

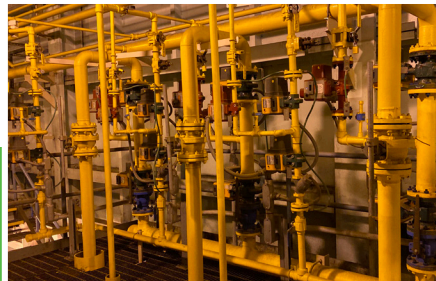
BUDGET IN BRIEF
CITY OF AMES - 2020-2021



A Powerful Past

The theme for this year's Budget is the electric utility. For a small town that had been little more than a settlement on the Iowa prairie, the lure of the modern convenience offered by electricity must have been strong. In January of 1895, a committee was appointed by the mayor of Ames to investigate the possibility of bringing electric lights to the community. On March 2, 1896, by a vote of 298 to 40, the citizens approved establishing an electric utility and \$12,000 was earmarked for this purpose. That decision, made nearly 125 years ago, means that today there are 28,000 homes and businesses in Ames that benefit from low-cost, reliable, customer-oriented electric service.

Over the years, the utility has made innovative choices and additional means of electricity generation. In 1975, the power plant began to burn a mixture of Refuse Derived Fuel and coal (replaced with natural gas in 2015). The newest and largest generator at the power plant was placed in service in 1981 at a cost of \$46.7 million. This generator, together with the City's wind resources and soon-to-be completed solar farm, will provide the utility customers reliable energy for years to come.



BUDGET IN BRIEF
CITY OF AMES - 2020-2021

CITY OF AMES, IOWA

2020/2021 PROGRAM BUDGET

**ADOPTED BY THE CITY COUNCIL
MARCH 10, 2020**

MAYOR
JOHN HAILA

COUNCIL MEMBERS
BRONWYN BEATTY-HANSEN
GLORIA BETCHER
AMBER CORRIERI
TIMOTHY GARTIN
RACHEL JUNCK
DAVID MARTIN

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.

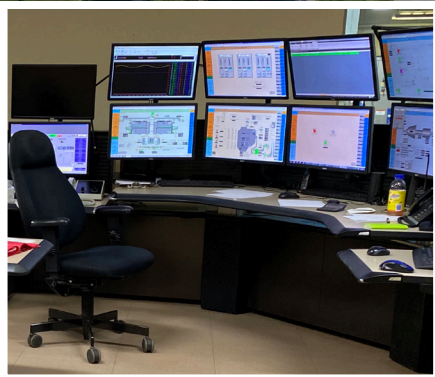
Caring People, Quality Programs, Exceptional Service

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CITY OF
Ames™



OVERVIEW



July 1, 2020

To: Mayor and Ames City Council Members:

To say that the last four months were unusual, would be a gross understatement. Consequently, it should come as no surprise that my budget message will be very different this year as well. Normally, my message would provide major highlights for the budget that was approved by the City Council and certified to the State in March prior to it taking effect on July 1st. Little would change in these intervening four months that would necessitate amendments to the approved budget. However, with the outbreak of COVID-19 and the corresponding shut down of our economy, our budget has been significantly impacted by the dramatic decrease in the amount of revenue that we have traditionally received.

As a result of the health crisis, the Mayor and City Council adopted a final amendment to the FY 2019/20 budget that anticipated a \$9,100,000 reduction in both revenues and expenditures compared to the FY 2019/20 adjusted amounts reflected in this budget document. While the extent and length of time that the COVID-19 outbreak will continue to have on our budget is unknown, it does appear that the FY2020/21 revenues will be less than the amount reflected in the adopted budget.

In the coming months, the City staff will be preparing a plan to address any revenue shortfall projected in FY 2020/21. Because the State does not allow a city to increase the tax rate once its budget has been certified and the projected utility rate increases have been implemented, our plan will have to focus on further expenditure reductions to offset the decrease in revenues. **Therefore, in the interim, my message provides the highlights for the FY 2020/21 budget as it was approved and certified in March. It should be remembered that it is very likely that significant changes will need to be made to this budget during the amendment process in September in response to the COVID-19 pandemic.**

**PROPERTY TAXES—INCREASE IN OVERALL TAX RATE OF 1.2%
FROM \$10.03 TO \$10.15**

Each year seems to pose a unique challenge as we formulate the budget, and FY 2020/21 is no exception. An important factor in generating General Fund revenues are our property tax receipts, which are influenced by the taxable valuation. While over the past five years the taxable valuation has increased annually by an average of 5.6%, the taxable valuation in our community will increase by only 1.1% for FY 2020/21. This is our lowest rate of increase in taxable valuation since FY 2008/09 (0.4%), which was during a nationwide recession brought

on by a global financial crisis. There are several factors influencing the low growth rate, including the reduction in the State mandated rollback rate which reduces the taxable value of residential and multi-residential property by \$73,520,427. This fact, coupled with the value of properties which are benefiting from tax exemption incentives (\$48,234,000) granted by the City or State, more than offsets the taxable value gained from properties new to the tax roll (\$105,756,594).

In FY 2020/21 this reduction in taxable valuation will be offset by the revaluation of commercial properties which will ultimately result in most commercial properties experiencing an increase in their City property tax bill, while most residential property will experience a decrease in City property taxes. This is just the opposite from the past two years when residential revaluation and increases in residential rollback rates resulted in lower levy rates, but increased City tax bills for residential property and decreased City tax bills for commercial property.

To meet this challenge, two important factors helped significantly. First, our department heads and their staffs who rely on General Fund monies presented budgets that increased by only 3.1%. Second the additional local option sales tax revenue (60% is earmarked to the General Fund) that is being collected for the first time on internet sales has allowed us to earmark more funds than in the past to be directed towards property tax relief.

The FY 2020/21 budget reflects an increase in the overall property tax rate from \$10.03 per every \$1,000 of taxable valuation to \$10.15 per every \$1,000 of taxable valuation. This 1.2% tax rate increase is estimated to yield the 2.56%, or \$795,325, in additional property tax revenue needed to fund the budget.

In addition, the FY 2020/21 budget reflects the Council's goal for a 25% ending balance in the General Fund, plus 95% of the State's "Backfill" revenue total. While the Iowa Department of Management has recommended that city budgets assume that the State Legislature will reduce their funding by 25%, we have chosen to increase property taxes to absorb 5% loss of the State Backfill revenue in FY 2020/21. Should the ultimate action by the State require us to absorb more, sufficient funds (\$924,549) will remain available in the fund balance to respond to this action.

PUBLIC SAFETY

Law Enforcement

A new Police Officer position has been included in the budget in keeping with my strategy to increase our police force gradually over time as the city continues to grow. This position will be added to the Patrol Division in FY 2020/21 to address calls for service from the community.

A great deal of effort is being devoted to installing our own County-wide radio system, StoryComm, to improve coverage throughout the city, assure interoperability among all emergency responders in Story County as well as city departments, and stabilize the costs for radio purchases and radio tower fees. While a temporary system was installed in early 2020, it is hoped that the permanent system will be operational by the beginning of 2021.

Beginning in 2019, the Ames Community School District (ACSD) provided teacher aides to perform crossing guard duties at all but two of the needed locations. Since it has been very difficult to hire individuals who want to work the odd schedules required of a crossing guard, this new initiative on the part of the ACSD is greatly appreciated and will better assure the safety of their students.

In keeping with the City Council's goal to expand our sustainability efforts, we have placed six hybrid patrol vehicles into service. Since the majority of the fuel consumption for these police vehicles is related to the idling time required in the normal course of business, we are excited about the significant decrease in carbon emissions that is expected from the use of these hybrid vehicles.

The City Council's commitment to diversity and inclusion is important for all departments, but none more important than the Police Department. Towards this end, a multi-year training effort that includes such programs as Implicit Bias, Fair and Impartial Policing, Cultural Diversity/Racial Profiling, and LGBTQIA+ Awareness will continue in the department.

A new handheld parking ticket writing system administered through a third-party system will be installed in FY 2020/21. This new system will provide more security for those who pay fines with a credit card and allow the City Council to adopt a policy that excuses first time offenders.

Animal Control

An additional .45 FTE has been added to an existing Animal Control Officer position. The increase will allow for 30 hours per week of enhanced coverage in the field and shelter operations as well as improved oversight of the dog park, which was previously handled by the Parks and Recreation Department. Because of the knowledge and close proximity to the dog park, it is believed this switch will better ensure public and animal safety at the park.

Our current Animal Control Shelter is in need of significant improvements to adequately house the growing number of animals brought to the facility, meet the state/national standards, provide an appropriate environment for our professional staff, and welcome visitors to the shelter. Because of these factors, we are currently reviewing concepts to renovate the existing building or construct a new building. Once the cost estimates are completed and concepts finalized, the City Council will need to decide how this facility fits into plans for future bond issues.

In keeping with our commitment to continuous improvement, pet adoption applications are now available online at the Shelter website.

Fire Safety

Included in the FY 2020/21 budget is an additional Firefighter position. It is my intent to add firefighters gradually over the coming years in anticipation of staffing a fourth fire station, rather than incurring a significant budget impact in one year to staff this additional station. In the interim, this position will be assigned as needed to fill short-term firefighter vacancies (caused by injuries, retirements, resignations, etc.) across all three shifts.

We currently are in discussions with representatives from Mary Greeley Medical Center (MGMC) to improve upon our partnership where we provide assistance to their emergency medical response service. In anticipation of MGMC approving an updated contract with the City to pay for training, incentive pay, drug/materials, and defibrillators; we hope to upgrade from First Responder to a Provisional Emergency Medical Technician. This upgrade will allow firefighters on scene to perform more advanced emergency medical services before the arrival of a MGMC ambulance.

Other highlights include the progress being made on the construction of our own fire training facility through the very cost-effective use of shipping containers rather than building a very expensive structure. Finally, to better prepare us to respond to disasters, we are initiating planning for the first county-wide, full scale, all hazards exercise.

Building Safety – No Increase in Building Permit Fees or Rental Housing Fees

The Inspection staff is continuing their emphasis on outreach to the general public and to the building/trades professionals who routinely interact with the division. It is their goal to be viewed by customers as a resource that assists in completing a project rather than being seen as an enforcement agency that is only attempting to identify violations.

To accomplish this commitment, the Inspection staff attends the Ames Home Builder's Association, Ames Property Manager's Network, Central Iowa Board of Realtors, and League of Women Voters meetings to learn more about our customers' needs and share how we can partner with them to ensure a safe and successful project.

In response to the City Council's goal of strengthening our neighborhoods, a new initiative, the Neighborhood Blitz, was recently launched where Inspections staff teams up with employees from the Police Department, Planning & Housing Department, and ISU's Department of Student Conduct to inform residents in the near campus neighborhoods on how they can become good neighbors.

It should be emphasized that the FY 2020/21 budget does not include any increases in building permit or rental housing fees.

ELECTRIC UTILITY–NO RATE INCREASE

Our current long-range financial forecast indicates that we will not need a rate increase for the next five years to cover our annual operating expenses and project costs reflected in our Capital Improvement Plan (CIP). This trend is made possible once again, because the operating expenditures included in the FY 2020/21 budget represent a very nominal increase, only 1.2% over the previous adopted budget.

Previously, the Demand Side Management program was shifted from the CIP to the Electric Services operating budget. A focus this year will be on revamping this important program to improve the amount of benefit that is received from the \$1,000,000 investment in incentives. Changes to be explored include eliminating eligibility for residential light bulbs and raising the efficiencies needed for air condition rebates, as well as looking to add electric vehicle charging equipment, heat pumps, water heaters, and solar hot water heaters to the program.

In keeping with the City Council's goal to expand our sustainability efforts, we intend to apply for grant funding for four additional electric vehicle charging stations. In addition, we intend to pursue a pilot project to create a "neighborhood" ground source heat pump system to serve all of the homes in our affordable housing subdivision at 321 State Avenue.

At the conclusion of FY 2020/21 we hope to have:

- Two full-functioning, modernized RDF burning base load power generation units in operation
- A forward looking Demand Side Management program in place
- A Community Solar Project in operation
- A Waste to Energy Options Study completed.

WATER UTILITY–RATE INCREASE OF 2%

The FY 2020/21 budget reflects a 2% increase in rates for the customers in this utility. While efforts have been made to hold down expenditures in the Water Utility, the fund has been negatively impacted by a number of very wet years which resulted in less revenue from customer usage than anticipated; and to a lesser degree by the estimated price tag for a large water supply expansion project (the North River Valley Well Field project) exceeding the initial expectations on which previous rate models were based. In an attempt to make up for this lost revenue, finance the needed capital improvements in the utility, and attain our desired ending balance in this enterprise fund; we are anticipating the need for rate increases in each of the next five years. It is important to note that our current rates are at the bottom 33% of the median water bills for the largest municipal water utilities in the state and are projected to remain well below the statewide median over the next 10 years.

With the conclusion of the warranty period for the new Water Treatment Plant, the focus of this project will now shift to finalizing the as built drawings and closing out the State Revolving Fund loan process.

A “Risk and Resilience Assessment” is scheduled to be completed in FY 2020/21. The assessment will help us prepare for malicious acts, cyberattacks, and natural disasters against the Water Utility.

We are proud to announce that the new treatment plant received a Leadership in Energy and Environmental Design (LEED) certification.

A new position has been added in the budget that will be shared by the Water Distribution System Maintenance and Sanitary Sewer System Maintenance activities. This new employee will help improve our response to water main breaks, sanitary sewer repairs, and snow and ice control efforts.

SANITARY SEWER UTILITY–RATE INCREASE OF 5%

A 5% rate increase has been incorporated into the FY 2020/21 budget, with a projected need for additional increases every other year for the next five years. Increases in the first four years are essentially to keep pace with inflation. Larger increases are expected in the following years as Phase 1 of the state mandated Nutrient Reduction project begins. Currently, our sewer rates are within the bottom 25% of the median bill for the largest municipal sewer utilities in the state. Just as for drinking water, the sewer rates are also projected to remain well under the statewide median throughout our ten-year projection.

Another accomplishment that we should be proud of is the fact that the Ames Water Pollution Control facility has surpassed the 30 year mark with perfect compliance with our NPDES permit, making us the second longest compliance record in the nation.

The Laboratory Division is continuing a partnership with the Squaw Creek Watershed Management Authority by providing free analysis which can be counted as the local match for grants for which the Authority might apply.

STORM SEWER UTILITY– NO INCREASE IN FEE

Our current long-range financial analysis indicates that no increase in our current monthly Storm Water Utility fee of \$4.95 per Equivalent Residential Unit (ERU) will be needed until FY 2022/23.

You will remember that a major concern expressed by our residents in the Annual Citizen Satisfaction Survey deals with overland flooding from storm water runoff and sanitary sewer backups. The FY 2020/21 budget has been increased to respond to this feedback. A second, larger Jet Vac Truck has been purchased which will allow us to provide a higher level of service for storm sewer cleaning to prevent backups and more timely responses once backups have occurred. This new vehicle will be shared with the Sanitary Sewer System Maintenance activity to assure improved service related to sanitary sewer backups as well.

In addition, two new temporary positions will be added; one devoted to maintaining the rain gardens/bio-swales on City property to assure their effectiveness in controlling storm water and one to promote adoption of Smart Watershed techniques by private property owners. An existing intern will continue to assist with the storm water erosion and sediment control inspections.

Funds have been included to work with Prairie Rivers of Iowa to complete a water quality monitoring plan, soil health analysis, education plan, and water quality project implementation plan.

RESOURCE RECOVERY UTILITY NO INCREASE IN THE PER CAPITA SUBSIDY NO INCREASE IN THE TIPPING FEE

The FY 2020/21 budget maintains the same Per Capita subsidy of \$10.50 for every entity in Story County that contracts with the City for solid waste disposal as well as the same tipping fee of \$58.75 per ton for customers who deliver their waste directly to our facility. It is currently projected that these fees will remain unchanged until FY 2022/23.

The City's portion of the property tax subsidy for this utility is planned to be \$522,533 or 63% of the total subsidy needed to fund the Resource Recovery system in FY 2020/21. You will note that the overall budget for the Resource Recovery is less than the previous year. With the conclusion of the boiler tube repairs on Power Plant Unit #7, we are expecting less downtime resulting in more burning of solid waste material and a corresponding decrease in the cost to transport rejects to the Boone Landfill.

Since the mid-1970s, the City has been burning refuse derived fuel (RDF) in our Power Plant Units #7 and #8 as an alternate fuel source to produce electricity and to reduce the amount of Story County waste that is buried in a landfill. While this strategy has benefitted the environment, it sometimes requires us to produce electricity internally by burning RDF in our boilers rather than taking advantage of the market and purchasing electricity at a lower cost than we can produce. Over the coming year, staff will partner with a consulting firm to explore options for burning our RDF either in our existing Power Plant boilers as we currently do, or in a new separate boiler at a different location.

TRANSPORTATION

Street System/Traffic

Another area of improvement that our citizens requested in our Annual Satisfaction Survey deals with street maintenance. In response to this request, funds have been included in the FY 2020/21 budget to upgrade seven of our dump trucks in the Street System Maintenance activity. These units will be outfitted with new wing plow mounts, underbody plows, laser guided systems, and swap loading capabilities. These upgrades will result in faster snow and ice control response times and improved efficiency in street maintenance activities.

While a new skid steer is being purchased, we will retain the old equipment to double our capabilities to improve snow removal service in residential areas because of the maneuverability of these vehicles.

In addition, to take advantage of the recent purchase on a new pavement marking truck to improve driver safety, we have increased our contract costs in both FY 2019/20 and FY 2020/21 for water blasting services to remove paint markings from our streets.

CyRide

CyRide poses our latest challenge. The three major entities that financially support our public transportation system are the City of Ames, ISU Administration, and the ISU student body. When the students' request to switch to a fare free system was approved, it was done with the understanding that their financial obligation would be paid from their student fees. As ISU student enrollment increased in recent years, the fees did not need to increase to cover the ISU share of the system. In fact, extra funds were deposited in a trust account to accommodate future obligations. A problem presented itself as the trust account balance was drawn down to support additional services while at the same time student enrollment began to decrease. Ridership has decreased along with the corresponding revenue.

In response to this challenge, the staff has worked very hard to control expenditures in the transit operations by requesting a 1.1% decrease from the previous year's appropriated level. However, with an aging fleet, we have opted at this point not to reduce our capital spending for new buses for the system. Therefore, this budget will necessitate a 2.2% increase in property tax revenue, for a total of \$2,037,720, to support CyRide in FY 2020/21.

During the coming year, the Transit Board will be working with staff to right size the system to reconcile the most recent ISU enrollment estimates for the coming years with the semester fees approved by the student government.

COMMUNITY ENRICHMENT

Parks & Recreation

This past year we experienced an inordinate amount of turnover with our Recreation Manager positions causing extended vacancies that left us shorthanded. We found that requiring these positions to be on call seven days a week throughout the year was causing burnout and an inability for these employees to maintain a work/life balance. Therefore, the major highlight in the FY 2020/21 budget is the personnel changes we are making to help rectify this turnover situation. First, a new Recreation Coordinator position has been added to oversee weekend and night recreation programs. This entry level position will serve as a promotional opportunity

for succession planning. Second, two shift leader positions will be created in Aquatics to supervise temporary staff in the concessions and pool deck areas at the Furman Aquatics Center. Third, a new .75 FTE Shift Leader will be added to the Ames/ISU Ice Arena to assist the facility manager with supervisory responsibilities. Fourth, the allocation of time for an existing Recreation Manager will be modified to reflect 30% of the position's time being assigned to various recreation programs and 70% of the time to Homewood Golf Course.

Library Services

The most recent user data indicates that the popularity of electronic and audio books continues to increase. This trend is exemplified in Adult Services where there has been a noticeable shift from physical materials to electronic materials. In order to continue to upgrade the quality of our collection, the FY 2020/21 budget provides for an 8.8% increase in the amount available to acquire additional books and materials for the Library.

A new initiative introduced by our new Director is a comprehensive process to update the Library's Strategic Plan which will identify future programming for the Library. As a result of this long-range planning initiative, an extensive public outreach campaign was initiated to collect citizen input.

Special thanks are due our exceptional team of department heads along with Duane Pitcher, Finance Director; Nancy Masteller, Budget Manager; Amy Crabbs, Budget Analyst; Shannon Andersen, Finance Secretary; Deb Schildroth, Assistant City Manager; and Brian Phillips, Assistant City Manager; who helped devise this administrative/financial plan for the City.

Respectfully submitted,



Steven L. Schainker
City Manager

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

Approved February 13, 2018
To Be Accomplished by December 31, 2019
Updated December 23, 2019

STRENGTHEN DOWNTOWN & CAMPUSTOWN

1. Identify strategies to encourage investment in Downtown

Task 1 – Hold a workshop in the second quarter of 2018 with the Main Street Cultural District, downtown property owners, business owners, downtown residents, and other stakeholders to discuss their vision for the Downtown.

Status: Completed – A workshop was held on June 19, 2018. Council was provided a staff report describing the initiatives the City had undertaken since 2000, objectives of the LUPP, zoning standards, and programs pertaining to the Downtown.

Task 2 - At the workshop, Council directed staff to look into the cost and duration of a comprehensive parking study and recommendations for short-term solutions to the concerns of:

- 1) number of reserved permits available and assigned
- 2) ability to share reserved spaces
- 3) time duration of free parking in the Central Business District lots

Status: Completed - On January 22, 2019, the City Council approved proceeding with development of a parking hang-tag system to allow Downtown employees to utilize parking spaces in the CBD lots for \$10 per month.

The City Council awarded a consulting contract to Walker Consultants in April 2019 for a Downtown Parking Study. The consultants' final report is anticipated to be presented to the City Council in October.

A variety of Downtown parking issues were presented to City Council throughout 2018. On January 22, 2019, the City Council voted to set the rate for all Downtown parking meters at \$0.50 per hour.

Task 3 - At the June 19th workshop, Council also requested information from staff regarding the floor area ratio and two-story requirements including recommendations on how there could be flexibility downtown, not including Main Street.

Status: Completed – City Council adopted an ordinance on October 9, 2018, that expanded FAR exception options for properties along 6th Street.

Task 4 – Following the June 19, 2018 workshop, Council will review and give direction regarding the November 2017 staff report, which addresses possible locations for a

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

public plaza, storm water management requirements, residential parking standards, and possible incentives to entice investment.

Status: Not Started – Staff will place the November 2017 staff report on a future agenda once the Downtown Parking Study is completed and Council has provided staff with direction. The Parking Study was presented to the City Council on December 17, 2019.

2. Encourage vibrancy in Campustown.

Task 1 – Review report from Campus and Community Commission in spring 2018 regarding a public plaza.

Status: Completed – The Campus and Community Commission provided a report on March 27, 2018, discussing concepts and ideas to incorporate into a potential Campustown gathering space. The Commission recommended proceeding with development of a gathering space in the public parking lot across from Fire Station Number 2 on Chamberlain.

Task 2 – Building on the Commission’s report, hold a workshop in spring 2018 with the Campustown Action Association, Campustown property owners, business owners, Campustown residents, ISU Student Government, and other stakeholders to discuss their vision for Campustown.

Status: Completed – A workshop was held on July 17, 2018. In addition to the report on the Campustown plaza, Council was provided a report describing city accomplishments since 2005, outcomes of the sub-area planning effort contain in the LUPP, zoning standards, and programs pertaining to the Campustown and the University Impacted Area.

Task 3 - At this workshop, Council requested a staff report regarding traffic on Chamberlain Street and on the concept of either removing parallel parking and/or closing a portion of Chamberlain Street to vehicular traffic, inquiry into the possibility of relocating Fire Station #2, and a report on the strategy for gathering public input on the Welch Avenue redesign.

Status: Completed - A follow-up staff report on Campustown Plaza was presented to City Council on December 11, 2018, which included the traffic analysis of Chamberlain Street.

City staff also presented a report describing dimensional configuration options for a plaza replacing Parking Lot Y along Chamberlain Street on December 11th. The report described options for closing Chamberlain Street to accommodate a plaza. The report also addressed potential impacts to parking supply for Campustown.

Task 4 - City Council directed staff to seek public input on the proposed plaza location and parking changes.

Status: Completed – A staff report was presented at the May 14, 2019 City Council meeting. The City Council directed staff to hold off preparing designs until the future of Fire Station No. 2 becomes clearer or at least until the Welch Avenue reconstruction project is completed.

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

Task 5 – In Fall 2018, direction will be provided by the City Council regarding the development of the plans and specifications for the Welch Avenue Improvements project to ensure it supports the Council's vision for Campustown.

Status: Completed – The following was accomplished:

- 1) On August 14, 2018, Council was provided with a staff report regarding the public outreach plan and cross section details for Welch Avenue reconstruction. At this meeting, Council approved four cross-sections to be subjected to public outreach.
- 2) On October 9, 2018, staff presented Council with the results of the Welch avenue outreach and sought direction on a preferred cross-section. At this meeting, Council approved the cross-section that had no parking on Welch Avenue and bike lanes on both sides. Council also directed staff to develop a new plan to install new signs in Campustown for the purpose of directing customers to the public parking lots and Intermodal Facility.
- 3) On January 8, 2019, the Council entered into a professional service agreement with WHKS & Co. for Campustown public improvements design (Welch Avenue).

3. Standardize and simplify the parking regulations in the neighborhoods surrounding Campustown. (*The City Council has determined this objective is not a priority for 2019*).

Task 1 – Once the Campus and Community Commission has completed its public gathering space task in Spring 2018, direct the Commission to identify recommendations to accomplish this objective.

Status: Task Eliminated – The task was changed by the City Council. The CCC provided its inclusiveness report on January 8, 2019. The City Council directed the CCC to pursue inclusiveness as a topic.

Task 2 – The staff will provide a report in Summer 2018 analyzing the effectiveness of the proactive parking enforcement efforts in the Campustown neighborhoods.

Status: Completed – A report was provided to Council within the Non-agenda packet for December 7, 2018. On January 22, 2019, the City Council discussed the report and directed staff to maintain the same level of proactive enforcement in these areas for FY 2019/20.

4. Evaluate safety for pedestrians crossing Lincoln Way between Campustown and the ISU campus.

Task 1 – The Council will review the Phase 2 consultant study regarding Lincoln Way pedestrian safety in February 2018 and adopt those recommendations supported by the City Council.

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

Status: Completed – On February 27, 2018, Council was presented with a summary of findings and recommended enhancements for the intersections at Lincoln Way/Welch Avenue and Lincoln Way/Stanton Avenue. At this meeting, Council directed staff to come back with a budget and time frame for the recommendations that were offered.

On March 27, 2018, staff reported back to City Council and was directed to re-time the traffic signals, implement a Leading Pedestrian Interval (LPI), reconfigure the left-turn lanes at Lincoln Way & Welch, and construct an enhanced north-south pedestrian crossing at Lincoln Way & Stanton. These tasks were completed in summer 2018.

Task 2 – Staff will provide an update regarding the success of the safety changes after an appropriate time period has elapsed, including data regarding vehicle collisions and pedestrian accidents.

Status: Completed - A staff report was delivered in the September 24th, 2019, City Council packets. No further action was taken.

PROMOTE ECONOMIC DEVELOPMENT

- 1. Analyze current planning and building code approval processes to help decision making be more predictable, more strategic, and more timely.**

Task 1 – As part of next year's agreement with AEDC, incorporate a task for AEDC to collect feedback regarding the City's building codes and enforcement processes to determine what elements, including interpretation, might be impediments to improving the housing stock in Ames.

Status: Completed – AEDC delivered a memo dated June 18, 2019 summarizing the roundtable conversations AEDC hosted with contractors and developers. At the June 25, 2019 City Council meeting, the City Council voted "to accept the report for the time being."

- 2. Explore possible improvements in internet options for residents and businesses related to availability, reliability, cost, speed, customer service, and policy (e.g., net neutrality, broadband privacy).**

Task 1 – A team of City staff members will be convened in Spring 2018 to develop a plan of action to address this objective. This team will identify what stakeholders should be consulted and how best to reach them, review strategies used in other communities to provide quality internet service, and will report back to the City Council in Spring 2018. After reviewing the report, the City Council will provide further direction.

Status: Completed – A report was presented to the Council on November 27, 2018 outlining resident feedback, various models of internet service, legal and financial regulation issues with a City-operated internet utility, and potential policy changes to encourage internet service improvements.

Task 2 - At this meeting, Council directed staff to: bring back an agenda item at a future meeting on cost estimates of a feasibility study and a staff report on potential partners for

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

the community ownership and deployment model; work with private sector companies to explore ways to improve the quality and scope of internet service in Ames and investigate the Davenport-Bettendorf model of internet service; and explore possible modifications to the city's subdivision code to have new construction be internet ready.

Status: Complete – Staff 1) has determined that an average cost for an internet service feasibility study would be \$100,000, 2) has met with representatives of Mediacom, Ogden Telephone Company, ICS, Colo Telephone Company, Huxley Communications, and CenturyLink to discuss ways in which Ames residents could be better served with internet, 3) has met with representatives of a new provider, MetroNet, that intends to provide fiber-to-the-premises to the Ames market, 4) has reviewed and discussed with Davenport staff the financial incentive contract used by the City of Davenport in its unique model, and 5) has requested feedback from several internet providers regarding language that could be used to require internet-ready infrastructure in the Subdivision Code.

Staff provided a report to the City Council in June. The City Council invited MetroNet to present its plans for service and directed staff to conduct reference checks. The presentation of this follow-up material took place on August 13. The Council directed staff at that meeting to put a discussion of a feasibility study for a City-owned internet utility on a future agenda. This report was returned to the City Council on September 24, 2019, and the City Council directed staff to prepare an RFP for an internet services consulting contract, which would include evaluation of a variety of approaches to achieve the Council's goals related to internet services.

EXPAND SUSTAINABILITY EFFORTS

1. Implement the community solar project.

Task 1 – Work with the preferred developer to market the project to achieve 80% participation.

Status: In progress – On July 23, 2019, staff reported to the City Council that approximately 70% participation had been achieved. The City Council directed staff to proceed with signing the agreements with the developer. The marketing and commitment of shares in the project will continue until it is completely subscribed. The Electric utility will finance the unsubscribed portion of the project through the Fuels and Energy budget in the Electric Fund. Construction is anticipated to begin in spring 2020.

2. Define the City's role (e.g., codes, incentives) in maintaining existing buildings.

Task 1 – The Fire Chief will make a presentation in March 2018 to the City Council regarding the International Existing Building Code, which provides flexibility in renovating existing older buildings.

Status: Completed – A presentation was made to the City Council on August 28, 2018. No further direction was provided by the City Council.

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

Task 2 – Invite Jim Thompson from Main Street Iowa to present to the City Council at a regular meeting regarding what types of strategies are being utilized to maintain downtown buildings.

Status: Completed – A presentation was delivered by Jim Thompson from the IEDA at the May 14, 2019 City Council meeting.

Task 3 – The City Council will review the incentive report provided under Objective 1, Task 4 of the Council's goal to Strengthen Downtown and Campustown.

Status: Not started - See reference to task in Objective 1, Task 4 of the goal to Strengthen Downtown and Campustown.

3. Explore ways to meet Nutrient Reduction Strategy requirements through participation in projects in the Squaw Creek Watershed.

Task 1 – Select a consultant by spring 2018 to evaluate ways in which the City can comply with the Nutrient Reduction Strategy requirements, including potential projects in the watershed.

Status: Completed - Council approved a Professional Services Agreement with HDR Engineering to perform the Nutrient Reduction Feasibility Study on April 24, 2018. A series of staff workshops were conducted during the spring and summer of 2018. Representatives from the Iowa DNR, Story County, Prairie Rivers of Iowa, Iowa State University, and the Ames Public Works Department participated in the workshops, giving a diverse assessment of alternatives both within the plant and throughout the watershed. A public input session was also held in October that gave an opportunity for other interested individuals to learn about and give their input on the recommended actions.

Task 2 – Review consultant's recommendations by late fall 2018 to determine the most cost-effective way to proceed with achieving these requirements.

Status: Completed - At the November 20, 2018, workshop, City staff and consulting engineers with HDR Engineering provided Council with findings from the evaluation of the WPC plant and recommendations on how to meet the goals of the Nutrient Reduction Strategy.

The recommended strategy was incorporated into two separate Capital Improvements Plan projects. The first project will result in the discharge from the Water Pollution Control Facility to achieve full compliance with the Iowa Nutrient Reduction Strategy goals within 20 years. Construction of new treatment basins is planned to take place in three distinct phases timed to coordinate with the remaining useful life of existing infrastructure. The second project is a planned program of investing in watershed land use practices that not only reduce the nutrient load into surface waters flowing through Ames, but that also provide additional ancillary benefits such as: flood mitigation; recreational opportunities; drinking water source protection, habitat restoration, erosion protection; and other benefits.

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

Combined, these two projects are a \$44 million investment over the next 20 years towards nutrient reduction.

4. Encourage all users to divert from the waste stream (e.g., glass, food waste, e-waste, household hazardous waste).

Task 1 – In March, staff will evaluate waste diversion action steps from the consultant report prepared through a DNR Solid Waste Alternatives Program (SWAP) Grant, including composting options.

Status: Completed – The consultant report was completed in December 2018 and presented to Council on January 22, 2019. Changes have already been made to the RRP operation to divert less material to the landfill, and recover more RDF. An organics pilot program is being explored for organic and food waste diversion. The addition of an optical scanner is being reviewed to recover more RDF. A study for alternative means of processing and utilizing the RDF has been budgeted for FY 2019/20.

Task 2 – Prepare and distribute ads for print and social media to encourage proper disposal of lithium-ion batteries in spring 2018.

Status: Completed – A lithium battery recycling education and awareness campaign was initiated and distributed via Facebook, Twitter, and Instagram, as well as discussions during presentations both onsite and in the community. KCCI TV featured a story about fire hazards because of improperly disposed lithium-ion batteries at Resource Recovery. The Ames Living publication featured an ad explaining proper disposal.

Task 3 – Place a glass recycling bin at the new Aldi store and identify additional convenient sites to establish glass recycling containers.

Status: Completed – Glass bins were placed at the Aldi store, Green Hills retirement community, and the City of Roland. These additional locations will allow us to increase the recycling of glass and make it easier for people to recycle.

Task 4 – Develop an outreach plan to build on the successful efforts of last year's inaugural fall pumpkin diversion program.

Status: Completed – DMACC SCALE (Story County Active Learning Experience) students scripted and developed a video for the "Great Pumpkin Disposal Program", distributed via Facebook, Twitter, City of Ames Media Production webpage, and Instagram. Flyers were prepared for increased awareness and advertising.

5. Assess the use and effectiveness of the City's electric charging stations.

Task 1 – Install electric charging stations at City Hall and Bandshell Park in spring 2018.

Status: Completed – Two Level 2 electric charging stations were installed on July 12, 2018.

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

Task 2 – Staff will provide a report regarding the initial utilization of these charging stations by the end of 2018.

Status: Completed – A staff report was delivered to Council in the March 1, 2019, non-agenda packets. No action was taken by Council in subsequent meetings.

6. Evaluate the community's greenhouse gas impact and look for ways to reduce it.

Task 1 – Appropriate funding and perform a community-wide greenhouse gas inventory for FY 2019/20.

Status: In progress – At the February 12, 2019 Budget Wrap-up meeting, the City Council amended the FY 2018/19 budget to include \$25,000 for a community-wide greenhouse gas inventory in FY 2019/20. A contract was awarded to PaleBLUEDot on November 12, 2019, to perform the study. PaleBLUEDot expects the study to be complete in spring 2020.

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).

Task 1 – Prepare plans and specs for the construction of Tripp Street and bid the project by spring 2018.

Status: Completed – Tripp Street construction was completed in December 2018.

Task 2 – Develop a concept for the affordable housing subdivision.

Status: In progress - Per City Council direction in June and the City's approval of the Consolidated and Annual Action Plan in August, staff is preparing an RFP to hire a civil engineering firm for preparation of subdivision plans for development of ownership housing, with a first phase of development planned for the Wilmoth Avenue side of the site. The RFP has been issued and proposals are being evaluated.

2. Learn about the concept of inclusionary zoning.

Task 1 – The Planning staff will provide the Council a report regarding inclusionary zoning in March 2018.

Status: Competed – Staff provided an overview of the concept in the non-agenda packet for January 22, 2019. Staff was directed to bring this item back to the Council's attention at the February 26, 2019 Disposition of Communications to Council. The report was placed in the packets for that meeting; no Council direction was given at that time.

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

3. Consider ways to incentivize conversion of rental units back into single-family units.

Task 1 – Staff will provide a report regarding various incentive options, including an overview of tools used by other communities to incentivize these conversions.

Status: Completed – Staff present a staff report regarding incentives to convert rental housing to ownership housing at the October 22nd City Council meeting. The City Council directed staff to explore a program for affordable housing and a program to convert rental housing into owner-occupied housing in targeted areas to be determined by staff. The programs would provide reimbursement for rehabilitation work or down payment assistance.

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.

Task 1 – The City Council will review the current activities of the Human Relations Commission, Historic Preservation Commission, and Campus and Community Commission.

Ames Human Relations Commission - Completed

A joint meeting between the Council and the AHRC was held on May 8, 2018. The AHRC's annual report and the purpose of the Commission were discussed. As a follow up on these discussions, Council directed staff to set up a workshop and to invite community stakeholders to the event.

The workshop with the AHRC was held on August 21, 2018. At this meeting, Council adopted a procedure to refer complaints to the Iowa Civil Rights Commission and directed staff to prepare an amendment to the ordinance to eliminate the Ames Human Relations Commission Hearing Officers and Investigative and Conciliation Officers. Council also directed the AHRC to review data available including the Campus Climate Survey, Municipal Equality Indexes, and other available data; interact with ISU, ACSD, and any others well-positioned to give input on diversity, inclusion, and equity in the community in order to recommend action items and changes to the Ordinance.

Campus and Community Commission - Completed

On July 17, 2018 and January 8, 2019, the Campus and Community Commission and City Council met in joint session to review the Commission's reports regarding a Campustown Gathering Space and Community Inclusiveness. The Commission is awaiting further direction from the City Council to proceed with its next topic.

Historic Preservation Commission – Completed

A report is prepared each year for the State regarding historic preservation activities in the City. The Certified Local Government (CLG) identifies past activities and anticipated

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

activities for the upcoming year. The report is transmitted to the state by the end of February. Staff can provide copies of the 2017 and 2018 report to Council as an information item. City Council discussed the Commission's activities at a joint meeting on May 28, 2019.

Task 2 – After reviewing the activities identified in Task 1, the City Council will provide direction to each commission regarding initiatives important to the Council.

Status: Completed – Direction has been provided to the Human Relations Commission and the Campus and Community Commission. The Council met with the Historic Preservation Commission on May 28, 2019, but the Council did not outline any specific direction at that time. The HPC members indicated the Commission had a number of items it was working towards in the coming months.

Task 3 – Direct the Campus and Community Commission to assess the state of student tenant/landlord relationships in Ames, including: 1) What information landlords commonly wished student renters to have, 2) What students wish they knew about tenant responsibilities before renting, and 3) Where rent informational resources exist. Once this evaluation is completed, a joint discussion among student renters and landlords will be hosted by CCC to discuss these concerns. The CCC will then report to the City Council regarding its assessment and the outcome of the discussion.

Status: In Progress – The Commission has discussed this issue with Student Legal Services, landlords who attended a regular Ames Police/landlords meeting, and with Inspections staff. The Commission plans to next meet with students to learn about common issues faced by student renters.

2. Improve connections between town and gown.

Task 1 – A report will be prepared for the Council in Fall 2018 outlining best practices used by other university communities to develop connections between the community and students.

Status: Completed – A report was provided to the Council on April 20, 2018. On March 27, 2018, the City Council directed the Campus and Community Commission (CCC) to evaluate that report and report back to the Council. The Commission reviewed concepts outlined in that report and generated its own thoughts, then met in joint session with the City Council on January 8, 2019, to deliver its report.

STRENGTHEN HUMAN SERVICES

1. Engage vulnerable groups in the community.

Task 1 – The Council Members will identify ways they can individually contribute to human service agencies and are encouraged to act on them.

Status: Completed - A memo summarizing the Council's activities in this area was provided to Council on January 23, 2019.

CITY COUNCIL GOALS, OBJECTIVES, AND TASKS

2. Partner with ASSET agencies to achieve the City Council's priorities.

Task 1 – Staff will provide a report in Summer 2018 regarding how the Clear Impact Scorecard has been utilized in its first year, and identify how the City Council's ASSET priorities can be linked to agency outcomes in the next funding cycle.

Status: Completed – ASSET staff has had discussions during the allocation process regarding the strengths, weaknesses, opportunities, and threats to the ASSET process, and will be brainstorming in February 2019 to identify potential process improvements to put in front of the funders for consideration. These include methods to make outcomes measurement a more significant part of the funding process. City staff delivered Council a memo on January 23, 2019 outlining the status of outcomes measurement and potential ideas to improve the ASSET process.

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.

Task 1 – After reviewing the planning study presented February 5th, 2018, the City Council will determine by April 2019 its support for \$17 million of City funds for facility construction.

Status: Completed – The City Council met in joint session with the other funding partners on January 31, 2019 to receive an update on the progress of the fundraising campaign. After receiving this report, all partners will be asked how much they are willing to contribute to any funding gap that exists.

In April, the Council received feedback from Mary Greeley Medical Center, Story County, Heartland Senior Services, and the private fundraising committee regarding the level of commitments to the Healthy Life Center. Staff finalized agreements with these entities and developed specific bond issue language for the Council to approve.

On May 28, 2019, the City Council adopted a resolution for a referendum vote regarding a \$29 million bond issue. The referendum was held on September 10, 2019, but the bond issue was defeated by voters.

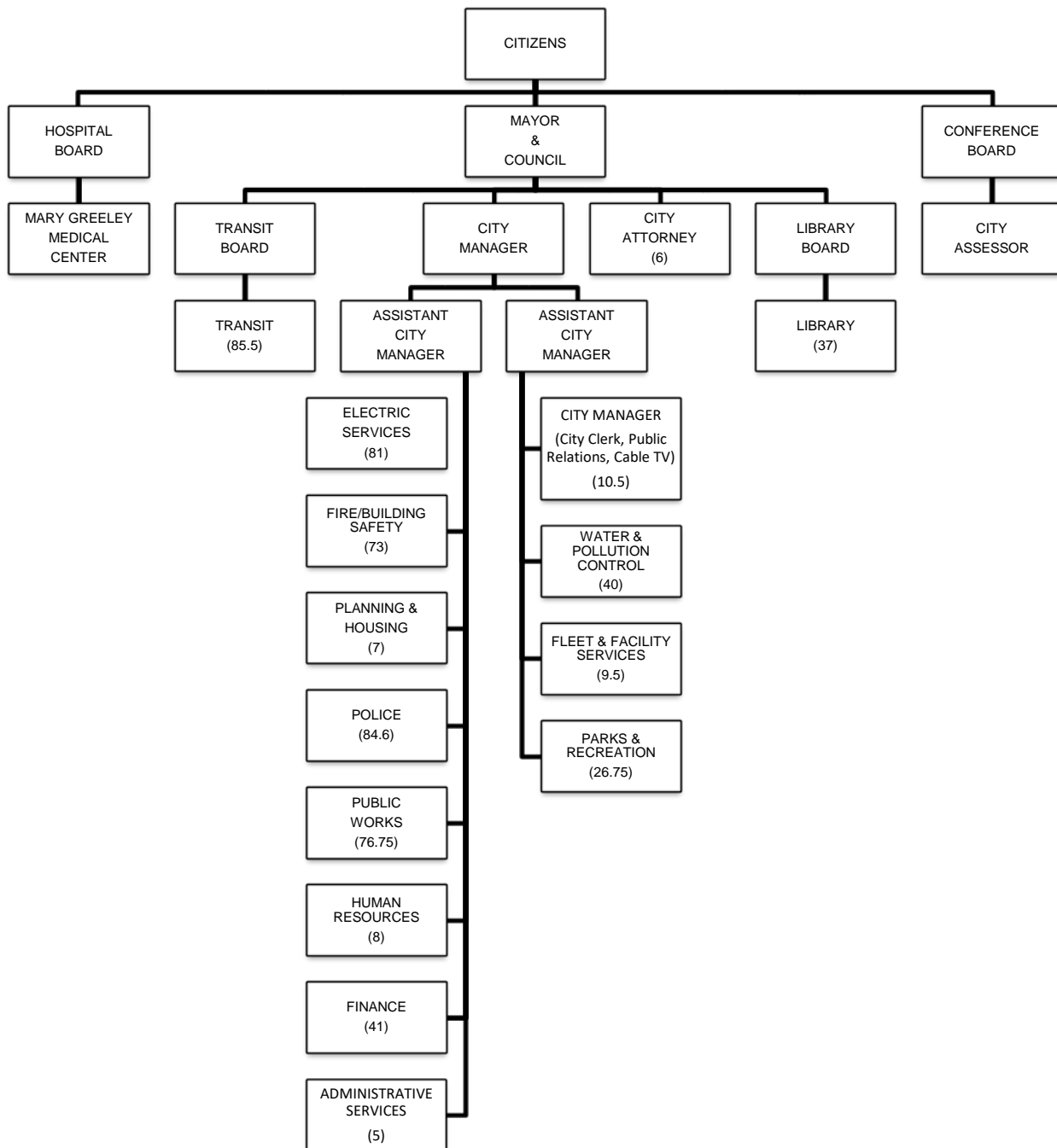
2. Adopt a Complete Streets Program.

Task 1 – Review the consultant's report in Fall 2018 and adopt those recommendations supported by the City Council.

Status: Completed - City Council adopted the City of Ames Complete Streets Plan on October 9, 2018.

CITY OF AMES ORGANIZATIONAL CHART

(AND NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES)



AMES CITY COUNCIL APPOINTEES

NAME	TITLE	PHONE NUMBER
Steve Shinker	City Manager	515-239-5101
Mark Lambert	City Attorney	515-239-5146

CITY OF AMES DEPARTMENT HEADS

NAME	DEPARTMENT	PHONE NUMBER
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
Barbara Neal	Transit (CyRide)	515-239-5565
John Dunn	Water & Pollution Control	515-239-5150

BUDGET CALENDAR

State statute requires a municipality to certify its budget by March 31. This general schedule is followed each fiscal year in order to ensure that the March 31 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 2019/20 and proposed 2020/21 operational budgets. Resident Satisfaction Survey results are presented to the City Council.

OCTOBER

October 29 – 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 10 – City Council budget meeting to review issues, priorities, and preferences in service levels for the 2020/21 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

The City Manager holds budget review meetings with departments. The City Manager's recommended draft budget document is prepared. **January 21 – CIP workshop** with City Council. **January 28 – Public hearing** for resident input on CIP.

JANUARY FEBRUARY

January 31 & February 4, 5, 6, 11 – City Council reviews entire program budget with department heads in five **public meetings**. **February 25**-the City Council holds a **Maximum Levy Public Hearing**.

MARCH

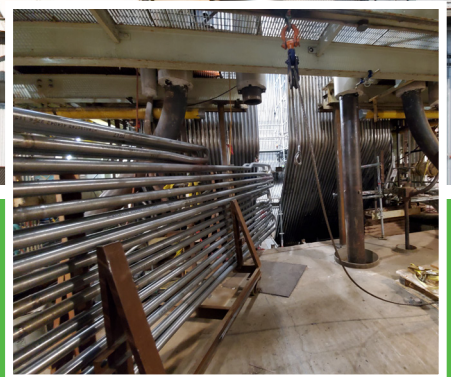
March 10 – Final budget hearing and adoption of amended 2019/20 budget and 2020/21 budget. **State statute requires the budget be certified with the County Auditor by March 31.**

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.**



CITY OF
Ames™



REVENUES & EXPENDITURES

REVENUE SUMMARY

	2018/19 Actual	2019/20 Adopted	2019/20 Adjusted	2020/21 Adopted	% Change From Adopted
Property Taxes	30,275,616	32,156,046	32,166,046	33,566,727	4.4%
Other Taxes:					
State Replacement Tax	928,713	973,210	973,210	924,549	-5.0%
Local Option Sales Tax	7,991,618	8,168,827	8,470,509	8,577,268	5.0%
Hotel/Motel Tax	2,520,920	2,450,000	2,450,000	2,523,500	3.0%
Total Other Taxes	11,441,251	11,592,037	11,893,719	12,025,317	3.7%
Licenses & Permits	1,556,989	1,652,904	1,651,604	1,646,077	-0.4%
Intergovernmental Revenue:					
State Road Use Tax	7,663,780	7,164,247	7,429,590	7,488,555	4.5%
Federal Grants	3,910,999	3,663,358	5,432,074	7,498,975	104.7%
State Grants/SRF Funding	7,773,551	13,907,474	35,865,424	24,325,854	74.9%
County Contributions	154,241	155,000	155,000	155,000	0.0%
Other Intergovernmental Revenue	6,538,812	7,186,812	7,200,572	7,351,792	2.3%
Total Intergovernmental Revenue	26,041,383	32,076,891	56,082,660	46,820,176	46.0%
Charges for Services:					
Utility Charges	89,198,864	92,312,149	93,860,302	89,619,650	-2.9%
Other Charges for Services	8,938,406	10,501,038	9,676,305	10,295,148	-2.0%
Total Charges for Services	98,137,270	102,813,187	103,536,607	99,914,798	-2.8%
Fines, Forfeit, & Penalty	539,808	708,600	649,600	631,200	-10.9%
Use of Money & Property:					
Interest Revenue	5,123,928	1,268,000	2,027,750	1,879,850	48.3%
Other Uses of Money/Property	982,579	1,080,275	1,088,953	1,110,674	2.8%
Total Use of Money & Property	6,106,507	2,348,275	3,116,703	2,990,524	27.4%
Miscellaneous Revenue:					
Proceeds from Bonds	8,100,152	11,154,204	11,154,204	13,181,900	18.2%
Other Miscellaneous Revenue	1,839,102	1,198,269	1,741,427	586,243	-51.1%
Total Miscellaneous Revenue	9,939,254	12,352,473	12,895,631	13,768,143	11.5%
Internal Service Revenue	19,181,814	18,504,494	18,516,911	18,998,812	2.7%
Total Before Transfers	203,219,892	214,204,907	240,509,481	230,361,774	7.5%
Transfers	23,670,125	23,371,112	24,644,642	23,637,203	1.1%
Total Revenues	226,890,017	237,576,019	265,154,123	253,998,977	6.9%

EXPENDITURES BY PROGRAM

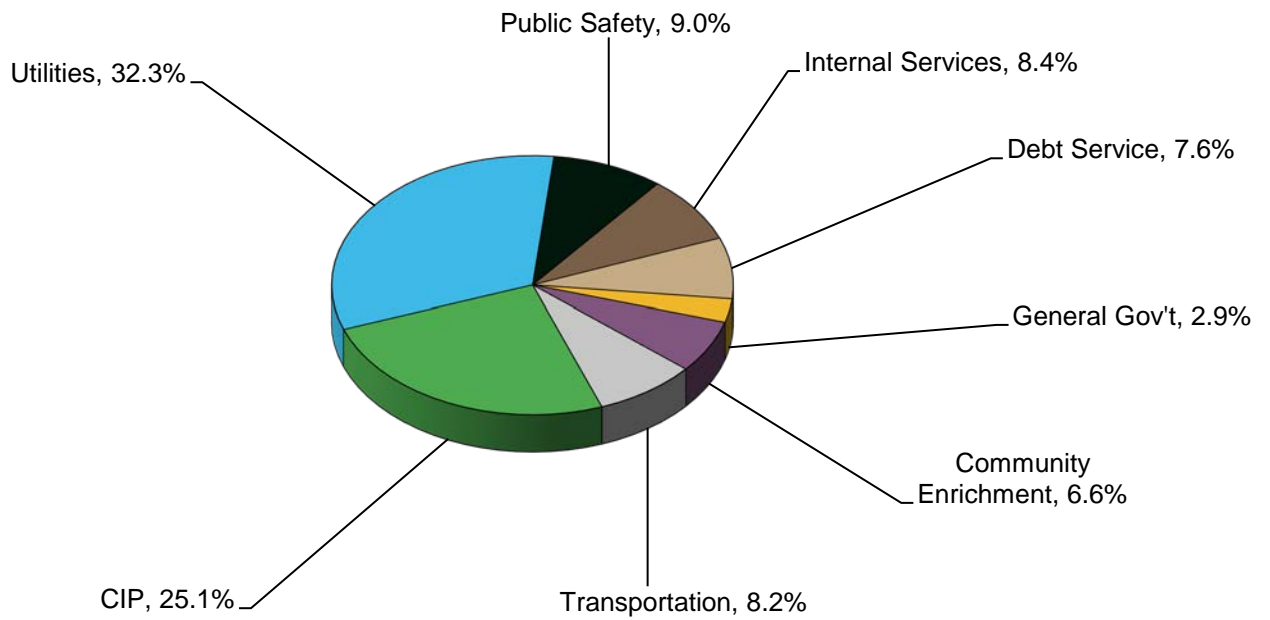
Operations:	2018/19	2019/20	2019/20	2020/21	% Change
Public Safety:	Actual	Adopted	Adjusted	Adopted	From Adopted
Law Enforcement	9,660,495	10,218,431	10,364,029	10,596,148	3.7%
Fire Safety	7,026,819	7,565,200	7,335,537	7,814,863	3.3%
Building Safety	1,330,116	1,615,765	1,595,551	1,670,718	3.4%
Animal Control	539,103	490,899	551,007	533,845	8.8%
Other Public Safety	857,810	972,747	892,311	917,344	-5.7%
Total Public Safety	19,414,343	20,863,042	20,738,435	21,532,918	3.2%
Utilities:					
Electric Services	55,926,464	58,824,151	59,317,832	59,507,515	1.2%
Water and Pollution Control	7,506,468	8,407,541	8,414,261	8,555,217	1.8%
Water Distribution System	1,645,778	1,497,450	1,448,762	1,579,364	5.5%
Sanitary Sewer System	907,745	901,631	900,198	1,010,513	12.1%
Storm Water Management	566,808	680,101	705,701	835,795	22.9%
Resource Recovery	3,642,043	4,446,952	3,965,816	4,033,384	-9.3%
Utility Customer Service	1,634,688	1,695,458	1,727,786	1,804,394	6.4%
Total Utilities	71,829,994	76,453,284	76,480,356	77,326,182	1.1%
Transportation:					
Street/Traffic System	6,076,901	6,114,583	6,264,879	6,410,670	4.8%
Transit System	11,154,591	12,219,372	11,770,380	12,085,908	-1.1%
Parking System	927,857	1,057,378	1,059,545	1,006,263	-4.8%
Airport Operations	170,194	138,749	163,627	154,021	11.0%
Total Transportation	18,329,543	19,530,082	19,258,431	19,656,862	0.7%
Community Enrichment:					
Parks and Recreation	4,559,274	4,774,523	4,864,209	4,950,550	3.7%
Library Services	4,673,827	4,891,104	4,948,334	4,995,871	2.1%
Human Services	1,482,912	1,490,234	1,490,659	1,551,213	4.1%
Art Services	196,605	214,898	264,656	229,898	7.0%
Cemetery	192,548	185,993	190,983	187,793	1.0%
Housing Programs	754,576	1,216,623	2,709,713	1,088,778	-10.5%
Economic Development	2,356,691	2,300,472	2,300,084	2,729,772	18.7%
Total Community Enrichment	14,216,433	15,073,847	16,768,638	15,733,875	4.4%

EXPENDITURES BY PROGRAM (continued)

	2018/19	2019/20	2019/20	2020/21	% Change
General Government:	Actual	Adopted	Adjusted	Adopted	From Adopted
City Council	458,443	457,893	873,257	471,481	3.0%
City Clerk	373,870	436,923	442,634	443,797	1.6%
City Manager	840,575	801,995	753,537	782,757	-2.4%
Public Relations	201,969	217,556	232,062	223,216	2.6%
Media Production Services	149,960	163,473	153,183	185,501	13.5%
Planning Services	854,508	890,712	1,064,877	887,461	-0.4%
Financial Services	1,803,421	1,990,079	1,964,355	2,065,888	3.8%
Legal Services	741,310	801,687	826,387	849,598	6.0%
Human Resources	561,076	586,703	588,243	617,953	5.3%
Facilities	392,762	459,595	501,117	459,548	0.0%
Total General Government	6,377,894	6,806,616	7,399,652	6,987,200	2.7%
Total Operations	130,168,207	138,726,871	140,645,512	141,237,037	1.8%
CIP:					
Public Safety CIP	503,208	1,750,000	2,606,354	1,375,000	-21.4%
Utilities CIP	14,428,055	29,683,100	62,784,616	32,456,100	9.3%
Transportation CIP	11,482,636	19,815,169	47,618,062	25,089,173	26.6%
Community Enrichment CIP	389,745	933,000	5,436,125	1,219,750	30.7%
General Government CIP	64,791	50,000	901,586	100,000	100.0%
Internal Services CIP	0	250,000	291,959	-	
Total CIP	26,868,435	52,481,269	119,638,702	60,240,023	14.8%
Debt Service:					
General Obligation Bonds	11,976,904	12,055,352	12,074,254	12,519,230	3.9%
Electric Revenue Bonds	964,556	965,306	965,306	969,306	0.4%
SRF Loan Payments	4,718,147	5,044,439	4,764,252	4,763,894	-5.6%
Bond Costs	97,595	-	-	-	
Total Debt Service	17,757,202	18,065,097	17,803,812	18,252,430	1.0%
Internal Services:					
Fleet Services	3,384,499	3,372,056	5,362,210	4,739,095	40.5%
Information Technology	2,588,303	2,625,976	3,043,444	2,801,532	6.7%
Risk Management	2,135,560	2,508,721	2,455,440	2,577,215	2.7%
Health Insurance	9,169,624	9,198,125	9,279,657	10,036,440	9.1%
Total Internal Services	17,277,986	17,704,878	20,140,751	20,154,282	13.8%
Total Expenditures Before Transfers	192,071,830	226,978,115	298,228,777	239,883,772	5.7%
Transfers:	23,670,125	23,371,112	24,644,642	23,637,203	1.1%
Total Expenditures	215,741,955	250,349,227	322,873,419	263,520,975	5.3%

EXPENDITURES BY PROGRAM (continued)

WHERE THE MONEY IS SPENT... 2020/21 ADOPTED

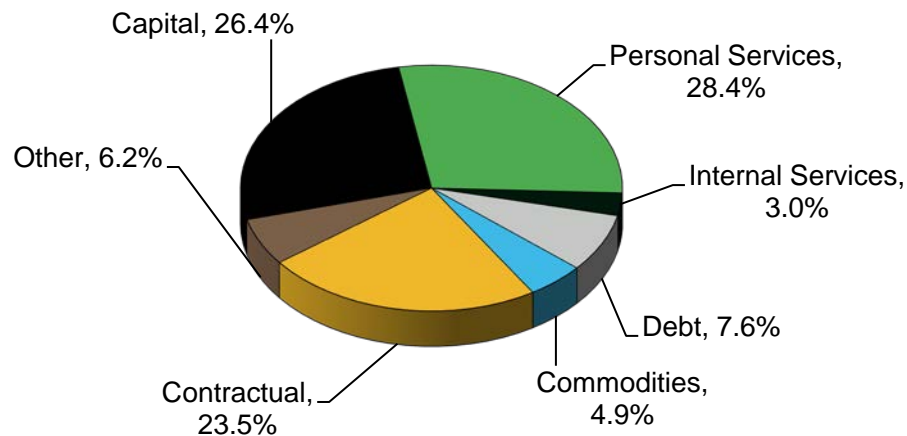


Excluding Transfers

EXPENDITURES BY CATEGORY

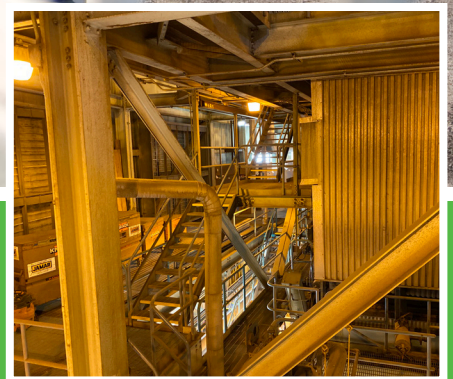
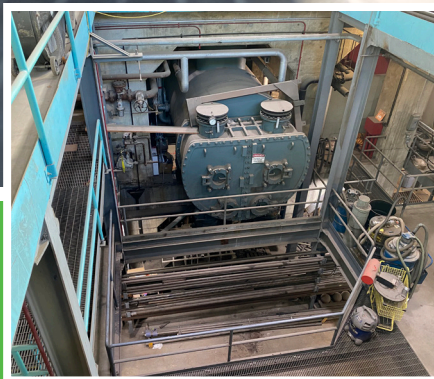
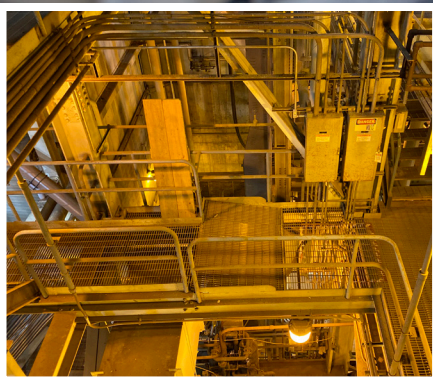
	2018/19 Actual	2019/20 Adopted	2019/20 Adjusted	2020/21 Adopted	% Change From Adopted
Personal Services	60,228,012	66,285,495	63,959,763	68,038,629	2.6%
Internal Services	8,215,046	6,718,306	6,726,748	7,152,949	6.5%
Contractual	57,179,668	56,881,916	59,088,506	56,346,335	-0.9%
Commodities	10,891,518	11,355,703	11,714,227	11,649,331	2.6%
Capital	24,178,437	53,707,566	124,227,506	63,355,410	18.0%
Debt	17,757,202	18,065,097	17,803,812	18,252,430	1.0%
Other (Refunds, Insurance Claims, etc.)	13,621,947	13,964,032	14,708,215	15,088,688	8.1%
Total Expenditures Before Transfers	192,071,830	226,978,115	298,228,777	239,883,772	5.7%
Transfers	23,670,125	23,371,112	24,644,642	23,637,203	1.1%
Total Expenditures	215,741,955	250,349,227	322,873,419	263,520,975	5.3%

BREAKDOWN BY MAJOR EXPENSE CATEGORY 2020/21 ADOPTED





CITY OF
Ames™

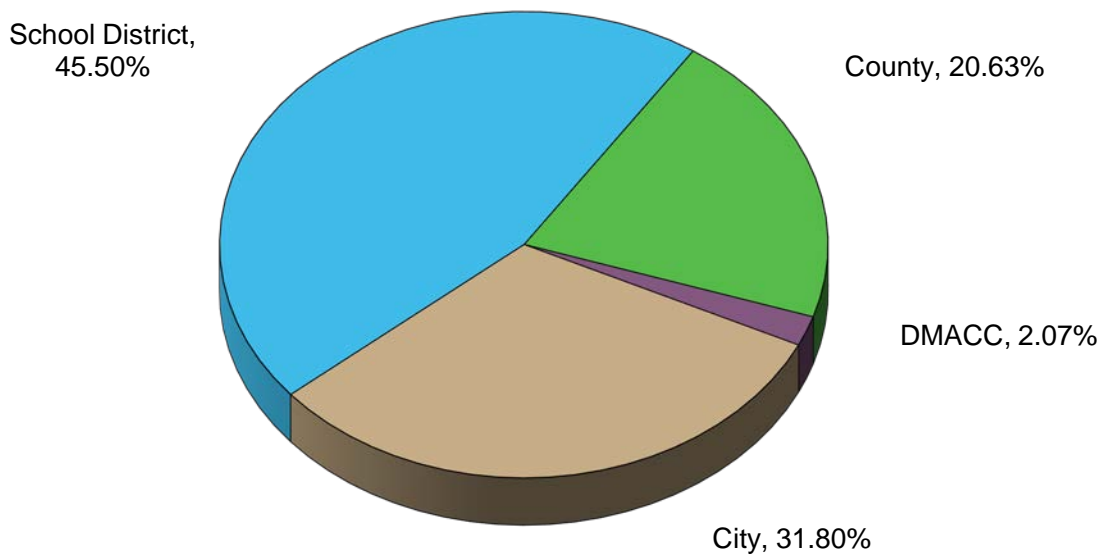


PROPERTY TAXES & DEBT

PROPERTY TAXES

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
2019/20 RATES**



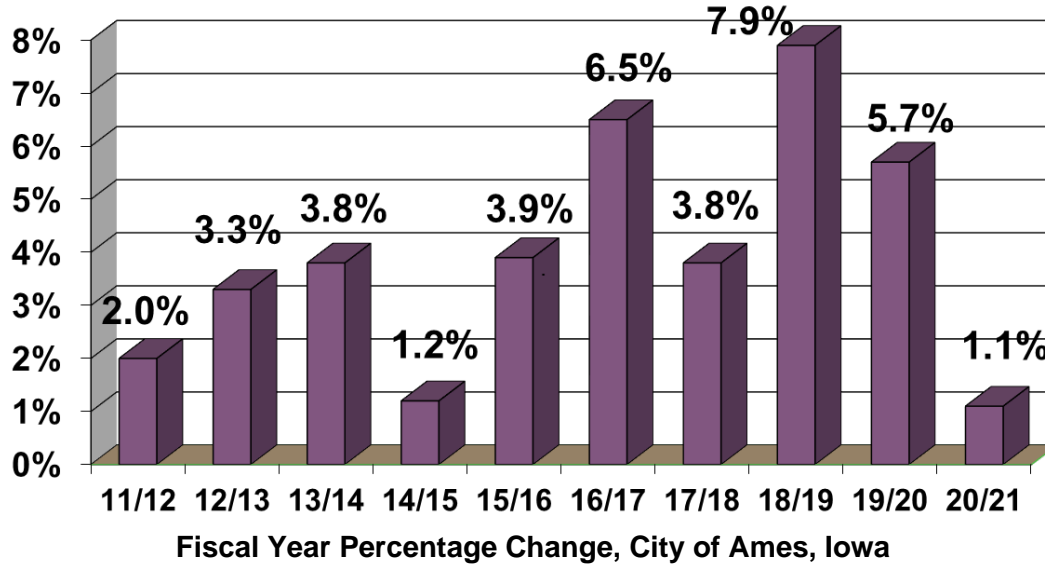
**PREVIOUS YEAR'S
RATES**

City	32.06%
School District	45.67%
County	20.06%
DMACC	2.21%

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 2020/21 budget is based on a \$32,377,422, or 1.05%, increase in the City's taxable valuation. The average annual valuation increase over the last ten years is 4.0%. The total taxable valuation of \$3,112,286,020 is made up of the following components:

	Taxable Valuation	Percentage of Valuation	Change From Prior Year
Residential property	1,982,070,742	63.7%	(1.76)%
Commercial & Multi-residential property	968,320,242	31.1%	7.81%
Industrial property	139,481,242	4.5%	(1.84)%
Utilities	14,076,331	0.4%	(0.81)%
Utilities subject to excise	8,337,463	0.3%	6.36%
	3,112,286,020	100.0%	1.05%

FACTORS IMPACTING VALUATION GROWTH

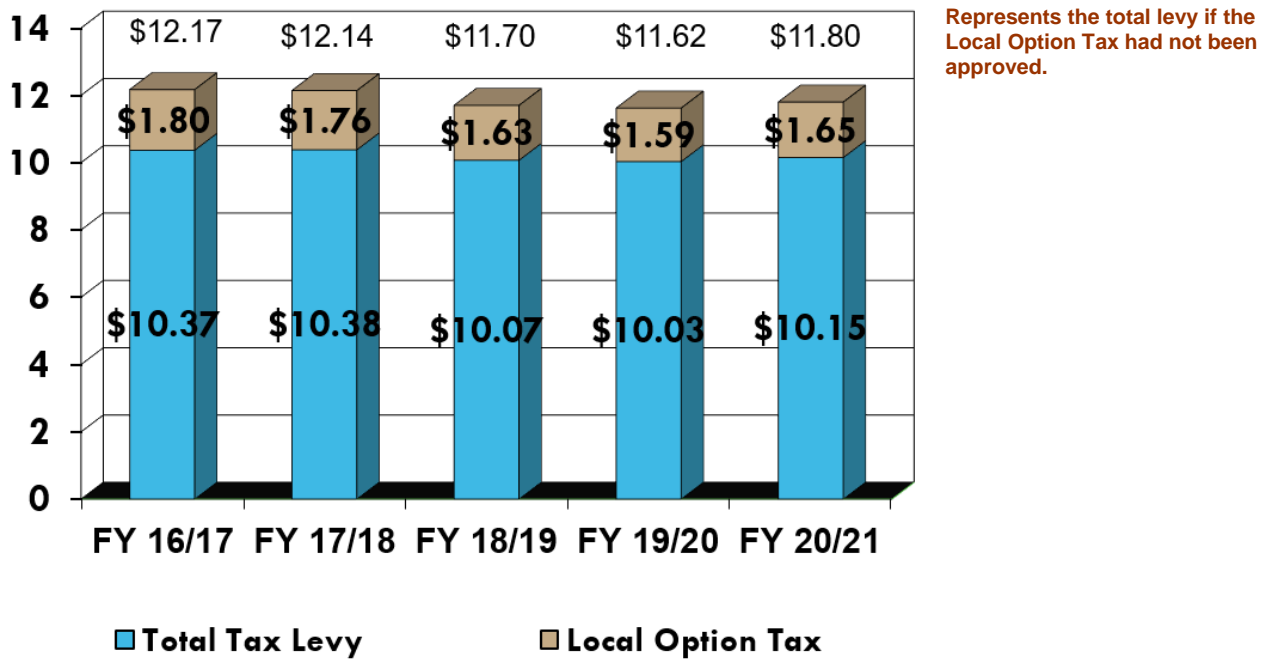
The taxable valuation for the FY 2020/21 budget is based on property valuation as of January 1, 2019. The three primary factors impacting taxable valuation are additions or removals of taxable property, change in valuation of existing property, and changes in the state-mandated rollback rate. The total growth in taxable valuation was \$32.4 million, or a 1.05% increase over the prior year and included increased assessed valuation for all property classifications. The increase was primarily due to two factors; new taxable property contributed approximately \$105.8 million, and the increased valuation of commercial property increased taxable value by \$53.3 million. These increases were largely offset by adjustment to the rollback rate which decreased taxable value by \$65.4 million and temporary exemptions from taxation on new property reducing taxable value by \$38.1 million. 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 also contributed to reductions in taxable value. 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 2020/21 is \$10,043,500, with an additional \$304,004 funded by State Replacement Tax revenue and \$375,000 funded by the balance in the Debt Service Fund. The levy of \$3.15027/\$1,000 valuation for FY 2020/21 is slightly lower than the rate of \$3.19314 required for FY 2019/20.

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 \$5,146,361 in FY 2020/21, which will lower the total necessary tax levy by \$1.65. 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 2019/20 is projected to be \$8,470,509, which is a 3.7% increase over the \$8,168,827 amount adopted for FY 2019/20. Local option sales tax revenue for FY 2020/21 is being budgeted at \$8,577,268, a 5% increase over the amount adopted for FY 2019/20.

FY 2020/21 PROPERTY TAX LEVY

Taxable Valuation

\$ 3,112,286,020

% Change From FY 2019/20

1.1%

LEVY REQUIRED	LEVY PER \$1,000 VALUATION	DOLLAR AMOUNT	RATE CHANGE	%	DOLLAR CHANGE	%
Total Requirement	7.47446	23,262,662	0.18738	2.57	819,135	3.65
Less:						
State Replacement Tax	0.16039	499,179	0.01022	(5.99)	(26,273)	(5.00)
Local Option Property Tax	1.65356	5,146,361	(0.06218)	3.91	245,065	5.00
Net General Levy	5.66051	17,617,122	0.13542	2.45	600,343	3.53
Trust and Agency Levy (Partial Police/Fire Benefits)	.69970	2,177,651	0.02047	3.01	85,681	4.10
Transit Levy	.63633	1,980,445	0.00822	1.31	45,924	2.37
Total Before Debt Service	6.99654	21,775,218	0.16411	2.40	731,948	3.48
Debt Service Levy	3.15027	10,043,500	(0.04287)	(1.34)	63,377	0.64
Grand Total Tax Levy	10.14681	31,818,718	0.12124	1.21	795,325	2.56

Ag Levy – Valuation: \$4,011,995 x 3.00375 = \$12,051

TIF valuation available for Debt Service - \$75,857,137

FY 2019/20 PROPERTY TAX LEVY COMPARISONS

City	Population	General Levy per \$1,000	Total Levy per \$1,000	Total Levy per per Capita
Council Bluffs *	62,230	\$8.10	\$18.26	\$824.42
Waterloo *	68,406	8.10	\$17.55	603.51
Des Moines *	204,220	8.10	\$16.64	635.39
Davenport *	99,687	8.10	\$16.78	769.28
Iowa City	67,862	8.10	\$15.83	888.11
Sioux City *	82,684	8.10	\$15.68	532.48
Cedar Rapids *	126,326	8.10	\$15.44	836.15
West Des Moines *	56,609	8.10	\$10.99	1,004.65
Ankeny	54,598	6.25	\$10.35	672.95
Cedar Falls *	39,260	8.10	\$10.95	545.44
Dubuque *	57,637	8.10	\$10.33	455.66
Ames *	58,965	5.50	\$10.03	523.66
Urbandale	39,463	7.24	\$10.02	767.72
Average		\$7.69	\$13.76	\$696.88

* 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 2019/20 was \$5.52.

PROPERTY TAX COST OF SERVICES PER RESIDENCE

3-YEAR COMPARISON

	2018/19	2019/20	2020/21
Streets/Traffic	141	149	153
Police Protection	133	135	132
Fire Protection	84	85	86
Library	70	70	69
Transit	35	36	35
Parks and Recreation	46	41	30
General Support Services	23	27	28
Planning Services	10	10	9
Resource Recovery	6	6	6
Animal Control	5	5	5
Facilities/Cemetery	4	4	3
Storm Water Management	3	3	2
Building Safety	-	-	1
	560	571	559
Assessed Value	100,000	100,000	100,000
Rollback	55.6209	56.9180	55.0743
Taxable Value	55,621	56,918	55,074
Tax Rate per \$1,000	10.0686	10.0258	10.1468
Calculated Tax	560	571	559

All categories reflect their applicable amounts for debt service

DEBT SERVICE

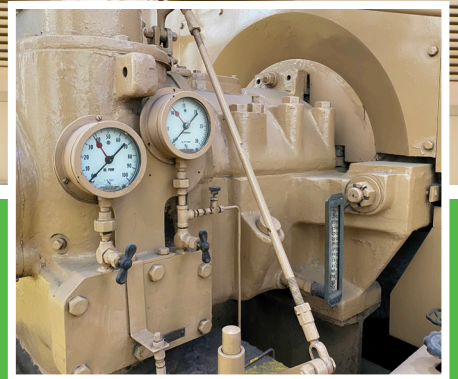
DEBT SERVICE COST ALLOCATION FOR 2020/21 BUDGET

Taxable Valuation for Debt Service: \$3,188,143,157

Use of Bond Proceeds	Allocated Debt Svc	Debt Svc Abatements	Property Tax Support	Rate/\$1,000 Valuation
Airport	70,976	70,976	-	
Fire Department Apparatus	54,005	13,501	40,504	0.01270
Fire Facilities	13,148	-	13,148	0.00412
Public Safety Radio	253,424	29,051	224,373	0.07038
Library	1,206,700	-	1,206,700	0.37850
Ada Hayden Heritage Park	258,375	-	258,375	0.08104
City Hall Improvements	14,892	-	14,892	0.00467
Aquatic Center	-	-	-	
Water Projects	128,905	128,905	-	
Sewer Projects	384,724	384,724	-	
Resource Recovery	160,387	160,387	-	
Urban Renewal - TIF	442,468	442,468	-	
Storm Sewer	144,681	-	144,681	0.04538
Streets	7,746,705	-	7,746,705	2.42985
Special Assessments	315,559	315,559	-	
2020/2021 CIP G.O. - Less Abated	1,073,126	-	1,073,126	0.33660
Total G.O. Debt	12,268,075	1,545,571	10,722,504	3.36324
Less: State Replacement Tax	-	-	304,004	0.09535
Use of Fund Balance	-	-	375,000	0.11762
Total Debt Service Cost	12,268,075	1,545,571	10,043,500	3.15027
FY 2020/2021 Debt Service Levy			10,043,500	3.15027
2020/2021 CIP G.O. Issue				
Fire Apparatus Replacement	1,375,000			
Cherry Avenue Extension	510,000			
Arterial Street Pavement Improvements	900,000			
Collector Street Pavement Improvements	1,400,000			
Concrete Pavement Improvements	2,300,000			
Asphalt Street Pavement Improvements	1,400,000			
CyRide Route Pavement Improvements	600,000			
Seal Coat Street Pavement Improvements	750,000			
US Highway 69 Improvements	230,000			
South Dayton Improvements	700,000			
Intelligent Transportation System	141,900			
Bridge Rehabilitation Program	375,000			
Tax Supported Bonds	10,681,900			
East 13th Street Sewer Extension TIF	2,500,000			
Abated Bonds	2,500,000			
Total G.O. Bonds	13,181,900			



CITY OF
Ames™



COMMUNITY OVERVIEW

ABOUT AMES

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 33,000 students. The University brings excitement and vitality to our city and provides cultural and entertainment options typically found only in larger cities.

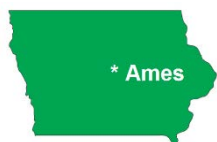
Ames is a city offering top-quality education from kindergarten to advanced degrees, and Ames High School routinely boasts the highest number of National Merit Scholar Finalists in the state. Small class sizes and experienced teachers with advanced degrees make the school districts serving Ames the example 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, ice skating rinks, 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

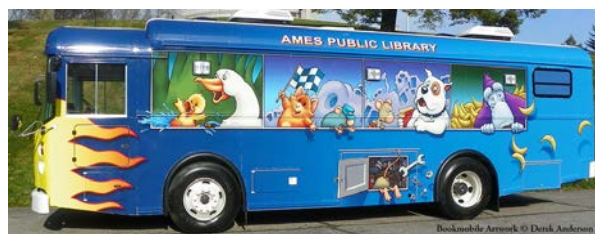
Education Attainment (2015):

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

One Police Station (57 Sworn Officers)

Three Fire Stations (61 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 "30 Best College Towns in America" (24/7 Wall St., 2019)
- #1 "10 Best States in America for Jobs" (Zippa, 2019)
- #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 2019

Employer	Employees	Rank	Percentage of Total City Employment
Iowa State University	16,952	1	29.26%
City of Ames	1,379	2	2.38%
Mary Greeley Medical Center	1,367	3	2.36%
Iowa Department of Transportation	1,025	4	1.77%
Danfoss ¹	1,015	5	1.75%
McFarland Clinic, P.C.	990	6	1.71%
USDA	750	7	1.29%
Hy-Vee Food Stores	725	8	1.25%
Ames Community School District	650	9	1.12%
Workiva	510	10	.88%
Total			43.77%

¹Formerly 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 is currently around 33,000 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

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 it is included in the City's annual audited financial statements.

PRINCIPAL PROPERTY TAXPAYERS 2019

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Iowa State University Research	\$ 54,565,258	1	1.79%
Campus Investors IS, LLC	37,200,040	2	1.22%
Barilla America, Inc.	33,520,140	3	1.10%
Clinic Building Company, Inc.	25,849,661	4	0.85%
Greater Iowa Credit Union	21,687,508	5	0.71%
GPT Ames Owner LLC ¹	21,346,650	6	0.70%
Dayton Park, LLC	19,053,909	7	0.62%
Wal-Mart Stores, Inc.	18,810,000	8	0.62%
CB at Ames, LLC	17,734,982	9	0.58%
University West Property Owner, LLC	16,883,813	10	0.55%
Total	\$ 266,651,961		8.74%

Source: Story County Auditor

¹ Formerly Cycloneball, LLC

For more information, please visit www.cityofames.org/Finance

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