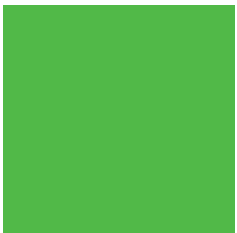
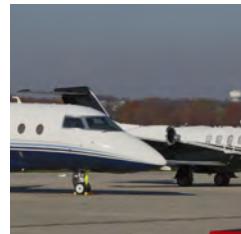
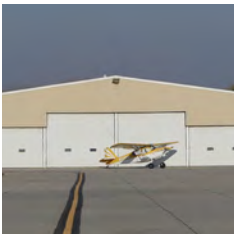
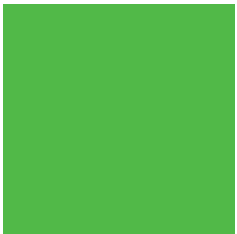


CITY OF AMES, IOWA  
**BUDGET IN BRIEF**  
**2019 - 2020**





The theme for this year’s Budget is the Ames Municipal Airport. The current airport, located at 2520 Airport Road, is the third incarnation of an airport in Ames. It was established in 1943 using \$5,340 in Municipal Bonds near the site of the old Billy Sunday Farmstead. As the first municipally-owned airport, it began on a property of just under 300 acres along the south side of Airport Road with two grass runways approximately 3,800 feet in length. Over the years the airport has grown, more than doubling in size in the 1980s to about 700 acres, now with two paved runways 01/19 (5,700’) and 13/31 (3,492’) capable of supporting medium to large jet aircraft. Starting in 2016, the City, with help from private donations, has constructed a new 7,000 square foot Executive Airport Terminal Building and a new 95’ x 100’ Itinerant Hangar. These investments have helped modernize the Ames Municipal Airport, as it serves as a gateway to the Central Iowa region, supporting more than 33,000 flights each year.



# **CITY OF AMES, IOWA**

## **2019/2020 PROGRAM BUDGET**

**ADOPTED BY THE CITY COUNCIL  
MARCH 5, 2019**

**MAYOR  
JOHN HAILA**

**COUNCIL MEMBERS**  
BRONWYN BEATTY-HANSEN  
GLORIA BETCHER  
AMBER CORRIERI  
TIMOTHY GARTIN  
DAVID MARTIN  
CHRIS NELSON

**CITY MANAGER  
STEVEN L. SCHAIKER**



# **Mission Statement**

**We are caring people, providing quality Programs with exceptional service to a community of progress**

## **We Value...**

- Continuous improvement in our organization and our services.
- Innovation in problem solving.
- Employee participation in decision making.
- Personal and professional development.
- Each other as we work together to serve the community.

## **We Are...**

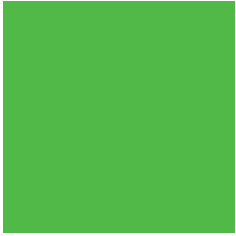
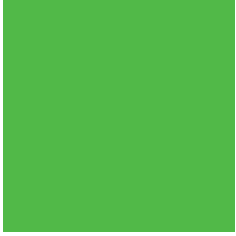
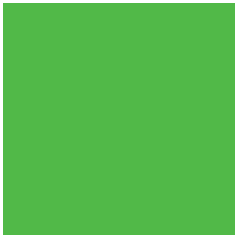
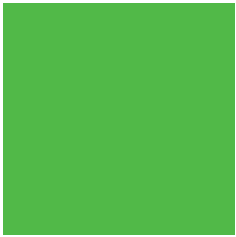
- Proud to provide superior services to our community.
- Professional and objective as we address public concerns and needs.
- Fair, flexible, and helpful in our actions.
- Efficient and fiscally responsible.
- Proactive in reviewing and evaluating the type and focus of our services.

**Caring People, Quality Programs, Exceptional Service**

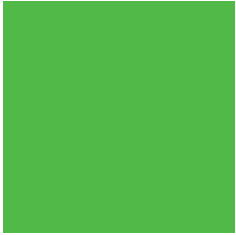
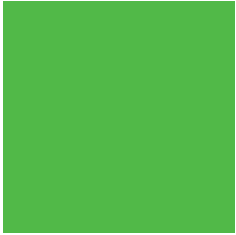
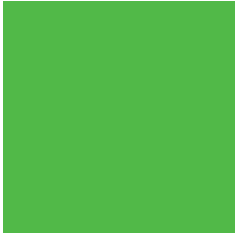
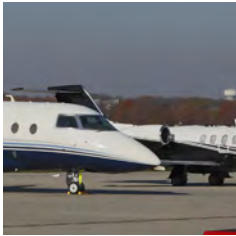
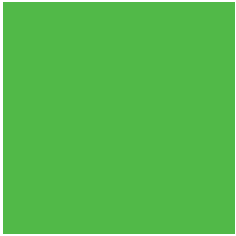
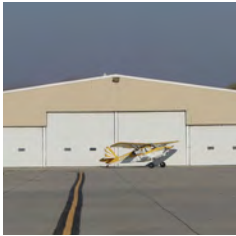
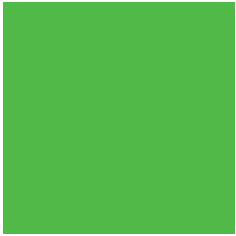
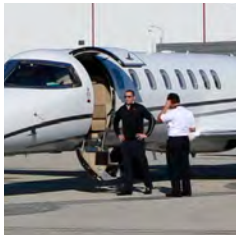
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# OVERVIEW



# **“PROGRAM BUDGET” PHILOSOPHY**

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The City of Ames’ program budget provides information for decision making on a service or program-oriented basis. Policy makers are thus given the means to make crucial budgetary decisions based upon specific and measurable service levels, as well as upon the total dollar cost of those services. At the same time, citizens should be able to see the service-level results of the elected representatives’ decision.

## **PROGRAM STRUCTURE**

Within this budget, City services are grouped in five “programs,” each of which addresses a broad category of needs within the community. These programs are as follows:

- Public Safety
- Utilities
- Transportation
- Community Enrichment
- General Government

In addition to these five operating programs, two additional programs identify other “non-operating” types of expenditures:

- Debt Service
- Internal Services/Transfers

## **BUDGET AND FISCAL POLICIES**

The City will maintain a balanced budget. This means that:

- Operating revenues must fully cover operating expenditures, including debt service, over the long term.
- Ending fund balance (or working capital in the enterprise funds) must meet minimum policy levels. For the General Fund, this level has been established at 25% of operating revenues.

For more information regarding the City’s budget philosophy and fiscal policies, please refer to the full Program Budget Document, or visit [cityofames.org/finance](http://cityofames.org/finance).

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## A LETTER FROM THE CITY MANAGER

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July 1, 2019

### To the Mayor and Ames City Council:

I am dedicating the FY 2019/20 budget to Assistant City Manager Bob Kindred, Library Director Lynne Carey, and Transit Director Sheri Kyras, who all retired in the spring of 2019. During the course of their careers with the City, they exemplified all of the best attributes of an Ames City employee. Each of them reflected the highest ethical standards, committed to providing exceptional customer service every day, and worked continuously to identify efficiencies in our operations that saved our citizens substantial sums of money while never compromising the quality of our services.

I am sure you all know that the City of Ames has received the Distinguished Budget Award from the Government Finance Officers Association for the past 33 years. What you may not know is that Bob Kindred originally came to us as the Budget Analyst in the Finance Department back in 1980 and coordinated transforming our line-item department budget into the program/performance format that City Council and our citizens now rely on to better understand our budget document. Because of the continuous national recognition we have garnered over the years for our budget format, few major changes have been made to the document. However, in keeping with our value of continuous improvement, you will note that our format has been changed for the FY 2019/20 budget to tie our various services

and performance indicators back to the City Council and department goals. We believe this change will assure that the City continues to receive national acclaim for our budget.

The FY 2019/20 budget reflects expenditures totaling \$250,349,227 for the numerous services provided by the City of Ames. To cover the cost of these services, the budget calls for \$1,564,903 more in property tax revenue than the previous year, as well as increases in various recreation fees, water rates, and Resource Recovery user fees.

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### PROPERTY TAXES - \$.04 RATE DECREASE

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Even though property taxes represent only about 14% of our total annual revenues needed to fund the budget, most citizens are concerned about how their property taxes will be impacted by my budget recommendation. **The FY 2019/20 budget reflects a \$.04 rate decrease in our overall property tax rate from \$10.07 per \$1,000 of taxable valuation to \$10.03 per \$1,000 of taxable valuation.**

In order to understand the impact of this budget on our citizens, we must take into account the recommended decrease in tax rate, the slight increase in the State mandated Rollback (which dictates how much of the assessed value of a property is subject to taxation), and any increases in valuations due to new growth and reassessments. **When all three of these factors are considered, it is estimated that the residential customer class will pay an additional \$11.32 (+2.02%) for every \$100,000 of their assessed valuation, the commercial customer class will pay \$4.84 (-.53%) less than the prior year for every \$100,000 of their assessed valuation, and the industrial customer class will pay \$3.87 (-.43%)**

**less than the prior year for every \$100,000 of their assessed valuation.**

It is very prudent for the City to maintain a significant fund balance in our General Fund so that we can absorb any unanticipated shortfalls in revenues or increases in expenditures related to our City operations and Capital Improvement projects. **Consequently, the FY 2019/20 budget preserves the City Council's goal of a 25% available balance for this purpose. In addition, \$819,919 has been set aside in the General Fund available balance so that we can react to any State or Federal mandates that might be declared after the budget is certified, or to respond to City Council priorities that were not included in my recommended budget.**

The following are highlights of the FY 2019/20 budget.

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## **PUBLIC SAFETY**

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### **LAW ENFORCEMENT**

As you know, I have been recommending additional police officer positions over the past few years to allow us to respond to our increasing city population. **Based on a request from administrators from the Ames Community School District, in FY 2019/20 it is our intent to add a second School Resource Officer (SRO) position so that we will have a more consistent police presence in both the High School and Middle School.** The budget anticipates the City sharing the associated costs for both SROs equally with the Ames School District for nine months out of the year and covering 100% of these costs for the three months when school is not in session.

A significant amount of time will be devoted to working with Iowa State University, Story County, and an outside provider to upgrade our emergency radio system to ensure reliability and interoperability among our

emergency and non-emergency personnel throughout Story County.

A new software package will be purchased that will enhance existing Police departmental policy review, new policy development, documentation, and employee training that should help our officers navigate through the growing complexity of the legal environment in which they work.

An emphasis on diversity and inclusion continued in FY 2018/19, with training for all officers focusing on implicit bias/impartial policing. This commitment will be maintained in FY 2019/20 as procedural justice training will be introduced to the officers. We are expecting the results of our Stop Study in the spring of 2019 to determine whether or not the pattern of our traffic stops indicates a disproportionate number of minority contacts.

### **FIRE SAFETY**

I also have added a new firefighter position in FY 2019/20 to increase our staffing capability in anticipation of a new fourth fire station once the Comprehensive Plan is completed and growth in certain directions warrants the new facility.

Emphasis is being placed on training, employee wellness, safety, and public outreach. Towards this end, all fire company officers will receive certification training which will allow them to perform fire inspections for commercial and industrial properties. An innovative approach will be used to assemble metal shipping containers into a modular fire training facility in the coming year. The in-house Peer Fitness Team, the City's Health Promotion Coordinator, and McFarland Clinic's Occupational Medicine doctor are working on improving the health and wellness for our employees. Our newest firefighters have received Hazardous Materials Technician certification training. To promote improved customer service, a new online permit approval process for fire suppression systems and alarms has been created.

## **ANIMAL CONTROL**

The staff at the Animal Shelter should be commended because our live release rates have exceeded all previous totals with dogs and puppies at 100%, kittens at 98.94%, cats at 96.21%, rabbits at 95.24%, and all other species, including wildlife, at 81%.

An architectural review of the aging shelter is being performed to determine the long term viability of this facility. In the interim, minor improvements to the medical care room, ceiling, doors, and insulation are underway. In addition, new dog kennels will be purchased.

In recent years, new medical procedures, including vaccinations and spaying/neutering, have been implemented for all animals that are adopted from the Shelter. New adoption fees designed to offset these costs are included in the FY 2019/20 budget. Adoption fees for cats/kittens will go from \$40 to \$60, and for dogs/puppies from \$50 to \$80.

## **BUILDING SAFETY**

**Based on projected revenues from new construction activity, no increases in building or rental housing permit fees are needed in the FY 2019/20 budget.**

Several new initiatives are being made this year to improve service to our customers. The new citizen self-service component of our building permit software is scheduled to go into effect in early 2019. This new service will eliminate the need for the Finance Department to mail permit invoices and track payments. We are converting our paper files into an electronic format to allow for more timely retrieval. Finally, Inspection staff is devoting more time to attending community events and hosting informational meetings to help the public understand how our inspectors can serve as a helpful resource for their projects rather than an enforcement arm of the City.

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## **ELECTRIC UTILITY – NO RATE INCREASE**

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Our financial analysis indicates that our current electric rates are sufficient to cover our operational and capital improvement expenditures for the next five years. As the number of customers continues to increase, so does our need to buy or produce more energy to serve these customers. Therefore, you will note that the amount budgeted for purchased power is up approximately \$2,000,000 in FY 2019/20. It should be noted that these increased expenditures are offset by a corresponding increase in revenues from the sale of electricity to these additional customers.

The overall increase in electric consumption by our customers would have been even greater without the existence of our Demand Side Management program where we continue to budget \$1,200,000 annually for financial rebates that incentivize our customers to reduce their use of electricity. For the first time since its inception, this rebate program is being recognized as an expense in the operating budget rather than a capital improvement. We have estimated that this program has resulted in a yearly reduction of 2.5 MW in our peak demand.

One way to satisfy the City Council goal to increase sustainability is to expand our use of renewable energy sources. Our current energy portfolio includes 18% from wind and 2% from burning Refuse-Derived Fuel. We hope to approach the Council in early 2019 with a recommendation to create our first community solar farm in an effort to increase our renewable energy portfolio.

Another strategy to deal with a tight labor market is to “grow” our own employees. Towards this end, a new Apprentice Lineworker position has been added to the FY 2019/20 Electric Distribution budget. Our intent is to hire individuals with less experience and guide them through an

extensive training program to develop their knowledge and skills.

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### **WATER UTILITY – 7% RATE INCREASE**

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Again this year, the City of Ames was recognized by the Iowa Section of the American Water Works Association as having the best tasting water in the state.

With the completion of the new Water Plant, additional regulatory testing is required by the Iowa Department of Natural Resources. This additional workload is being performed by our existing staff with no additional impact on the budget.

In support of the City Council's commitment to sustainability, the Water Plant is recycling approximately 28,000 tons of lime sludge per year.

At the end of FY 2018/19, approximately one-half of the conversion to Automated Meter Readers will be complete.

A new position is being added in the Utility Maintenance activity to assist with the increasing number of water main breaks and sanitary sewer repairs. The cost of this position will be shared 79% from the Water fund and 21% from the Sanitary Sewer fund.

After taking into account the CIP projects and estimated operational expenditures for the next five years, our financial analysis currently indicates that a 7% water rate increase will be needed in FY 2019/20, with additional increases in FY 2021/22 and in FY 2023/24.

---

### **SANITARY SEWER UTILITY – NO RATE INCREASE**

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The Ames Water Pollution Control plant has the distinction of receiving a Platinum Peak Performance Award for 29 consecutive

years of operating the plant without a permit violation.

Our Iowa Department of Natural Resources (IDNR) National Pollutant Discharge Elimination System (NPDES) permit expired in August 2015. Subsequent to that date a draft permit was issued, but was pulled after the City questioned some of the provisions. In the meantime, we continue to operate under our previous permit to allow us time to reach an agreement with IDNR.

After extensive discussions among our consulting firm, the staff, and City Council, we have identified a three phase plan to meet nutrient reduction requirements over the next twenty years.

A five-year financial analysis of this utility currently indicates the need for the next rate increase in FY 2020/21, with another increase in FY 2022/23.

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### **STORM WATER UTILITY – NO RATE INCREASE**

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In an effort to recoup some of the costs related to our Storm Water Utility operations and capital improvements, the City has established a four tier monthly fee schedule based on the amount of impervious land on a property. Our five-year financial projection for this fund currently does not require us to increase the fee for any of the four tiers.

Additional funding has been added to the Storm Water System Maintenance activity both in FY 2018/19 and FY 2019/20 for contracted repairs to help keep our system functioning properly. In addition, we have switched work priorities for our own crews from televising the system to cleaning system blockages.

The staff has submitted an application for a grant from the Federal Emergency Management Administration for our most significant flood mitigation/river flooding

project. This bank restoration project is intended to lower flood water levels in the South Duff area up to two feet.

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## **RESOURCE RECOVERY UTILITY**

### **NO INCREASE IN PER CAPITA SUBSIDY \$3.75 INCREASE IN TIPPING FEE**

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The high number of boiler outages at the Power Plant due to the caustic effect of burning Refuse-Derived Fuel (RDF) with natural gas has resulted in a growing number of instances when our garbage must

be diverted to the Boone landfill. These outages result in increased costs to transport unprocessed solid waste and to dispose of the material in the landfill. In addition, the Resource Recovery operation loses the opportunity to generate revenue from the Electric Utility for the sale of RDF as an alternative fuel source. The substantial investment in replacing the boiler tubes in Unit #7 and Unit #8 in FY 2018/19 and FY 2019/20 with new coated tubes should correct this situation.

The boiler tube problems, coupled with a downturn in revenue received from the sale of the metals recycled from our process, pose a financial challenge for this utility. In order to meet this challenge, we are assuming two initiatives are implemented. First, the tipping fee charged to haulers bringing material to the Resource Recovery Plant will be increased from \$55.00 per ton to \$58.75 per ton. Secondly, a new formula prescribing how the Electric Utility will be charged for the purchase of RDF has been introduced that incentivizes both the Electric Utility and the Resource Recovery Utility to maintain the operation of their plants, resulting in more reliability in expenditures and revenues for this fuel source.

The per capita subsidy charged to the City of Ames (\$522,533) and the other Story County cities (\$305,025) that are partners in

this operation will remain at \$10.50 for FY 2019/20. However, in order to keep this operation solvent over the subsequent four years, further increases in the tipping fee and per capita subsidy should be anticipated.

Much has changed since the City pioneered the operations of our waste-to-energy concept in the mid-1970s. Technology has changed, environmental standards have changed, energy and recycling markets have changed, and our customers' consumption patterns have changed. As a result of these changes, the staff believes it is an appropriate time to take a look at our current operation and determine if there are improvements that can be made to help us reach our goals of reducing our solid waste volumes and producing electricity from alternative energy sources. Consequently, you should note funds have been placed in the FY 2019/20 budget to conduct a feasibility study regarding an alternative "mass burn" process. The cost of this study will be shared equally by the Electric and Resource Recovery utilities.

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## **TRANSPORTATION**

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### **STREET SYSTEM**

An extra outreach effort was made in FY 2018/19 to inform our citizens of a number of upcoming projects: Welch Avenue Improvements, Complete Streets Plan, South Duff widening, Munn Woods sanitary sewer line installation, and the Ames On The Go smartphone app introduction.

You will note that traffic studies previously included in the CIP are now reflected in the operating budget to more appropriately coincide with accepted accounting principles.

Since we completed the Complete Streets Plan and the Council approved the associated policies, Traffic Engineering staff will now direct its focus on developing a Traffic Network Communication Master Plan

and begin updating the Long Range Transportation Plan in FY 2019/20.

Our new customized citizen reporting mobile application was introduced in FY 2018/19. This app allows our citizens to more conveniently report problems associated with our street system and other City infrastructure to the appropriate City staff member, assuring faster response to citizen concerns.

We are continuously seeking ways to improve our service in this program. Some recent examples include: the use of mastic materials on streets and bike paths to maintain their surfaces in a safe and useable condition, the purchase of two automated high-water signs to detect standing water on a roadway and initiate a flashing warning sign to alert motorists, the installation of an automated vehicle location system and GIS tracking system for better workload management, the introduction of an on-line public GIS portal to provide our citizens with convenient access to information, the implementation of the new Intelligent Transportation System to more quickly adapt to the demands of the motorists traveling throughout the city, and the introduction of the ADA Signal Enhancement project to retrofit our traffic signals and radar systems to improve our service to our citizens with disabilities.

### **TRANSIT**

We had not undertaken a comprehensive review of the CyRide route structure since its inception. Given the increasing ridership on the system and the growing financial pressures on the funding partners that called into question the long-term viability of the system, the Transit Board of Directors hired a consulting firm to develop recommendations that would result in efficiencies to the system. Once these recommendations were approved by the Board and implemented, they became known as CyRide 2.0.

As could be predicted, not all of the changes were warmly accepted by our

customers. Feedback was solicited from our users after the new system was in place to determine their reactions. Based on this feedback, the Transit Board has included in the FY 2019/20 budget either restoring or improving service to the following routes currently offered under CyRide 2.0; Peach, Gold, Cherry, Brown, and Lilac. The total cost for these new services is approximately \$200,000.

You will also notice that a new position, Chief Safety Officer, has been introduced into the budget. This position is mandated by the Federal Transit Agency to assure that the Transit operation has a professional permanently assigned solely to this safety function.

In order to cover normal salary, benefits, contractual, and commodities along with the introduction of the new service improvements, the City (through its Transit Levy), the ISU students (through their student fees), and ISU Administration (through their general funds) will need to contribute a 4.6% increase in their support for public transportation. For the citizens of Ames, the total contribution to CyRide in FY 2019/20 will be \$1,994,811.

### **AIRPORT**

The financial status of the Airport continues to gradually improve. This improvement can be attributed to our new Fixed Based Operator (FBO), Central Iowa Air Service, whose excellent customer service is attracting more itinerant flights into our airport resulting in a 38% increase in fuel sales. The new FBO has also assumed mowing and snow removal responsibilities at the Airport at no cost to the City other than providing the equipment and fuel to perform these duties. Previously, the City had to contract with a private firm to accomplish this work. At the end of a fiscal year, any revenue generated in excess of the expenditures for this operation will be transferred to the Airport Construction Fund to help finance future capital improvement projects.

We are in the process of updating our Airport Master Plan which is projected to be completed in the fall of 2019. This document will identify future goals for the Airport and major capital improvement projects such as runway extensions and hangar expansions.

### **PARKING**

Historically, the City Council's goal for the Parking Fund is to cover all expenditures in a fiscal year with user revenues, which includes monies from parking meters, fines, and reserved parking space fees, as well as to maintain a 10% available balance. Given the deterioration of the City's parking lots, the City Council established another goal to generate additional funds to finance the reconstruction of our lots.

In response to these goals, a tiered meter parking fee schedule was established for the Downtown and Campustown business districts beginning on July 1, 2018. After much public feedback and discussions among the City Council members, the parking meter fees in all Downtown meters were reduced to \$.50/hour effective April 1, 2019. Even with this recent action, it is estimated that by the end of FY 2019/20, \$335,983 will be transferred to the new Parking Capital Reserve account to help fund future parking lot reconstruction.

The business leaders in Downtown have argued that the reduction in meter fees will actually generate more money for the Parking Fund than if the \$1.00/hour fee was maintained. Over the coming months we will monitor how revenues actually come in under the \$.50 meter rate and then make a recommendation if an additional fee increase is warranted in FY 2020/21.

The City Council has authorized \$70,000 in FY 2018/19 to hire a consultant to perform a parking study of the Downtown area to review existing space utilization, project future parking demand, and make recommendations for optimizing the future viability of the parking system.

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## **COMMUNITY ENRICHMENT**

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### **PARKS & RECREATION**

As you know, the city of Ames has one of the lowest unemployment rates in the country. This distinction comes with negative consequences. A very tight labor market makes it difficult to attract and retain qualified employees. Nowhere is this challenge more prevalent than in our recruitment effort for temporary/seasonal employees who staff our recreation programs. In an effort to confront this challenge, the FY 2018/19 and FY 2019/20 budgets support an initiative to assure these salaries are more competitive with our local labor market by establishing a three step pay plan with annual increases for each step. This major initiative alone accounts for a 15% increase in temporary/seasonal salaries in our recreation programs, or an increase of approximately \$126,000 over the FY 2018/19 Adopted Budget.

A review of the attendance numbers for certain classes in our Athletic, Wellness, and Instructional programs reveals that we are experiencing a decline in participation. Consequently, I have challenged our recreation staff to introduce new classes that will attract the interest of our citizens and thereby stimulate an increase in participation.

Parks and Recreation staff have been spending a significant amount of time working with numerous partner groups to develop the plans for the Healthy Life Center, Miracle Field, and All Inclusive Playground. Hopefully, final decisions on whether or not to proceed with these important projects will be made by the spring of 2019.

The two enterprise funds, Ames/ISU Ice Arena and Homewood Golf Course, remain in very strong financial positions. With the requested 3% increase in ice rental fees, it is expected that the Ice Arena fund will end

the FY 2019/20 with an available balance of \$149,751 above the goal of a 15% operating reserve. Similarly, should the various recommended fee increases be adopted, it is anticipated that the Homewood Golf Course Fund will end next fiscal year with an available balance in excess of our goal of 25% by \$142,039.

### **LIBRARY**

The tight labor market has also impacted the Library. Consequently, the budget for this service includes a \$1.00 per hour increase for hourly employees which results in an additional \$23,000 for temporary salaries.

In addition, an increase of .25 FTE for a Technical Services Assistant position is introduced in the Youth Services activity for FY 2018/19 to assure more staff time is directed to circulating in the area to offer more customer assistance and better monitoring of the area.

The Library is well known for its efforts to continue to improve programs. In keeping with this commitment, the pilot year of the streaming service Hoopla will be permanently added to the programming, the website was redesigned, and a new streaming movie service, Kanopy, was introduced allowing access to 30,000 titles.

### **CEMETERY**

Our ultimate goal is to generate sufficient revenue to cover the expenses for this service each year. While we will not accomplish this goal in FY 2019/20, we are projecting the General Fund subsidy to be decreased to \$37,593. While no fee increases are being recommended for FY 2019/20 for this service, during the next year staff will be performing a comparative fee analysis to determine if future increases can be justified.

In response to previously obtained citizen input, we installed eleven water spigots to better serve families who are supplying plants to their family members' gravesites,

and upgraded our stonework photos and memorial information to improve our capability to respond to customer inquiries.

### **HOUSING SERVICES**

In FY 2018/19, we are planning to expend \$1,170,765 from our Community Development Block Grant funding for the development of our new mixed-income housing subdivision at 321 State Street, home acquisition/rehabilitation, rental deposit assistance, and transportation assistance. With the addition of federal HOME funds, \$450,897 will be used to assist with the construction of single family houses for lower income households at our 321 State site.

In 2019, we will be submitting our first Consolidated and Annual Action Plans for both the CDBG and HOME funding. These Action Plans will incorporate the program goals and priority projects that are ultimately approved in the Five Year Consolidated Plan.

### **HUMAN SERVICE AGENCY AND ARTS SERVICES**

We are very fortunate to have access to local option sale tax revenues which are paid on qualifying purchases delivered within the city limits of Ames. In FY 2019/20, the commitment will continue for those human service agencies that provide the City Council's service priorities by allocating \$1,466,202 towards these services. Our local arts agencies also will benefit from local option sales tax proceeds by earmarking \$168,898 for these organizations, as well as \$46,000 for the City's Public Art program.

My sincere thanks goes out to our Department Heads and those members of their staff who helped develop this administrative/financial plan for the city. It remains clear to me from their actions that they remain committed to providing exceptional customer service at the best price!

Assembling the mountain of data that is reflected in this budget is a significant task. Credit for this effort must be given to Duane Pitcher, Finance Director, Emily Johnson, Finance Department Secretary, Tasheik Kerr, Management Analyst, Brian Phillips, Assistant City Manager, and Bob Kindred, Assistant City Manager. Nancy Masteller, our Budget Officer, deserves special recognition for the many extra hours she spent during evenings and weekends

implementing this new budget format and in making sure the budget was completed on time and worthy of another award from GFOA!

Respectfully Submitted,



Steven L. Schainker  
City Manager



# CITY COUNCIL GOALS

Approved February 13, 2019 - To be Accomplished by December 31, 2019  
Updated February 2, 2019

## STRENGTHEN DOWNTOWN AND CAMPUSTOWN

### PROMOTE ECONOMIC DEVELOPMENT

### EXPAND SUSTAINABILITY EFFORTS

### ADDRESS HOUSING NEEDS

### PROMOTE A SENSE OF ONE COMMUNITY

### STRENGTHEN HUMAN SERVICES

### ENCOURAGE HEALTHY LIFESTYLES

#### #1 Strengthen Downtown and Campustown

- 1) Identify strategies to encourage investment in Downtown.
- 2) Encourage vibrancy in Campustown.
- 3) Standardize and simplify the parking regulations in the neighborhoods surrounding Campustown.
- 4) Evaluate safety for pedestrians crossing Lincolnway between Campustown and the ISU campus.

#### #2 Promote Economic Development

- 1) Analyze current planning and building code approval processes to help decision making be more predictable, more strategic, and more timely.
- 2) Explore possible improvements in internet options for residents and businesses related to availability, reliability, cost, speed, customer service, and possibility.

#### #3 Expand Sustainability Efforts

- 1) Implement the community solar project.
- 2) Define the City's role (e.g. codes, incentives) in maintaining existing buildings.
- 3) Explore ways to meet Nutrient Reduction Strategy requirements through participation in projects in the Squaw Creek Watershed.
- 4) Encourage all users to divert from the waste stream (e.g. glass, food waste, e-waste, household hazardous waste).
- 5) Assess the use and effectiveness of the City's electric charging stations.
- 6) Evaluate the community's greenhouse gas impact and look for ways to reduce it.

#### #4 Address Housing Needs

- 1) Determine how to proceed with the development of a low and moderate income affordable housing project at 321 State Avenue (Old Middle School site).
- 2) Learn about the concept of inclusionary housing.
- 3) Consider ways to incentivize conversion of rental units back into single-family units.

#### #5 Promote a Sense of One Community

- 1) Ensure boards and commissions are addressing important community issues (including, but not limited to diversity and inclusion) and Council goals and objectives.
- 2) Improve connections between town and gown.

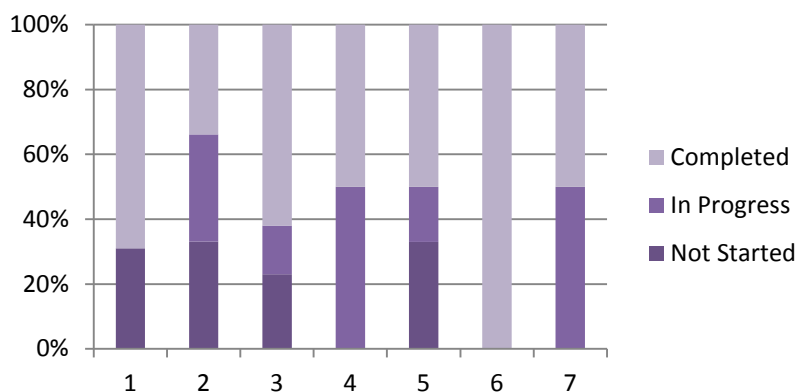
#### #6 Strengthen Human Services

- 1) Engage vulnerable groups in the community.
- 2) Partner with ASSET agencies to achieve the City Council's priorities.

#### #7 Encourage Healthy Lifestyles

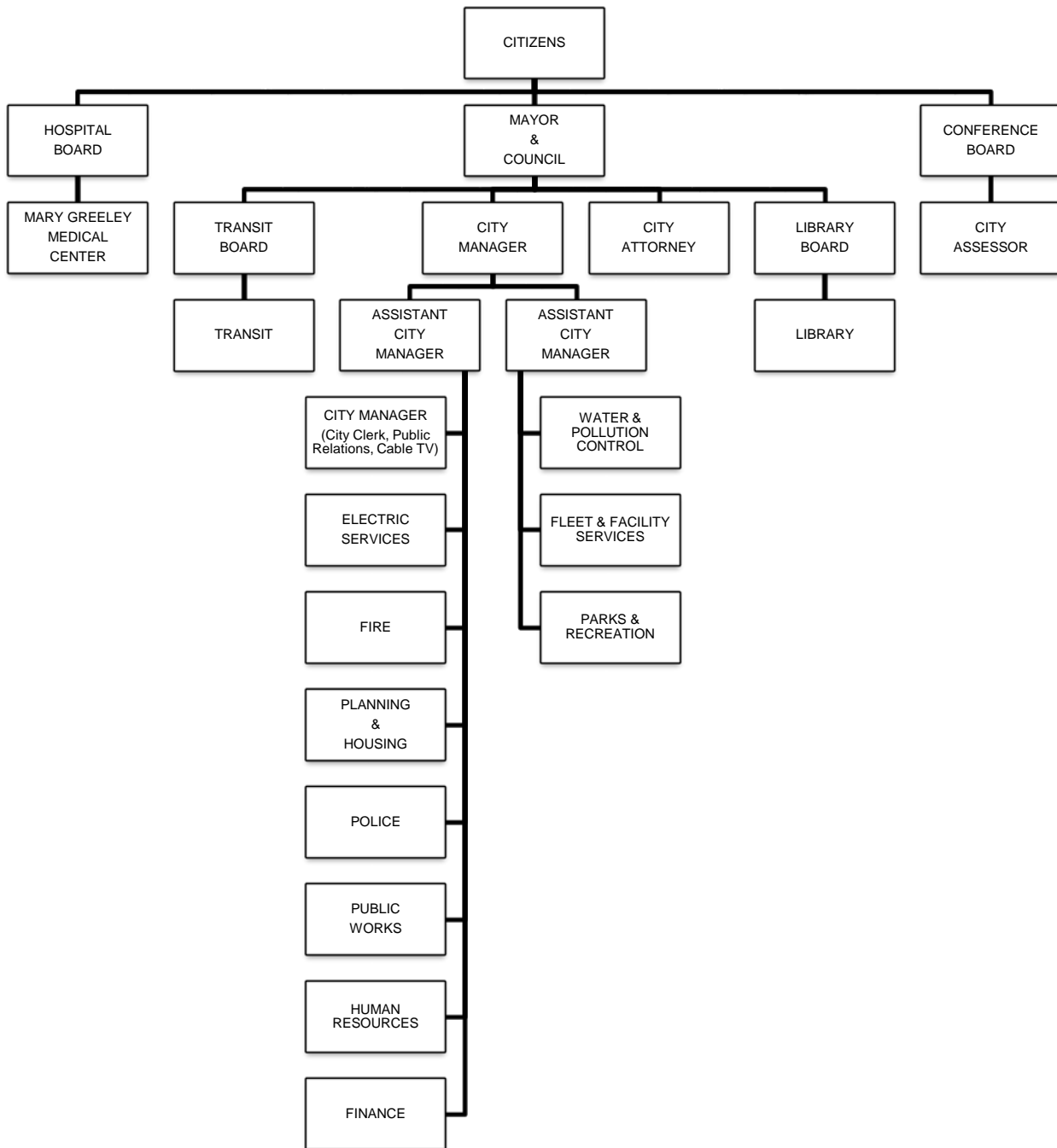
- 1) Explore partnering with Mary Greeley Medical Center, Iowa State University, Story County, and Heartland Senior Center to create an intergenerational Healthy Life Center Complex.
- 2) Adopt a Complete Streets Program.

### Goal Progress



# ***CITY OF AMES, IOWA ORGANIZATIONAL CHART***

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## ***AMES CITY COUNCIL APPOINTEES***

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<b>NAME</b>	<b>TITLE</b>	<b>PHONE NUMBER</b>
Steve Shainker	City Manager	515-239-5101
Mark Lambert	City Attorney	515-239-5146

## ***CITY OF AMES, IOWA DEPARTMENT HEADS***

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<b>NAME</b>	<b>DEPARTMENT</b>	<b>PHONE NUMBER</b>
Donald Kom	Electric Services	515-239-5171
Duane Pitcher	Finance	515-239-5114
Rich Higgins	Fire	515-239-5414
Corey Mellies	Fleet Svcs/Facilities	515-239-5520
Bethany Jorgenson	Human Resources	515-239-5199
Sheila Schofer	Library	515-239-5630
Keith Abraham	Parks & Recreation	515-239-5350
Kelly Diekmann	Planning & Housing	515-239-5400
Chuck Cychosz	Police	515-239-5130
John Joiner	Public Works	515-239-5162
Vacant	Transit (CyRide)	515-239-5563
John Dunn	Water & Pollution Control	515-239-5150

# BUDGET CALENDAR

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State statute requires a municipality to certify its budget by March 15. This general schedule is followed each fiscal year in order to ensure that the March 15 deadline is met. A goal during the entire process is to encourage citizen involvement in the annual budget decision making process through public hearings and informational meetings.

## SPRING

Resident Satisfaction Survey administered to 1,350 residents asking funding priorities, effectiveness of services, and preferred changes in emphasis/service levels. All results are reviewed with the City Council prior to the start of the budget process.

## AUGUST SEPTEMBER

Departments prepare Capital Improvement Project (CIP) information for the 5-year plan and begin preparation of amended 2018/19 and proposed 2019/20 operational budgets. Resident Satisfaction Survey results are presented to the City Council.

## NOVEMBER

**November 1 – Public town budget meeting** to receive input from residents for budget service levels and projects. The meeting is televised and the public can call in and email questions.

## DECEMBER

**December 11 – City Council budget meeting** to review issues, priorities, and preferences in service levels for the 2019/20 budget. Staff drafts 5-year CIP. PROBE meetings (Productive Review of Budget Entries) are conducted with Assistant City Managers, Finance Director, Budget Officer, and City departments. All revenues, operational program costs, and current year CIP adjustments are reviewed.

## JANUARY

City Manager holds budget review meetings with departments. The City Manager's recommended draft budget document is prepared. **January 15 – CIP workshop** with City Council. **January 22 – Public hearing** for resident input on CIP.

## FEBRUARY

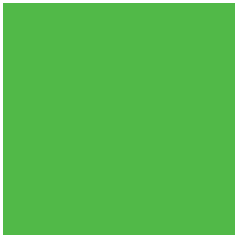
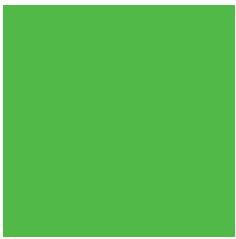
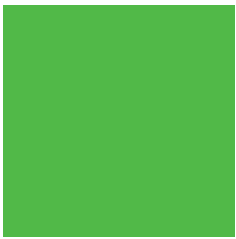
**February 1, 5, 6, 7, 13 – City Council reviews entire program budget** with department heads in five **public meetings** held on one afternoon and four evenings.

## MARCH

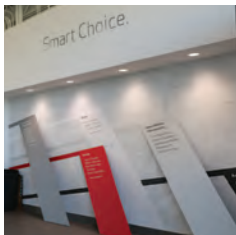
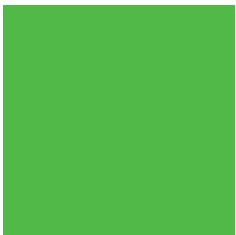
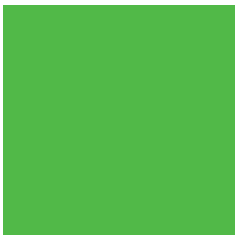
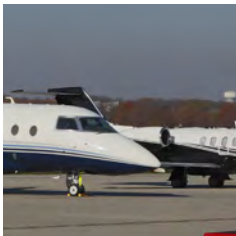
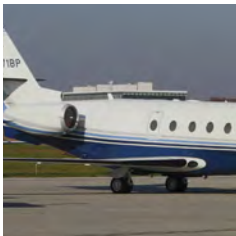
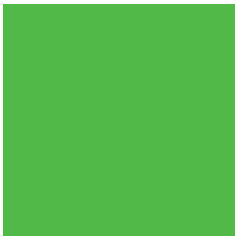
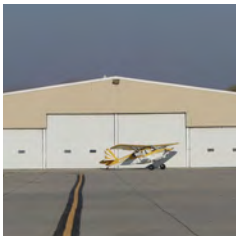
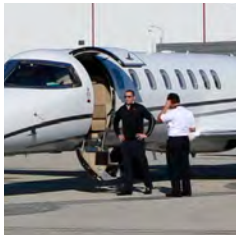
**March 5 – Final budget hearing and adoption of amended 2018/19 budget and 2019/20 budget. State statute requires the budget be certified with the County Auditor by March 15.**

## MAY

Departments review their budgeted revenues and expenses in May in order to make adjustments which will more accurately reflect the City's anticipated revenues and expenses for the fiscal year ending June 30. **After City Council review and approval, the amendments are submitted to the County Auditor by the end of May as required by State statute.**



# REVENUES & EXPENDITURES



# REVENUE SUMMARY

	2017/18 Actual	2018/19 Adopted	2018/19 Adjusted	2019/20 Adopted	% Change From Adopted
<b>Property Taxes</b>	28,701,498	30,267,943	30,260,590	32,156,046	6.2%
<b>Other Taxes:</b>					
State Replacement Tax	979,415	973,210	973,210	973,210	0.0%
Local Option Sales Tax	7,681,518	7,930,900	7,930,900	8,168,827	3.0%
Hotel/Motel Tax	2,398,439	2,450,000	2,450,000	2,450,000	0.0%
<b>Total Other Taxes</b>	11,059,372	11,354,110	11,354,110	11,592,037	2.1%
<b>Licenses &amp; Permits</b>	1,627,712	1,651,950	1,717,750	1,652,904	0.1%
<b>Intergovernmental Revenue:</b>					
State Road Use Tax	7,321,752	7,164,247	7,193,730	7,164,247	0.0%
Federal Grants	3,292,626	2,520,515	3,927,625	3,663,358	45.3%
State Grants/SRF Funding	9,226,969	10,957,200	34,088,842	13,907,474	26.9%
County Contributions	148,792	145,000	154,241	155,000	6.9%
Other Intergovernmental Revenue	6,313,665	6,783,795	6,883,069	7,186,812	5.9%
<b>Total Intergovernmental Revenue</b>	26,303,804	27,570,757	52,247,507	32,076,891	16.3%
<b>Charges for Services:</b>					
Utility Charges	89,788,069	85,002,798	92,442,347	92,312,149	8.6%
Other Charges for Services	8,587,126	10,492,433	10,074,843	10,501,038	0.1%
<b>Total Charges for Services</b>	98,375,195	95,495,231	102,517,190	102,813,187	7.7%
<b>Fines, Forfeit, &amp; Penalty</b>	688,941	773,400	758,895	708,600	-8.4%
<b>Use of Money &amp; Property:</b>					
Interest Revenue	1,575,520	875,300	1,268,850	1,268,000	44.9%
Other Uses of Money/Property	1,116,693	1,035,622	1,067,061	1,080,275	4.3%
<b>Total Use of Money &amp; Property</b>	2,692,213	1,910,922	2,335,911	2,348,275	22.9%
<b>Miscellaneous Revenue:</b>					
Proceeds from Bonds	11,577,484	7,987,000	7,987,000	11,154,204	39.7%
Other Miscellaneous Revenue	4,016,789	3,787,595	1,713,334	1,198,269	-68.4%
<b>Total Miscellaneous Revenue</b>	15,594,273	11,774,595	9,700,334	12,352,473	4.9%
<b>Internal Service Revenue</b>	18,655,355	18,048,033	18,121,618	18,504,494	2.5%
<b>Total Before Transfers</b>	203,698,363	198,846,941	229,013,905	214,204,907	7.7%
<b>Transfers</b>	24,258,017	23,526,960	23,252,974	23,371,112	-0.7%
<b>Total Revenues</b>	227,956,380	222,373,901	252,266,879	237,576,019	6.8%

## EXPENDITURES BY PROGRAM

	2017/18 Actual	2018/19 Adopted	2018/19 Adjusted	2019/20 Adopted	% Change From Adopted
<b>Operations:</b>					
<b>Public Safety:</b>					
Law Enforcement	9,206,461	9,838,885	10,108,847	10,218,431	3.9%
Fire Safety	6,777,814	7,283,577	7,208,020	7,565,200	3.9%
Building Safety	1,241,989	1,571,653	1,474,546	1,615,765	2.8%
Animal Control	463,444	463,524	557,345	490,899	5.9%
Other Public Safety	850,714	924,500	926,300	972,747	5.2%
<b>Total Public Safety</b>	<b>18,540,422</b>	<b>20,082,139</b>	<b>20,275,058</b>	<b>20,863,042</b>	<b>3.9%</b>
<b>Utilities:</b>					
Electric Services	54,301,669	56,128,678	58,173,034	58,824,151	4.8%
Water and Pollution Control	7,415,757	8,157,061	8,189,370	8,407,541	3.1%
Water Distribution System	1,453,961	1,431,302	1,398,731	1,497,450	4.6%
Sanitary Sewer System	802,353	868,390	884,347	901,631	3.8%
Storm Water Management	454,319	667,598	658,752	680,101	1.9%
Resource Recovery	3,622,945	4,263,588	4,267,599	4,446,952	4.3%
Utility Customer Service	1,571,035	1,647,962	1,621,351	1,695,458	2.9%
<b>Total Utilities</b>	<b>69,622,039</b>	<b>73,164,579</b>	<b>75,193,184</b>	<b>76,453,284</b>	<b>4.5%</b>
<b>Transportation:</b>					
Street/Traffic System	5,123,373	5,838,710	5,983,715	6,114,583	4.7%
Transit System	10,836,168	11,748,735	11,591,426	12,219,372	4.0%
Parking System	819,684	1,102,317	1,163,858	1,057,378	-4.1%
Airport Operations	215,452	149,486	147,223	138,749	-7.2%
<b>Total Transportation</b>	<b>16,994,677</b>	<b>18,839,248</b>	<b>18,886,222</b>	<b>19,530,082</b>	<b>3.7%</b>
<b>Community Enrichment:</b>					
Parks and Recreation	4,593,801	4,573,922	4,730,495	4,774,523	4.4%
Library Services	4,428,114	4,701,039	4,844,346	4,891,104	4.0%
Human Services	1,277,283	1,444,724	1,521,943	1,490,234	3.2%
Art Services	200,046	209,979	247,222	214,898	2.3%
Cemetery	175,852	175,641	190,587	185,993	5.9%
Housing Programs	496,599	564,662	1,974,060	1,216,623	115.5%
Economic Development	2,160,889	2,275,169	2,274,981	2,300,472	1.1%
<b>Total Community Enrichment</b>	<b>13,332,584</b>	<b>13,945,136</b>	<b>15,783,634</b>	<b>15,073,847</b>	<b>8.1%</b>

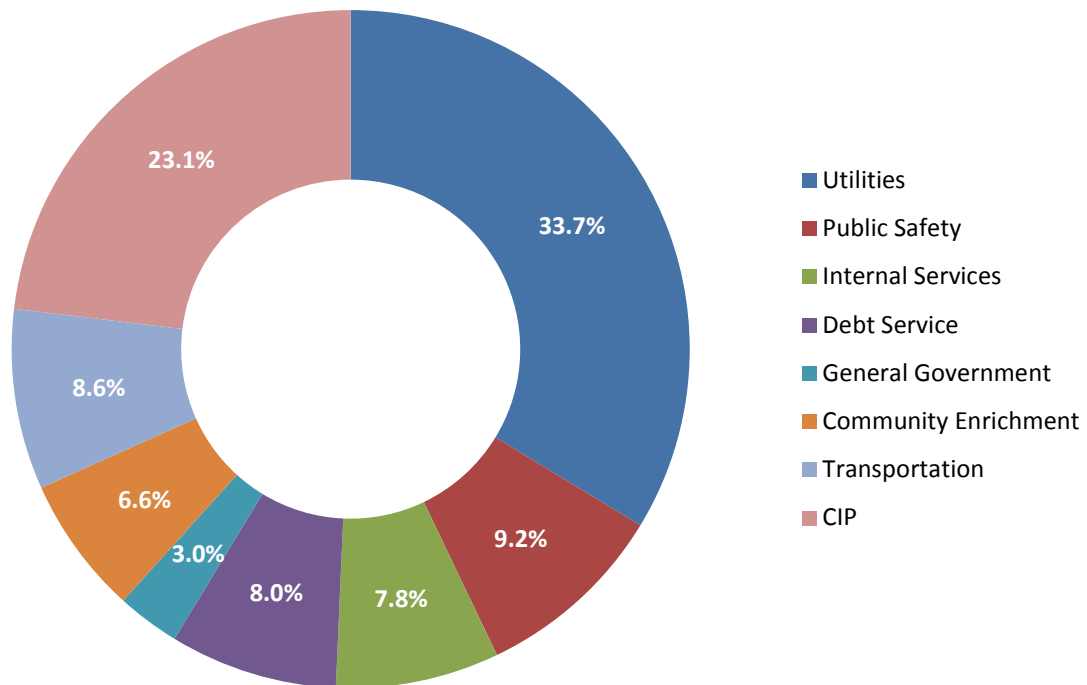
## EXPENDITURES BY PROGRAM (continued)

	2017/18 Actual	2018/19 Adopted	2018/19 Adjusted	2019/20 Adopted	% Change From Adopted
<b>General Government:</b>					
City Council	382,678	442,296	630,734	457,893	3.5%
City Clerk	417,705	371,003	384,706	436,923	17.8%
City Manager	705,101	765,962	788,931	801,995	4.7%
Public Relations	242,533	204,159	224,884	217,556	6.6%
Media Production Services	169,627	158,679	158,197	163,473	3.0%
Planning Services	759,265	865,415	1,154,218	890,712	2.9%
Financial Services	1,790,794	1,963,719	1,899,722	1,990,079	1.3%
Legal Services	747,855	787,852	790,894	801,687	1.8%
Human Resources	476,134	543,900	579,803	586,703	7.9%
Facilities	428,594	452,069	499,495	459,595	1.7%
<b>Total General Government</b>	<b>6,120,286</b>	<b>6,555,054</b>	<b>7,111,584</b>	<b>6,806,616</b>	<b>3.8%</b>
<b>Total Operations</b>	<b>124,610,008</b>	<b>132,586,156</b>	<b>137,249,682</b>	<b>138,726,871</b>	<b>4.6%</b>
<b>CIP:</b>					
Public Safety CIP	11,744	1,137,000	1,404,831	1,750,000	53.9%
Utilities CIP	8,620,104	23,472,600	61,584,845	29,683,100	26.5%
Transportation CIP	13,541,832	16,814,400	39,817,931	19,815,169	17.9%
Community Enrichment CIP	705,496	1,260,000	4,129,493	933,000	-26.0%
General Government CIP	765,174	50,000	898,210	50,000	0.0%
Internal Services CIP	5,829	-	41,959	250,000	
<b>Total CIP</b>	<b>23,650,179</b>	<b>42,734,000</b>	<b>107,877,269</b>	<b>52,481,269</b>	<b>22.8%</b>
<b>Debt Service:</b>					
General Obligation Bonds	16,039,998	11,974,832	11,976,904	12,055,352	0.7%
Electric Revenue Bonds	967,306	964,557	964,557	965,306	0.1%
SRF Loan Payments	4,387,592	4,680,645	4,505,877	5,044,439	7.8%
Bond Costs	94,445	-	97,595	-	
<b>Total Debt Service</b>	<b>21,489,341</b>	<b>17,620,034</b>	<b>17,544,933</b>	<b>18,065,097</b>	<b>2.5%</b>
<b>Internal Services:</b>					
Fleet Services	3,822,804	3,446,968	4,654,974	3,372,056	-2.2%
Information Technology	2,901,642	2,586,906	2,878,814	2,625,976	1.5%
Risk Management	2,119,189	2,521,124	2,416,522	2,508,721	-0.5%
Health Insurance	9,187,245	9,113,137	8,606,159	9,198,125	0.9%
<b>Total Internal Services</b>	<b>18,030,880</b>	<b>17,668,135</b>	<b>18,556,469</b>	<b>17,704,878</b>	<b>0.2%</b>
<b>Total Expenditures Before Transfers</b>	<b>187,780,408</b>	<b>210,608,325</b>	<b>281,228,353</b>	<b>226,978,115</b>	<b>7.8%</b>
<b>Transfers:</b>	<b>24,258,017</b>	<b>23,526,960</b>	<b>23,252,974</b>	<b>23,371,112</b>	<b>-0.7%</b>
<b>Total Expenditures</b>	<b>212,038,425</b>	<b>234,135,285</b>	<b>304,481,327</b>	<b>250,349,227</b>	<b>6.9%</b>

## ***EXPENDITURES BY PROGRAM (continued)***

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WHERE THE MONEY IS SPENT...  
2019/20 MANAGER RECOMMENDED

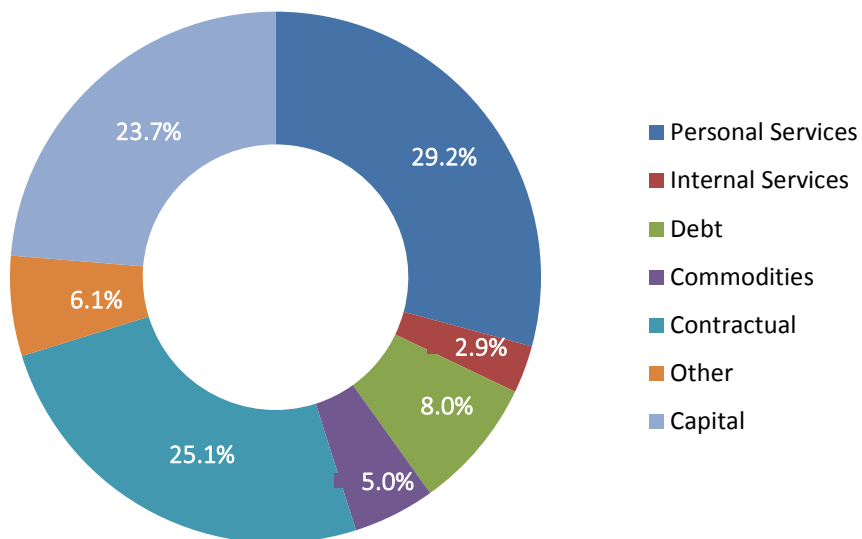


Excluding transfers

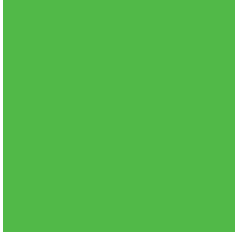
## EXPENDITURES BY CATEGORY

	2017/18 Actual	2018/19 Adopted	2018/19 Adjusted	2019/20 Adopted	% Change From Adopted
Personal Services	57,824,503	63,893,543	62,297,326	66,285,495	3.7%
Internal Services	7,843,735	6,573,059	6,705,239	6,718,306	2.2%
Contractual	55,923,660	53,712,860	57,576,578	56,881,916	5.9%
Commodities	11,611,483	11,148,182	11,894,584	11,355,703	1.9%
Capital	20,696,359	43,964,570	11,226,404	53,707,566	22.2%
Debt	21,489,341	17,620,034	17,544,933	18,065,097	2.5%
Other (Refunds, Insurance Claims, etc.)	12,391,327	13,696,077	13,983,289	13,964,032	2.0%
<b>Total Expenditures Before Transfers</b>	187,780,408	210,608,325	181,228,353	226,978,115	7.8%
Transfers	24,258,017	23,526,960	23,252,974	23,371,112	-0.7%
<b>Total Expenditures</b>	212,038,425	234,135,285	304,481,327	250,349,227	6.9%

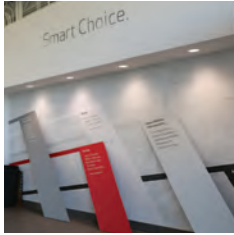
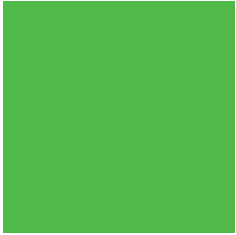
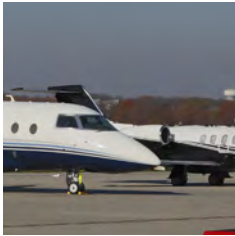
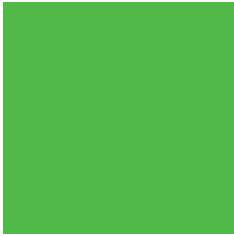
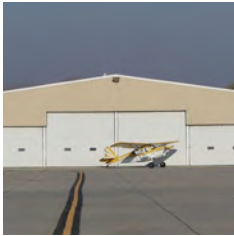
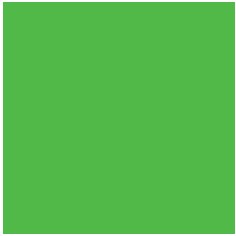
### BREAKDOWN BY MAJOR EXPENSE CATEGORY 2019/20 MANAGER RECOMMENDED



Excludes transfers



# PROPERTY TAXES & DEBT

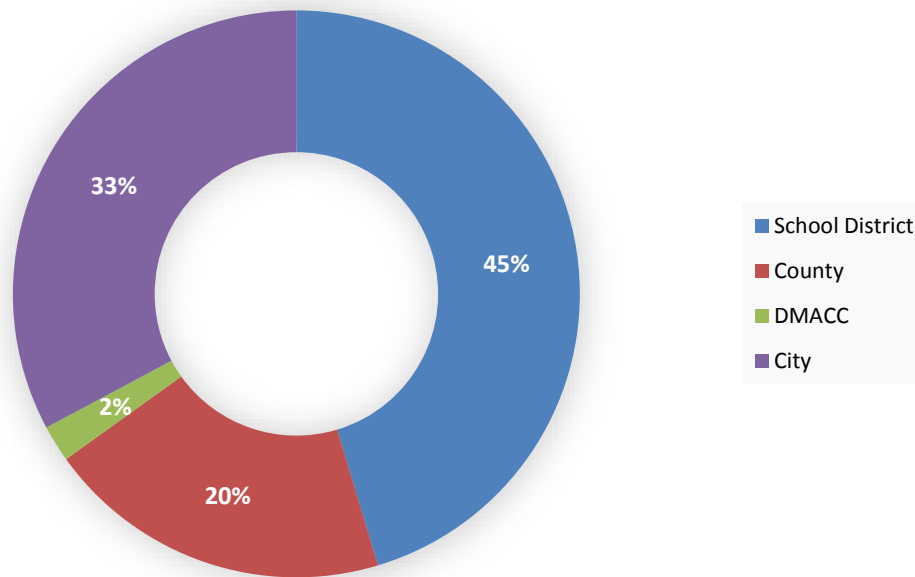


# PROPERTY TAXES

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Property taxes are certified July 1 with the first half due on or before September 30 and the second half due on or before March 31. The first half taxes become delinquent on October 1 and the second half taxes become delinquent on April 1. There is a 1% per month penalty for delinquency. Taxes are collected by Story County and distributed to the City in proportion of its levy to all levies.

**BREAKDOWN OF PROPERTY TAXES PAID  
2017/18 RATES**



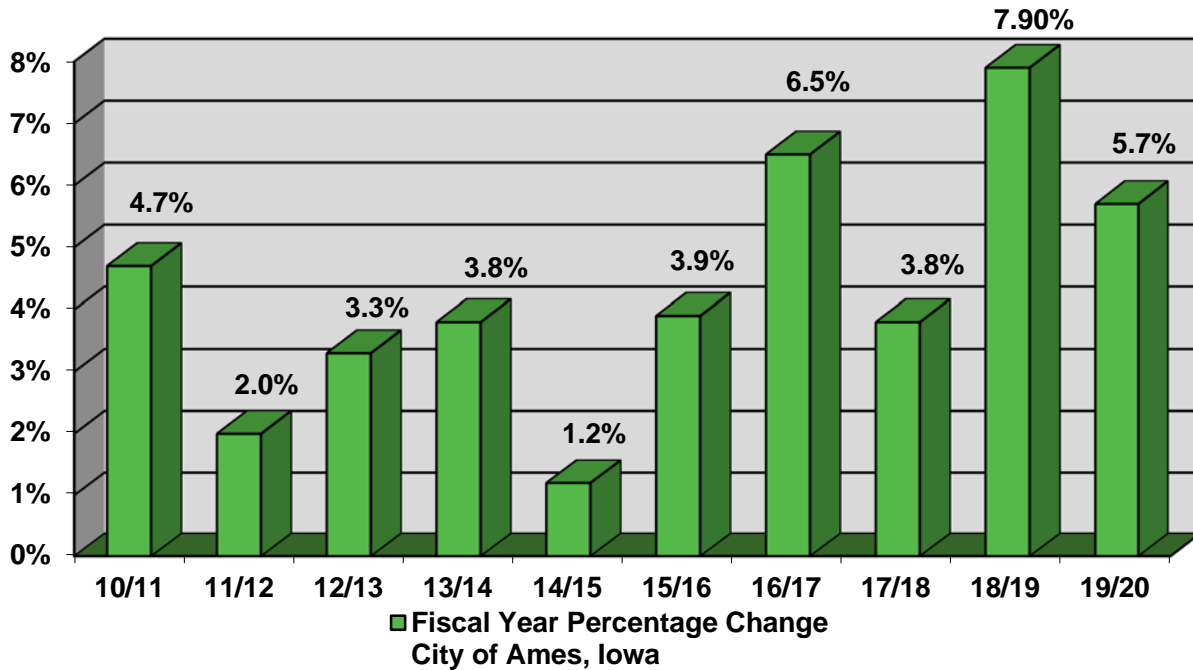
**PREVIOUS YEAR'S  
RATES**

City	32.77%
School District	45.30%
County	19.65%
DMACC	2.10%

City property taxes are approximately one-third of a resident's total property tax bill. The other taxing bodies are the School District, Story County, and Des Moines Area Community College (DMACC).

# VALUATION GROWTH

## VALUATION PERCENTAGE INCREASE



The FY 2019/20 budget is based on a \$213,300,874, or 7.9%, increase in the City's taxable valuation. The average annual valuation increase over the last ten years is 3.4%. The total taxable valuation of \$2,914,741,622 is made up of the following components:

	Taxable Valuation	Percentage of Valuation	Change From Prior Year
Residential property	2,017,582,235	65.4%	5.8%
Commercial property	898,197,320	29.2%	5.5%
Industrial property	142,098,648	4.6%	2.6%
Utilities	14,191,683	0.5%	12.5%
Utilities subject to excise	7,838,712	0.3%	9.3%
	3,079,908,598	100.0%	5.7%

## FACTORS IMPACTING VALUATION GROWTH

The taxable valuation for the FY 2019/20 budget is based on property valuation as of January 1, 2018. The three primary factors impacting taxable valuation are additions or removals of taxable property, change in valuation of existing property, and changes in the state-mandated rollback rate. The total growth in taxable valuation was \$165.2 million, or a 5.7% increase over the prior year and included increased valuation for all property classifications. The increase was primarily due to two factions; new taxable property contributed approximately \$132.9 million, and the adjustment to the rollback rate which increased value by \$43.5 million. These increases were partially offset by reductions in taxable value due to temporary exemptions from taxation on new property, the continued implementation of rollback for taxable valuation for the multi-residential class of property, and shifting of property from a commercial to a residential classification which is taxed at a lower rate. The City's tax base is expected to continue to grow over the long term due to ongoing commercial, residential, and industrial development as well as the institutional stability provided by Iowa State University.

# PROPERTY TAX LEVIES

## Debt Service Levy

The debt service levy is used to collect the funds necessary to pay the principal and interest on the City's general obligation debt. The tax amount required for FY 2019/20 is \$9,980,123, with an additional \$320,004 funded by State Replacement Tax revenue. The levy of \$3.19314/\$1,000 valuation for FY 2019/20 is slightly lower than the rate of \$3.21813 required for FY 2018/19.

## EFFECT OF LOCAL OPTION SALES TAX ON PROPERTY TAX LEVY/\$1,000 VALUATION



On November 4, 1986, the citizens of Ames approved a Local Option Tax of 1% to be used for property tax relief (60%) and community betterment (40%). The property tax relief portion of this tax is expected to generate \$4,901,296 in FY 2019/20, which will lower the total necessary tax levy by \$1.59. The chart above illustrates what the total levy would need to be if the Local Option Sales Tax had not been approved. Adjusted local option sales tax revenue for FY 2018/19 is projected to be \$7,930,900, which is the amount that was originally adopted for the fiscal year. Local option sales tax revenue for FY 2019/20 is being budgeted at \$8,168,827, a 3% increase over FY 2018/19.

# **CITY OF AMES, IOWA**

## **FY 2019/20 PROPERTY TAX LEVY**

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**Taxable Valuation**

**\$ 3,079,908,598**

**% Change From FY 2018/19**

**5.7%**

<b>LEVY REQUIRED</b>	<b>LEVY PER \$1,000 VALUATION</b>	<b>DOLLAR AMOUNT</b>	<b>RATE CHANGE</b>	<b>%</b>	<b>DOLLAR CHANGE</b>	<b>%</b>
Total Requirement	7.28708	22,443,527	(0.02727)	(0.37)	1,124,099	5.27
<b>Less:</b>						
State Replacement Tax	0.17061	525,452	0.00966	(5.36)	-	0.00
<b>Local Option Property Tax</b>	<b>1.59138</b>	<b>4,901,296</b>	<b>0.04120</b>	<b>(2.52)</b>	<b>142,756</b>	<b>3.00</b>
<b>Net General Levy</b>	<b>5.52509</b>	<b>17,016,779</b>	<b>0.02360</b>	<b>0.43</b>	<b>981,343</b>	<b>6.12</b>
Trust and Agency Levy (Partial Police/Fire Benefits)	.67923	2,091,970	(0.03611)	(5.05)	6,936	0.33
<b>Transit Levy</b>	<b>.62811</b>	<b>1,934,521</b>	<b>(0.00550)</b>	<b>(0.87)</b>	<b>87,726</b>	<b>4.75</b>
<b>Total Before Debt Service</b>	<b>6.83243</b>	<b>21,043,270</b>	<b>(0.01801)</b>	<b>(0.26)</b>	<b>1,076,005</b>	<b>5.39</b>
<b>Debt Service Levy</b>	<b>3.19314</b>	<b>9,980,123</b>	<b>(0.02499)</b>	<b>(0.78)</b>	<b>488,898</b>	<b>5.15</b>
<b>Grand Total Tax Levy</b>	<b>10.02557</b>	<b>31,023,393</b>	<b>(0.04300)</b>	<b>(0.43)</b>	<b>1,564,903</b>	<b>5.31</b>

Ag Levy – Valuation: \$2,988,543 x 3.00375 = \$8,977

TIF valuation available for Debt Service - \$45,584,078

## ***FY 2018/19 PROPERTY TAX LEVY COMPARISONS***

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<b>CITY</b>	<b>POPULATION</b>	<b>GENERAL LEVY PER \$1,000</b>	<b>TOTAL LEVY PER \$1,000</b>	<b>TOTAL LEVY PER CAPITA</b>
<b>Council Bluffs *</b>	62,230	\$8.10	\$18.26	\$798.53
<b>Waterloo *</b>	68,406	8.10	17.46	579.18
<b>Des Moines</b>	203,433	8.10	17.24	634.42
<b>Davenport *</b>	99,685	8.10	16.78	728.35
<b>Iowa City</b>	67,862	8.10	16.18	872.32
<b>Sioux City *</b>	82,684	8.10	16.07	535.48
<b>Cedar Rapids</b>	126,326	8.10	15.22	804.12
<b>West Des Moines</b>	56,609	8.10	11.79	996.78
<b>Ankeny</b>	45,582	6.25	10.75	452.18
<b>Cedar Falls *</b>	39,260	8.10	11.22	379.05
<b>Dubuque *</b>	57,637	8.10	10.59	351.20
<b>Ames *</b>	<b>58,965</b>	<b>5.50</b>	<b>10.07</b>	<b>497.78</b>
<b>Urbandale</b>	39,463	7.24	10.02	741.05
<b>Average</b>		<b>\$7.69</b>	<b>\$13.97</b>	<b>\$688.46</b>

**\* Cities that collect local option sales tax**

Iowa law limits a city's tax levy for the general fund to no more than \$8.10 per \$1,000 valuation in any tax year, except for specific levies authorized outside the limit. The City of Ames general fund levy for 2017/18 was \$5.65.

# ***CITY OF AMES, IOWA***

## ***PROPERTY TAX COST OF SERVICES PER RESIDENCE***

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### **3-YEAR COMPARISON**

	2017/18	2018/19	2019/20
Streets/Traffic	148	141	149
Police Protection	136	133	135
Fire Protection	89	84	85
Library	75	70	70
Parks and Recreation	50	46	41
Transit	37	35	36
General Support Services	24	23	27
Planning Services	10	10	10
Resource Recovery	6	6	6
Animal Control	5	5	5
Facilities/Cemetery	5	4	4
Storm Water Management	5	3	3
Building Safety	1	-	-
	591	560	571

Assessed Value	100,000	100,000	100,000
Rollback	56.9391	55.6209	56.9180
Taxable Value	56,939	55,621	56,918
Tax Rate per \$1,000	10.3759	10.0686	10.0258
Calculated Tax	591	560	571

All categories reflect their applicable amounts for debt service

# DEBT SERVICE

## DEBT SERVICE COST ALLOCATION FOR 2019/20 BUDGET

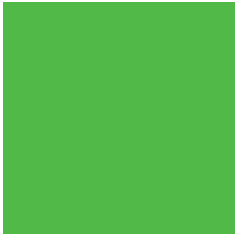
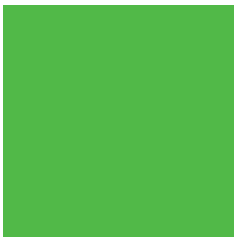
Taxable Valuation for Debt Service: \$3,125,492,676

Use of Bond Proceeds	Allocated Debt Service	Debt Service Abatements	Property Tax Support	Rate Per \$1,000 Valuation
Airport	70,979	70,979	-	
Fire Department Apparatus	53,107	13,277	39,830	0.01274
Fire Facilities	13,228	-	13,228	0.00423
Public Safety Radio	96,435	-	96,435	0.03085
Library	1,205,250	-	1,205,250	0.38562
Ada Hayden Heritage Park	261,338	-	261,338	0.08361
City Hall Improvements	14,719	-	14,719	0.00471
Aquatic Center	598,500	-	598,500	0.19149
Water Projects	385,377	385,377	-	
Sewer Projects	386,452	386,452	-	
Resource Recovery	163,188	163,188	-	
Urban Renewal - TIF	414,537	414,537	-	
Storm Sewer	144,435	-	144,435	0.04621
Streets	6,802,714	-	6,802,714	2.17655
Special Assessments	321,415	321,415	-	
2019/2020 CIP G. O. - Less Abated	1,123,678	-	1,123,678	0.35952
<b>TOTAL G. O. DEBT</b>	<b>12,055,352</b>	<b>1,755,225</b>	<b>10,300,127</b>	<b>3.29553</b>
<i>Less: State Replacement Tax</i>			320,004	0.10239
<i>Use of Fund Balance</i>		-	-	-
<b>TOTAL DEBT SERVICE COST</b>	<b>\$12,055,352</b>	<b>\$1,755,225</b>	<b>\$ 9,980,123</b>	<b>3.19314</b>
<b>FY 2019/2020 Debt Service Levy</b>			<b>\$ 9,980,123</b>	<b>3.19314</b>

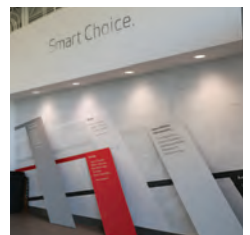
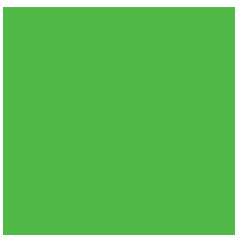
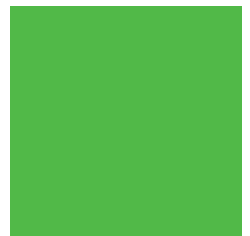
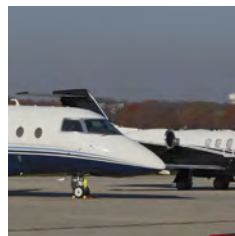
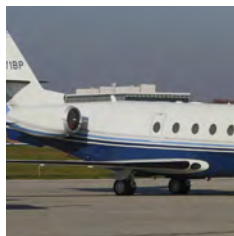
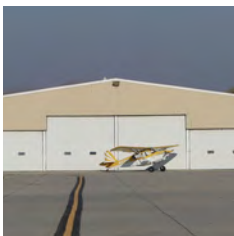
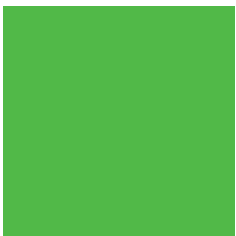
### 2019/2020 CIP G.O. ISSUE

City-Wide Radio System	\$ 1,240,000
Campustown Improvements	1,000,000
Grand Avenue Extension	2,000,000
Cherry Avenue Extension	300,000
Arterial Street Improvements	1,600,000
Collector Street Pavement Improvements	500,000
Concrete Pavement Improvements	2,800,000
Asphalt Street Improvements	1,000,000
Bridge Rehabilitation	120,000
<b>Tax Supported Bonds</b>	<b>\$10,560,000</b>

City-Wide Radio System (Abated)	280,000
ISU Research Park Phase IV	\$314,204
<b>Abated Bonds</b>	<b>\$594,204</b>



# COMMUNITY OVERVIEW



## ABOUT AMES

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Beneath the small town charm of Ames, Iowa beats the heart of a much larger city. With a population of more than 65,000, Ames offers cultural, recreational, educational, business, and entertainment amenities more common in larger metros. As a growing city, Ames continues to focus on building a strong community filled with opportunities for all. There are so many reasons that Ames, Iowa is the *Smart Choice*!

In 2015, Ames was named one of the “15 Cities That Have Done the Best Since the Recession” by Bloomberg Business and one of the top 25 “Best Places for STEM Grads”. Ames ranked No.8 by Niche Ranking for “Best Towns for Millennials in America”. Additionally, USA Today named Ames as the healthiest city in America!

These awards highlight the wonderful aspects of Ames that residents have enjoyed for years – friendly people, beautiful parks, great shopping, top-ranked schools, cultural and entertainment venues, quality healthcare, and recreational opportunities in every season.

Home to Iowa State University, Ames not only educates students from around the globe, but has become a player in developing the world’s bio-economic future. No visit to Ames would be complete without experiencing Iowa State University. The campus boasts large expanses of green space, attractive buildings, and more than 35,000 students. The University brings excitement and vitality to our city and provides cultural and entertainment options typically found only in larger cities.

Ames is a city offering top-quality education from kindergarten to advanced degrees, and Ames High School routinely boasts the highest number of National Merit Scholar Finalists in the state. Small class sizes and experienced teachers with advanced degrees make the school districts serving Ames the example for others. As the medical hub for multiple counties, health care in Ames is accessible and advanced with medical professionals offering state-of-the-art medical intervention close to home.

Ames is an attractive location for new businesses to locate and for existing businesses to expand. World class companies including 3M, Barilla, Workiva, Boehringer Ingelheim, Hach, Danfoss, and Syngenta are thriving in Ames.

Enjoy the outdoors? Ames offers four seasons of recreational activities with more than 37 parks, 55 miles of bike trails, golf courses, and more. Centrally and conveniently located in the heart of the Midwest and Iowa, Ames is known for its robust, stable economy, flourishing cultural environment, comprehensive medical care, top-quality schools, acres of parks and recreational opportunities, and the world-renowned Iowa State University.

In addition to winning numerous awards for being a progressive, innovative, and exciting community, Ames has been recognized locally, regionally, nationally, and internationally for our schools, creativity, commitment to the environment, and numerous amenities. Ames and Iowa State together offer an unsurpassed quality of life. Ames, Iowa is your *Smart Choice*!

# AMES COMMUNITY OVERVIEW



**How the town was named...** Ames was platted as a city and was established in 1864 to serve the Cedar Rapids and Missouri River Railroad. Cynthia Duff, an early Ames settler, was instrumental in helping secure land for the railroad. The railroad president, John Blair, named the town after his friend Oakes Ames, a railroad promoter and congressman from Massachusetts, who never lived in Ames.

**Conveniently located...** near the crossroads of the nation, where I-35 and I-80 intersect, Ames is centrally located to all points. Interstate road systems place Ames just a few hours' drive from Minneapolis, Kansas City, Omaha, Chicago, and St. Louis. Des Moines, the state capital, is only 30 minutes away.

Form of Government: **Manager - Council** Fiscal Year: **July 1 - June 30** Area: **27.7 sq. miles**  
**Population:** 2010 Census: **58,972** 2015: **62,222** 2020 Estimated: **66,532**  
**Households:** 2010 Census: **22,771** 2015: **23,622** 2020 Estimated: **25,440**

## Ames Community School District:

1 Preschool Center  
 5 Elementary Schools  
 1 Middle School  
 1 High School

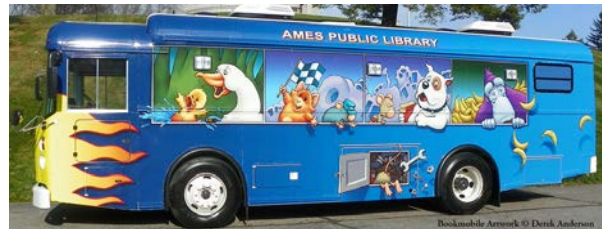
## Education Attainment (2015):

Bachelor's Degree – 31.96%  
 Graduate Degree – 25.76%

**One Police Station** (57 Sworn Officers)

**Three Fire Stations** (60 Full-time Firefighters)

**One Main Library \ One Bookmobile**



**Averages...** Winter: **24 degrees** Summer: **74 degrees** Rain: **35.83 inches** Snow: **31 inches**



## Ranked nationally as a great place to live...

- Home of the Best "US Metro Job Market" (CNBC, 2018)
- #1 "Best College Towns in America" (24/7 Wall St., 2018)
- #1 "Top 10 Cities for Career Opportunities in 2018" (SmartAsset, 2018)
- #1 "Best Cities for Working Parents" (SmartAsset, 2018)
- "Up-and-Coming Tech Hot Spot" (Livability, 2018)

**Household Income (2015)...** Average: **\$64,126** Median: **\$43,248** Per Capita: **\$24,322**

# THE AMES COMMUNITY

## PRINCIPAL EMPLOYERS 2018

Employer	Employees	Rank	Percentage of Total City Employment
Iowa State University	17,075	1	29.90%
City of Ames	1,401	2	2.45%
Mary Greeley Medical Center	1,325	3	2.32%
Iowa Department of Transportation	1,025	4	1.80%
McFarland Clinic, P.C.	986	5	1.73%
Danfoss <sup>1</sup>	925	6	1.62%
USDA	857	7	1.50%
Hy-Vee Food Stores	805	8	1.41%
Ames Community School District	635	9	1.11%
Workiva	455	10	.80%
<b>Total</b>			<b>44.64%</b>

<sup>1</sup>Formerly Sauer-Danfoss

Source: United States Department of Labor, City of Ames, and company inquiries

The city of Ames is home to Iowa State University, the largest employer in the community. The University's enrollment, which has grown significantly in the past several years, is currently around 36,000 students.

Major private sector employers in Ames include: McFarland Medical Clinic; Hy-Vee Food Stores; Danfoss Corporation, a hydro-transmissions manufacturer; Wal-Mart; Hach Chemical, a manufacturer of water analysis equipment; and Workiva, a developer of cloud-based SEC reporting software.

Other public sector employers located in Ames include: Mary Greeley Medical Center, the City of Ames, the Iowa Department of Transportation, Ames Community Schools, and the National Animal Disease Center/National Veterinary Service Laboratories. The presence of these public employers has served to insulate the local economy as evidenced by the city's low unemployment rate.

# THE AMES COMMUNITY

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## SERVICES PROVIDED TO AMES CITIZENS:

The City of Ames provides police and fire service, library services, recreation programs, building inspections, and planning and economic development services. The City maintains the city's street system, parking lots, parks, and municipal cemeteries, as well as operates the Ames Animal Shelter, the Furman Aquatic Center, the Ames/ISU Ice Arena, Homewood Golf Course, and the Ames Municipal Airport.

Electrical service, water, sanitary sewer service, and storm water control are all provided by City utilities. The City also operates the Resource Recovery Plant, which collects garbage and converts it to refuse which can be burned for fuel at the City's Power Plant.

The City's transit system, CyRide, is operated by a board consisting of the City of Ames, Iowa State University administration, and the Government of the Student Body (GSB) at Iowa State. The City Manager serves as the City's representative on the Transit Board.

Medical service is provided by Mary Greeley Medical Center, a non-profit municipal hospital which, by City ordinance, is governed by a Board of Trustees. The hospital's financial and budget information is not included in the City's budget document, but is included in the City's annual audited financial statements.

## PRINCIPAL PROPERTY TAXPAYERS 2018

<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total Assessed Value</b>
Iowa State University Research	\$ 61,764,958	1	2.29%
Barilla America, Inc.	33,167,250	2	1.23%
Campus Investors IS, LLC	32,311,823	3	1.20%
Clinic Building Company, Inc	25,235,880	4	0.93%
GPT Ames Owner LLC	21,346,650	5	0.79%
Threshold NGM LP 51%	19,019,520	6	0.70%
Wal-Mart Stores, Inc.	18,810,000	7	0.70%
Dayton Park, LLC	18,556,724	8	0.69%
CB at Ames, LLC	16,506,726	9	0.61%
University West Property Owner, LLC	15,714,689	10	0.58%
<b>Total</b>	<b>\$ 262,434,220</b>		<b>7.62%</b>

Source: Story County Auditor

For more information, please visit [www.cityofames.org/Finance](http://www.cityofames.org/Finance)

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