequate to provide services to residents and protect the long-term viability of the organization. A starting point for projections was a goal to deliver comparable levels of service to residents, utilize responsible revenue assumptions, and maintain adequate reserves. In addition, the City Council has indicated that maintaining the current general fund tax rate and reducing further the Debt Service levy rate is a priority.

Areas of consideration include: a possible reduction or elimination of the commercial tax rollback backfill from the state of Iowa, reduction in future tax revenues related to multi-family residential properties, a trend (until this year) of relatively slow growth in taxable development, continued low earnings rates on investments, costs of mandated pension contributions and escalating health insurance costs and requirements. Other important considerations are potential modifications to laws concerning Tax Increment Financing. The City will continue to advocate at the state level for alternative revenue sources such as individual jurisdiction referendums on Local Option Sales Tax and Hotel/Motel fees in an attempt to decrease the reliance on property taxes.

Additionally, staff reviewed the FY 16-17 budget at a "macro level" by focusing on key assumptions and projected expenditures as part of a second year financial plan.

### ***Local Economy/Development Activity Highlights***

The City continues to be one of the fastest growing cities in the state of Iowa. A Special Census completed in December 2015 revealed a population of 63,541, which reflects growth of 12% since the last official Census in 2010. This follows on the heels of growth of 79% since 1990. In calendar year 2014, the total building permit valuation was \$444.3 million which constituted the third consecutive year of permits valuation over \$400 million. The development activity is a strong indicator of the continued relative strength of the regional economy. Staff will continue to monitor the economy and make budget recommendations and adjustments as necessary.



***BUDGET IN BRIEF***

***Revenues and Taxable Growth***

As discussed above, the City continues to experience significant development. Every two years the various county assessors revalue property across the state. Property valuations were adjusted on January 1, 2015. This date’s valuation is used to calculate property tax revenues to be received in FY 16-17, so the development growth allowed for taxable valuation across the City to increase by 8.27% from the prior year. All of this valuation increase will not directly assist the City’s general fund as property tax revenues from Microsoft’s two major data center projects will be used to pay for the surrounding infrastructure over the next 10-12 years, and a portion of the property tax revenues generated by the Jordan Creek Town Center area and Athene office complex continue to be used similarly.

The City has a strong tax base in commercial property, including two regional malls and extensive office and medical clinics along Westown Parkway. Approximately 49% of the properties are taxed commercially, which is a much higher percentage than a typical metro suburb. This has worked to the City’s advantage in the past, but recent reductions to the commercial tax rate by state legislation have slowed revenue growth. The trend will continue into FY 16-17, as the full effect of the legislative changes take effect on July 1, 2016.

Large infrastructure projects in the areas of Mills Civic Parkway and Jordan Creek Parkway, which began over ten years ago, have now seen a significant percentage of developable areas around those corridors filled with retail centers, hotels, restaurants, office, and multi-family residential projects. Other areas are poised for future development such as the areas around Iowa Highway 5 and the Microsoft Alluvion Data Center. More recent infrastructure which could spring future development is the Grand Prairie Parkway Corridor and its newly completed Interstate 80 interchange and gateway to the City of Waukee, which opened for traffic in December 2015.

In FY 16-17, General Fund operating revenues of \$55,461,540 are projected to increase by 5.81% compared to FY 15-16. Several factors contributed to the increase in property tax revenue despite



the decreased percentage of the residential roll back from 55.73% to 55.63%. As mentioned previously, the City saw significant residential and commercial development, and also an overall increase to existing property valuations. As a result, even with the residential rollback percentage decreasing, the city’s taxable valuation subject to operating levies increased by 6.70%. This helped to reverse a recent change of relatively flat overall valuation. Statewide trends among the larger cities shows mixed results, as some cities saw negligible growth while others accelerated similar to West Des Moines. The results of the ten largest cities is depicted below:

| Comparison of Taxable Valuation |  |   |   |                              |
|---------------------------------|--|---|---|------------------------------|
| FY 16-17                        |  |   |   |                              |
| Top 10 Cities in Iowa           |  |   |   |                              |
| City                            | Population Per 2014 US Census Estimate | Total 2015 Taxable Valuation (\$1000's) | Change in Taxable Valuation from Prior Year | Taxable Valuation Per Capita |
| Des Moines                      | 209,220                                | 7,531,684                               | 4.56%                                       | 35,999                       |
| Cedar Rapids                    | 129,195                                | 6,312,023                               | 0.48%                                       | 48,857                       |
| Davenport                       | 102,448                                | 4,210,953                               | 1.00%                                       | 41,103                       |
| Sioux City                      | 82,517                                 | 2,857,577                               | 7.38%                                       | 34,630                       |
| Iowa City                       | 73,415                                 | 3,421,386                               | 7.53%                                       | 46,603                       |
| Waterloo                        | 68,364                                 | 2,495,313                               | 2.01%                                       | 36,500                       |
| <b>West Des Moines</b>          | <b>63,325</b>                          | <b>4,774,223</b>                        | <b>8.27%</b>                                | <b>75,392</b>                |
| Ames                            | 63,266                                 | 2,615,598                               | 6.82%                                       | 41,343                       |
| Council Bluffs                  | 62,245                                 | 2,656,080                               | 1.78%                                       | 42,671                       |
| Dubuque                         | 58,436                                 | 2,729,308                               | 4.51%                                       | 46,706                       |

Worth noting in the above table is West Des Moines’ place as the highest ranking city in terms of “Taxable Valuation Per Capita”. Having this status is a significant financial advantage, but it also requires a sizable investment in public safety to protect the relatively valuable property.

Among communities in the Des Moines Metro area, the trend is different, as many of those communities are more reliant on residential growth, which has been very strong in several pockets of the metro. The Des Moines Metro area as a whole has been relatively prosperous and has seen tremendous development and growth in recent years, consistently ranking among the top developing cities in the region and country. Within the metro, older, more established communities saw more limited growth while the outer ring of cities continued to grow the tax base at a very rapid pace as depicted in the following table:

| Comparison of Taxable Valuation |  |   |   |                              |
|---------------------------------|--|---|---|------------------------------|
| FY 16-17                        |  |   |   |                              |
| Des Metro Communities           |  |   |   |                              |
| City                            | Population Per 2014 US Census Estimate | Total 2015 Taxable Valuation (\$1000's) | Change in Taxable Valuation from Prior Year | Taxable Valuation Per Capita |
| Des Moines                      | 209,220                                | 7,531,684                               | 4.56%                                       | \$ 35,999                    |
| <b>West Des Moines</b>          | <b>63,325</b>                          | <b>4,774,223</b>                        | <b>8.27%</b>                                | <b>\$ 75,392</b>             |
| Ankeny                          | 53,801                                 | 2,901,226                               | 10.93%                                      | \$ 53,925                    |
| Urbandale                       | 43,150                                 | 2,863,058                               | 5.75%                                       | \$ 66,351                    |
| Johnston                        | 20,359                                 | 1,393,805                               | 7.85%                                       | \$ 68,461                    |
| Waukee                          | 17,705                                 | 840,297                                 | 7.52%                                       | \$ 47,461                    |
| Clive                           | 17,052                                 | 1,380,172                               | 5.70%                                       | \$ 80,939                    |
| Altoona                         | 16,105                                 | 926,482                                 | 10.05%                                      | \$ 57,528                    |
| Grimes                          | 9,786                                  | 623,718                                 | 14.56%                                      | \$ 63,736                    |
| Norwalk                         | 9,639                                  | 420,171                                 | 8.40%                                       | \$ 43,591                    |
| Pleasant Hill                   | 9,159                                  | 573,139                                 | 4.71%                                       | \$ 62,577                    |
| Windsor Heights                 | 4,860                                  | 248,666                                 | 3.26%                                       | \$ 51,166                    |

One previously significant general fund revenue source (investment earnings) is projected to remain at a low level for FY 16-17. Interest income is projected to be \$71,000, but interest rates are projected to increase slightly and with a recently hired investment management firm on board, the City is optimistic for future increases in interest revenue as the firm will be able to react quickly to changes in the market.

West Des Moines' taxable valuation per capita of over \$75,000 remains the highest of Iowa's ten largest cities and second among cities in the Des Moines metro area.

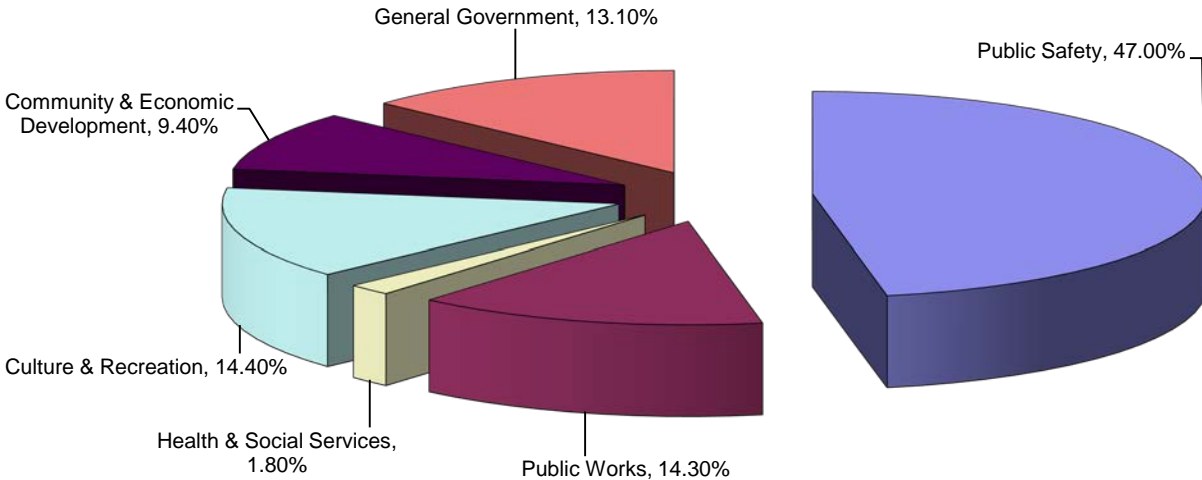
It is important to note that \$444 million in taxable valuation remains included in the City's Tax Increment Finance (TIF) Districts (up from \$356 million from the previous year, with the increase due to capturing the increment available from the newly constructed Microsoft Alluvion Data Center). This amount equates to \$5,328,000 (estimated) in tax dollars being excluded from potential general fund resources. A large percentage of TIF funds are dedicated to public infrastructure projects such as public safety facilities, bridges, roads and utility systems, with the balance being used for economic incentive payments to various businesses around the City.

***Expenditures***

The City's FY 16-17 General Fund budgeted operating expenditures total \$59,264,957, which represents an increase of \$1,092,294 (+1.88%) from FY 15-16. The largest percent of expenditures continues to be in the Public Safety program area, which encompassed 47.0% of the General Fund for each of the fiscal years.



**General Fund Operating Expenditures  
\$59,264,957**



Police and Fire employee pension costs are accounted for outside the General Fund and utilize their own portion of the overall property tax levy for funding. Due to the increases in taxable valuations and the City’s desire to keep funding for these contributions level, the tax levy rate for the Police and Fire Pension system reflected a \$0.02737 decrease. In response, other tax levies were increased and it is worth noting that the tax capacity of the General Fund increased as a result.

If the budget is approved as recommended, the City’s total number of full time equivalent (FTE) employees will be 419. The impact of accelerating personnel costs must be closely evaluated and monitored as there are a number of new position requests that were not included in this budget due to financial constraints. Self-insured healthcare costs are projected to increase by 7.5%, which is conservative based on historical values for the past few years, but also cognizant of significant claims increases within the past 10-year window.

The FY 16-17 budget reflects a proposed use of operating cash reserves for several “one-time” capital needs related to improvements at Holiday Park and Fire Stations #18 and #21. When factoring in these expenditures, the strictly “operating” part of the projected FY 16-17 General Fund will reflect a slight excess of expenditures over revenues.

***Capital Improvement Plan***

The City did not convene a citizen committee to develop and present a long-term Capital Improvement Plan. In lieu of this process, staff was asked to develop priorities based on previous commitments, anticipated future development, and a commitment to maintain current infrastructure and amenities. Council also provided direction with a recommendation to reduce the debt service levy rate from \$2.00 to \$1.95. Due to several recent refinancing efforts on current debt, as well as a healthy debt reserve cash balance, we are able to recommend several projects with this budget despite the constriction of available funding.

The budget shows two basic approaches to funding capital projects: Pay-as-you-go and Pay-as-

you-use. Pay-as-you-go means paying for the capital project out of current revenues at the time of expenditure. Pay-as-you-use means borrowing to finance the expenditure with debt service payments being made from revenues generated throughout the useful life of the project. West Des Moines uses a mix of finance approaches to finance capital projects. Capital projects are financed through bonds, reserves, grants, developer contributions, other governmental sources, and fees such as road use taxes.

In addition to infrastructure improvements to developing areas, staff will continue efforts to maintain and improve established neighborhoods. The proposed CIP budget commits substantial resources to resolve stormwater, sanitary sewer, and paving issues, as well as improve existing parks in the community. Efforts to maintain existing buildings has been renewed and clarified by using forecasting tools and analyzing long-term viability of building systems.

The following major projects are recommended for funding in FY 16-17:

- ◆ Necessary improvements to Fire Station #18, including exterior items needed to and maintain the integrity of the building, exterior lighting, and HVAC improvements needed to correct continual operational issues.
- ◆ Replacement of the HVAC system at Fire Station #21 as the current system is at the end of its useful life.
- ◆ Preliminary design for the possible renovation of the Exterior of City Hall needed due to correct issues surrounding air and water filtration.
- ◆ Expansion of the Information Technology system to allow for greater cloud computing infrastructure, needed to accommodate planned public safety initiatives.
- ◆ Phase 4 of improvements to Holiday Park, including renovation of baseball fields 7 & 8.
- ◆ Replacement of the interactive water play structure at Holiday Park Aquatic Center.
- ◆ Construction of a segment of the Jordan Creek Trail near S 19<sup>th</sup> Street.
- ◆ Stormwater improvements in the NE Basin (the vicinity of 1<sup>st</sup> Street and Grand Avenue)
- ◆ Stormwater improvements in the vicinity of 9<sup>th</sup> Street and Railroad Avenue.
- ◆ Sewer system improvements in several strategic areas, each of which is needed to support pending development projects.
- ◆ Widening of S 50<sup>th</sup> Street between Mills Civic Parkway and EP True Parkway.
- ◆ Improvement and widening of Ashworth Road between 81<sup>st</sup> and 88<sup>th</sup> Street (Phase 2).
- ◆ Improvement of S 60<sup>th</sup> Street between Mills Civic Parkway and Pheasant Ridge (Phase 2).

### *Strategic Planning / Quality Improvement Process / Goal Setting*

The Mayor, Council, and staff continued to pursue a number of initiatives to define the direction for the City organization and community. During 2015, the City engaged a multitude of resources to develop a forward-looking plan titled “West Des Moines 2036”. The plan began by enlisting the services of a Professional Futurist to challenge the City to find ways to reinvent itself while piggy backing on its financial and development successes. The result is a 20-year plan outlining strategies designed to make that result happen. Approximately 40 community and business leaders worked with the Futurist over a period of several months to create the WDM 2036 plan.

The group ultimately came up with six strategies to ensure a prosperous future for the City:

- ◆ **Create a Leadership Advisory Board** of city, school and business leaders to work toward common priorities and address challenges.
- ◆ **Explore new forms of revenue**, such as a hotel/motel tax or local option sales tax, to ensure the City's financial viability.
- ◆ **Create a Quality of Life Council** to examine West Des Moines’ experiences and amenities, and attract and retain great businesses, educational facilities, talent, and families.
- ◆ **Become a leader in sustainability.**
- ◆ **Double down on technology** and consider providing high-speed Internet as a public/private utility for all homes.
- ◆ **Diversify the City's economy** to develop, retain and attract the world’s best workforce.

Pieces of the City’s previous five-year strategic plan, which contain goals and objectives related to service levels and growth plans, were folded into the 2036 plan. In addition, a more internal visioning process by staff resulted in a new 10-year strategic framework which should serve to guide internal growth as well as provide principles for development.

City staff have committed to enhancing the level of the services provided to our residents through the quality team process called ICE (Innovation for Continual Excellence). City personnel are trained in quality enhancement tools and techniques, and have formed a number of teams that are examining and making recommendations on a wide range of citywide and departmental issues. The ICE team process is guided by a group of employees representing all departments.

In order to improve communications and break down departmental barriers the concept of organizational clusters was introduced several years ago. Four clusters within the City organization have been formed with each of the clusters being comprised of similar departments that are closely related in function and common issues.

- ◆ **Community Enrichment Cluster:** Parks and Recreation, Human Services, and Library

- ◆ **Public Safety Cluster:** Fire, EMS, Police, and WestCom
- ◆ **Public Services Cluster:** Public Works, Development Services, Community and Economic Development, Engineering Services, and Water Works
- ◆ **Support Services Cluster:** City Manager's Office, Finance, City Attorney's Office, Human Resources, City Clerk, and Information Technology Services

Better relationships, synergies, and efficiencies have been established through the increased interactions of the departments. Departments have become more strategic partners as they embrace long-term issues and address strategic planning issues. The organizational clusters are a natural complement to the City's quality process as the City organization continually looks to improve.

### ***Hotel/Motel Revenues***

A 7% Hotel/Motel Tax, first authorized by West Des Moines voters in 1984, is expected to generate \$3,700,000 in the upcoming year. By agreement, money is allocated as follows: 2/7<sup>th</sup> of the funds are directed to the Greater Des Moines Convention and Visitors Bureau (CVB), 2/7<sup>th</sup> is directed to Bravo Greater Des Moines, 2/7<sup>th</sup> (subject to City Council approval) will be used for parks, recreation, and/or tourist activities, and the remaining 1/7<sup>th</sup> will be available for distribution to other City Council-designated entities or for other internal uses. Also, a percentage of City Council-designated discretionary revenues (in excess of total fund revenues of \$2,550,000) continue to be channeled towards the City's public arts program.

### ***Regional Cooperation***

The City of West Des Moines continues to support programs that improve the quality of life for all residents of the metro area. Besides direct financial support, the City of West Des Moines contributes to the metro in many ways, including but not limited to:

- ◆ Wastewater Reclamation Authority – regional organization, facility, and systems
- ◆ WestCom Public Safety Center – West Des Moines, Clive, Urbandale, and Norwalk
- ◆ Joint Fire/EMS facility – West Des Moines and Clive
- ◆ WestPet Animal Licensing and Control – West Des Moines, Clive, and Urbandale
- ◆ Police Department remains involved with many metro-wide activities ranging from traffic task forces to narcotic trafficking
- ◆ Metro Home Improvement Program – West Des Moines, Ankeny, Altoona, Clive, Grimes, Johnston, Pleasant Hill, Polk City, Urbandale and Windsor Heights. A multi-jurisdictional housing rehabilitation entity, Metro Home Improvement, a collaborative effort to preserve affordable housing stock
- ◆ Iowa EMS Alliance – private-public partnership with Unity Point Health where the City provides administration and operation of emergency medical services which avoids duplication of services while maintaining high quality care
- ◆ The City has committed \$1,300,000 over a multi-year period to the Iowa Events Center
- ◆ Tomorrow Planning Organization – regional visioning process
- ◆ Capitol Crossroads – regional visioning with a focus on collaboration

## ***Conclusion***

The FY 16-17 budget recommended by the City Manager and staff accomplishes the primary objectives of maintaining services, committing capital funds to maintaining infrastructure, amenities, and city facilities as well as development, while maintaining (and in this case reducing) property tax rates.

In addition, City departments have identified supplemental services and projects which are included in the proposed budget document for review by the Mayor and City Council. The ten proposed new staff positions were carefully scrutinized, vetted, and prioritized from a pool of nearly 30 departmental requests, with only the most essential positions being recommended. The Management Team will continue to assess the staffing in these departments and offer the City Council alternatives to achieve effective staffing levels across the organization.

In order to assure that the City's human and physical infrastructure keeps pace with the City's growth, additional user-fee revenue enhancements, strategic expenditure reductions, and potential restructuring will likely continue. Current service demands and limited revenue growth will necessitate a thorough and on-going review of all aspects of our financial plan.

I must express thanks to members of the City staff for their diligent efforts to develop and operate within budgets that provide continual high quality service to our residents.

I would also like to give two specific notes of thanks. First, to the Finance Department staff for their performance in gathering, analyzing, and presenting information clearly and accurately, and second, to the City's departmental leadership for providing critical feedback, input, financial projections, and lists of priorities, all needed to formulate the budget. The budget preparation team composed of Finance Director Tim Stiles, Budget Analyst Chris Hamlett, and me, worked collaboratively with Department Directors and many other staff members to develop the proposed budget. This would not have been completed without the effort of all those involved.

I would also like to thank the elected officials for your continued support in planning and directing the financial operations of the City in a responsible and progressive manner. The West Des Moines community has benefited greatly from your leadership and commitment.

Respectfully submitted,



Tom Hadden  
City Manager