



*Asserting taxpayer interests;
shaping the future of government*

www.taxpayersci.org

EXAMPLE
Residential Property Tax Statement
Based on \$200,000 Home in West Des Moines
FY 2015-16

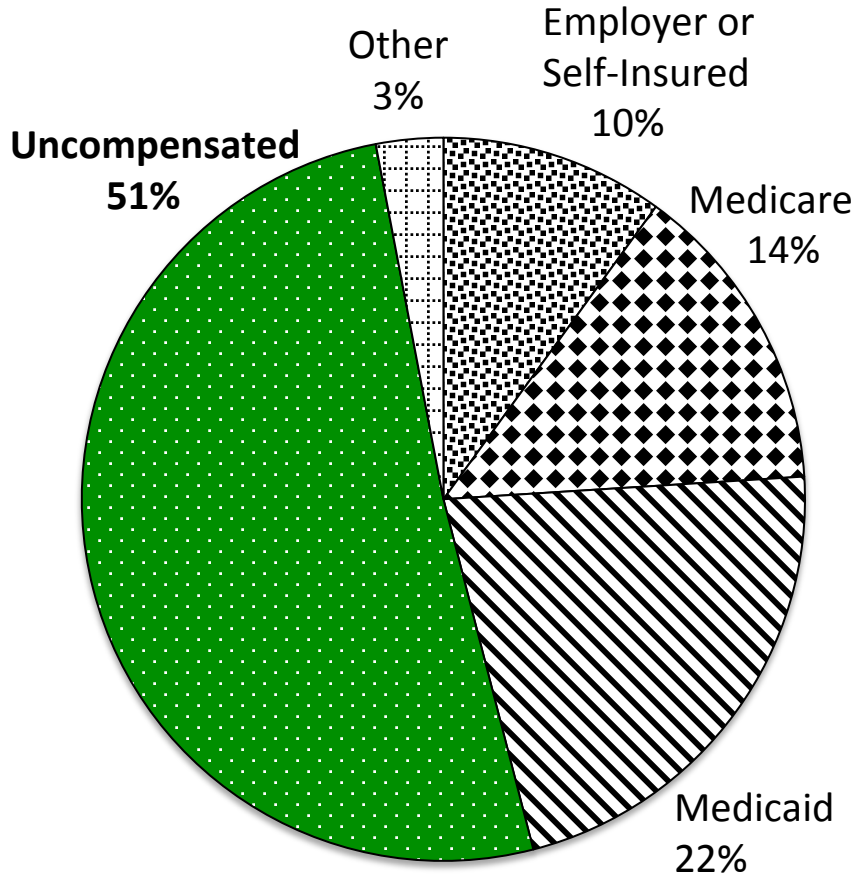
Tax Authority Group Info.	Tax Distribution by Authority			Total Tax Levied by Authority		
	% of Total	FY 2015 - 2016	FY 2014 - 2015	FY 2015 - 2016	FY 2014 - 2015	% Change +/-
WEST DES MOINES SCHOOL	35.2876	1,430.56	1,397.06	53,569,227.00	54,218,315.00	-1.20
WEST DES MOINES CITY	31.9778	1,296.38	1,269.05	57,757,170.00	58,058,602.00	-0.52
POLK COUNTY	19.4771	789.60	754.99	147,451,546.00	143,250,082.00	2.93
BROADLAWNS MEDICAL CENTER	8.5619	347.10	328.34	60,371,548.00	57,542,128.00	4.92
DES MOINES RTA-WEST DES MOINES	2.0333	82.43	73.50	3,061,800.00	2,774,430.00	10.36
DES MOINES AREA COMM COLLEGE	1.8002	72.98	69.22	24,238,467.00	22,915,443.00	5.77
POLK CO ASSESSOR	0.7442	30.17	29.22	5,246,171.00	5,121,722.00	2.43
POLK CO AG EXTENSION	0.1093	4.43	4.28	770,766.00	749,525.00	2.83
STATE OF IOWA	0.0086	0.35	0.34	469,364.00	458,802.00	2.30
TOTAL		4,054.00	3,926.00	352,936,059.00	345,089,049.00	2.27

Comparison of Charity Care and Property Tax Revenue Broadlawns Medical Center (\$ in Millions)

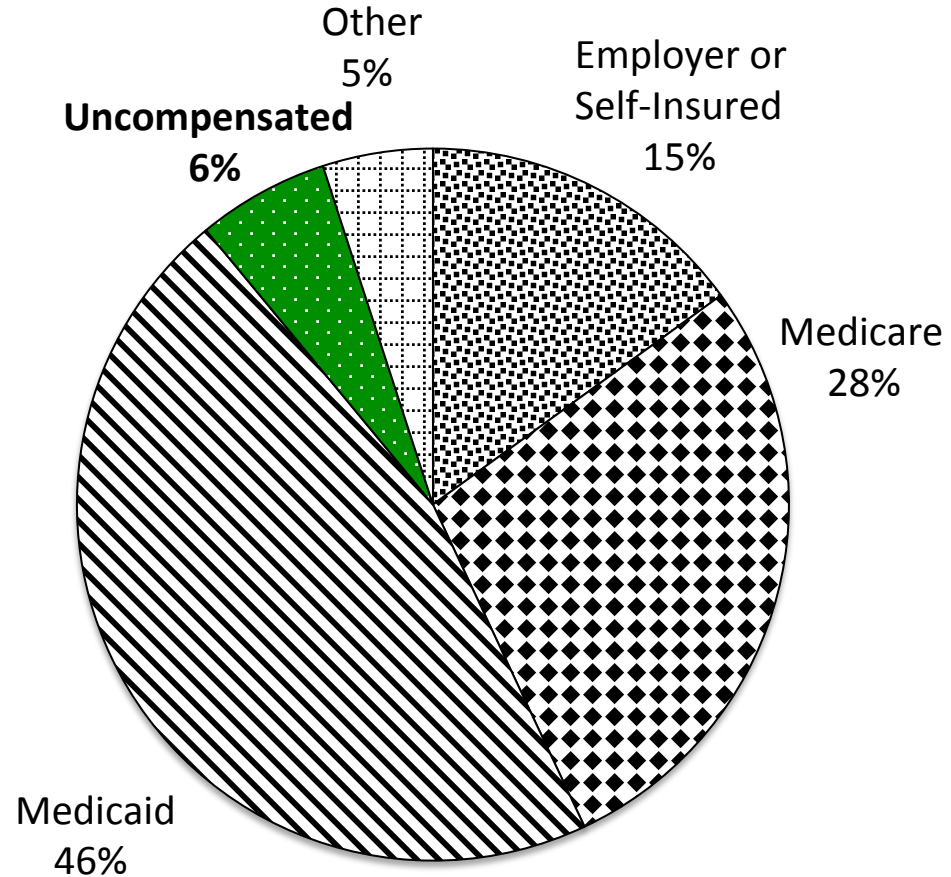
	Fiscal Year 2004	Fiscal Year 2015
Charity Care/Bad Debt (Uncompensated Care)	39.4	20.6
Property Tax Revenue	39.3	60.5

Change in Broadlawns Payer Mix

FY 2004



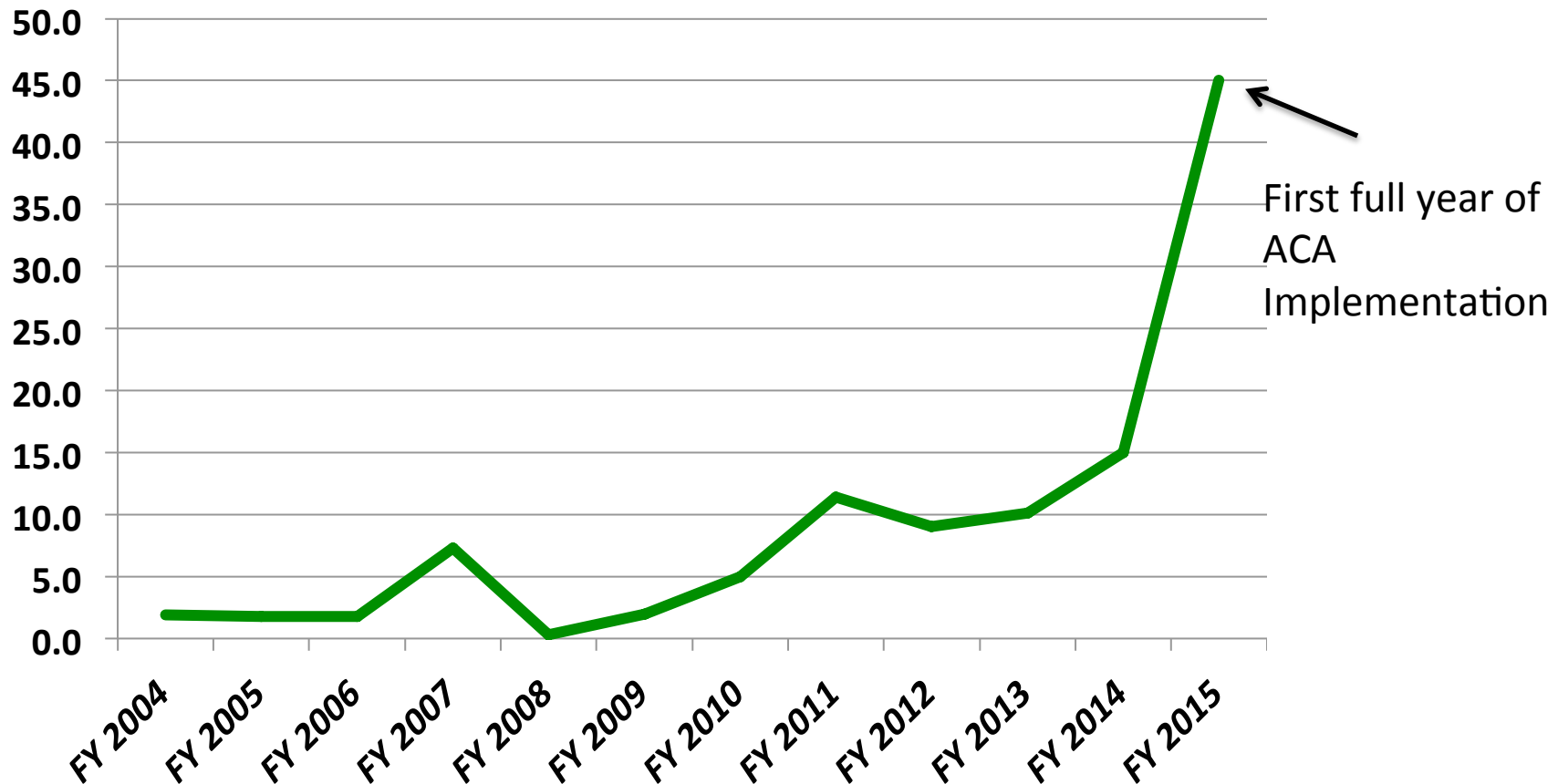
FY 2016 YTD



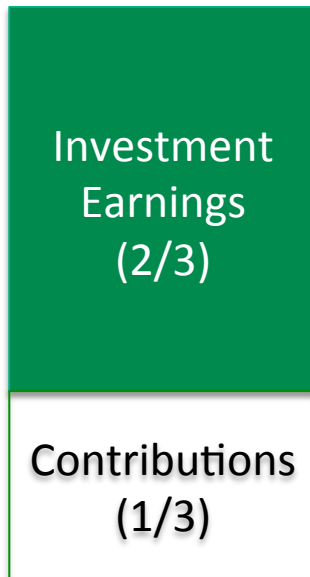
Broadlawns Medical Center Net Operating Income FY 2004 – FY 2015

Includes Property Tax Revenue

\$ Millions



Benefits Must Be Paid No Matter What Happens With Investments or Contributions



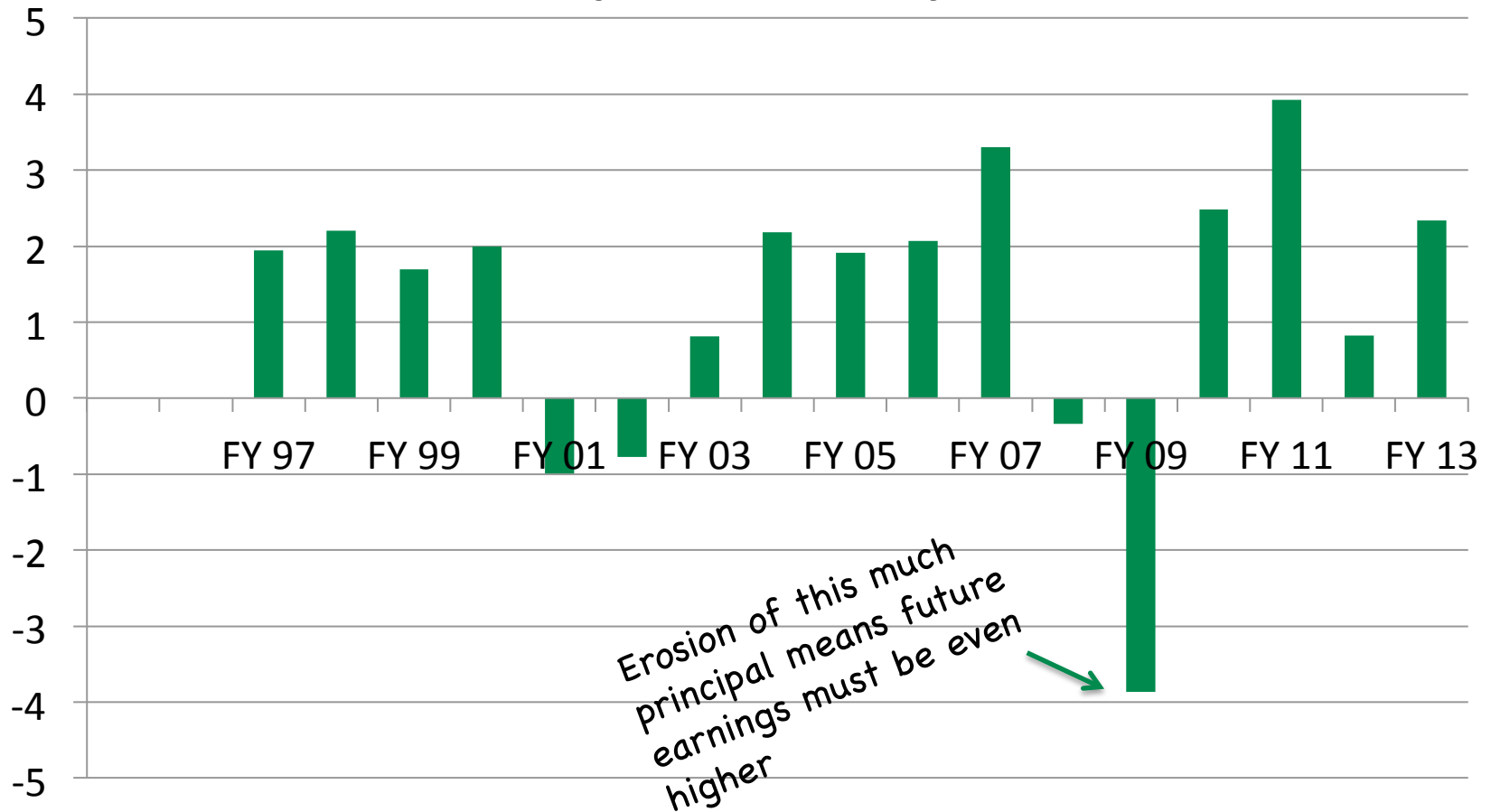
*If investment returns fall,
contributions must go up.*

*If contributions don't keep up,
debt accumulates.*

Much hinges on the choice of assumptions and methods.
For example, Iowa plans assume a long-term annual rate of
return of 7.5%*

* Peace Officers Retirement Plan assumes 8%.

IPERS Net Investment Income/Loss (\$ in Billions)

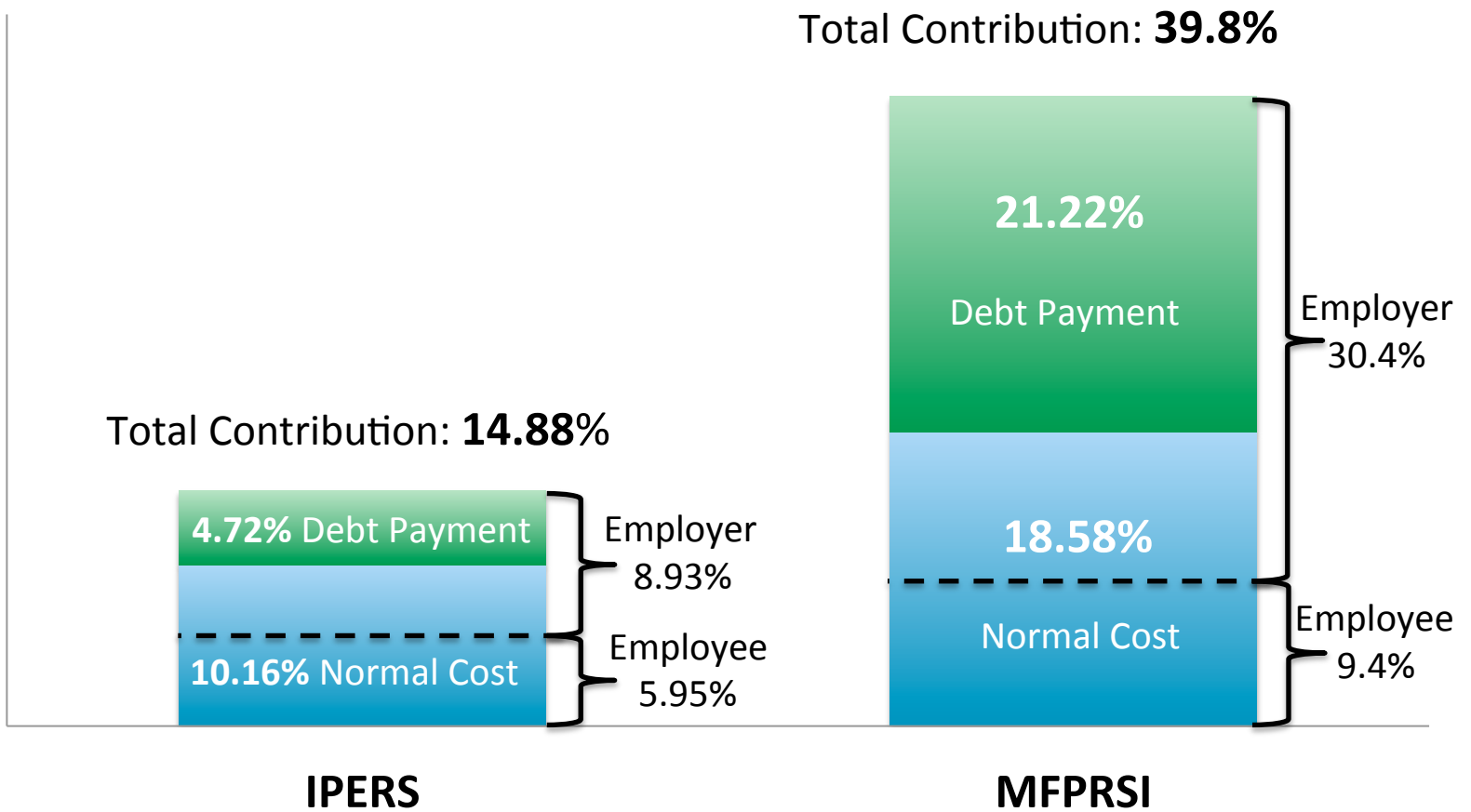


IPERS' funds lost almost 20 percent of their value by 2009.

Fiscal Year 2015 Payroll Contribution Percentages

Percent of Payroll

45%
40%
35%
30%
25%
20%
15%
10%
5%
0%



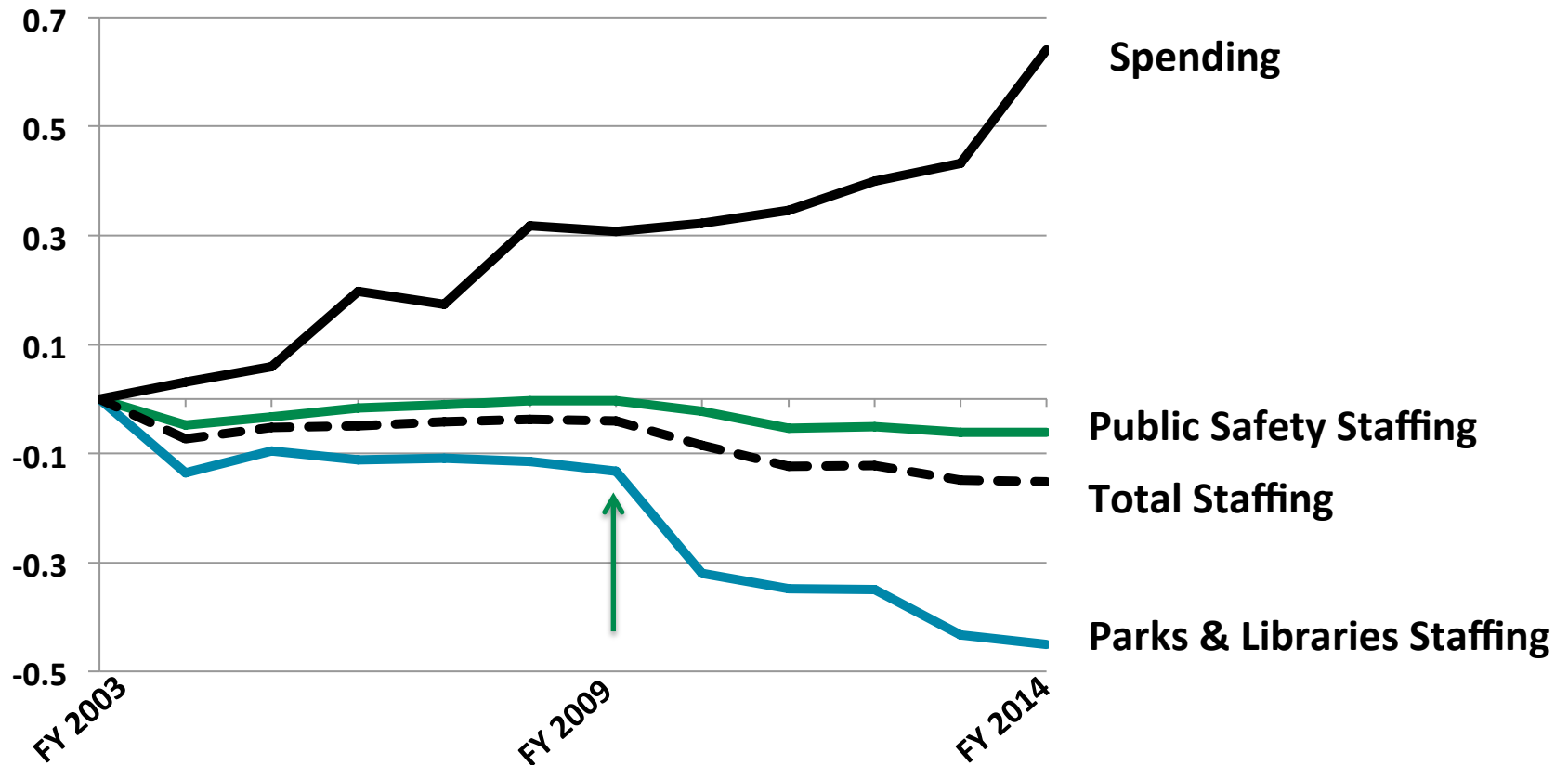
The Crowding-Out Effect



As Spending Has Increased, Staffing Has Declined

City of Des Moines

(Gov't Fund Operations, Indexed, FY 2003 = 0)



Public pension employer contributions now represent the equivalent of 19 percent of all property taxes collected in the City of Des Moines.

Source: City of Des Moines Comprehensive Annual Financial Reports

What is The Appropriate Goal for Income Replacement?

Experts recommend 75–80% income replacement (all sources).

Avg. 30+ Year IPERS Employee Retiring in 2014, Age 66	Pre Retirement	Post Retirement
Pension Income (Annual)	\$0	\$37,586
Social Security Income	\$0	\$22,284
Total Income (Annual)	\$61,520	\$59,870
Pension Contribution/FICA	\$ (8,367)	\$0
Net Income (Before Taxes)	\$53,153	\$59,870

For an average IPERS 25+ year employee retiring in 2014, income replacement is > 100%.

Source: IPERS; Social Security Online *Quick Calculator*

Relative Growth Trends for DART Indexed, FY 2011 =)

