



BUDGET IN BRIEF

CITY OF AMES, IOWA
2021-2022



A YEAR LIKE NO OTHER

From a global pandemic to a rare midwestern derecho, the year 2020 proved itself to be one of the most unpredictable, exhausting, isolating, and challenging in memory. Despite the year's battering, Ames citizens showed their resilience again and again.

When COVID-19, a new strain of a contagious coronavirus, emerged as a local threat, the City of Ames began collaborating with community partners to develop strategies to respond. Residents have masked up, physically distanced, and kept hand sanitizer nearby.

When a derecho with 90 miles per hour straight-line winds downed trees and snapped electric transmission poles, City employees and mutual aid crews jumped into action to repower the community. At the same time, neighbors checked on neighbors and helped clear debris. In the face of significant obstacles, the City of Ames ended the year with several major accomplishments including opening new parks, renovating public restrooms, energizing a community solar farm, offering online programs, services, and classes, and celebrating with virtual events.

This year's Program Budget provides insight into these unprecedented times through narrative and numbers. The photographs document how City employees continued to serve the public with creativity and innovation.

PROGRAM BUDGET

CITY OF AMES, IOWA
2021-2022



CITY OF AMES, IOWA

2021/2022 PROGRAM BUDGET

**ADOPTED BY THE CITY COUNCIL
MARCH 9, 2021**

**MAYOR
JOHN HAILA**

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

**CITY MANAGER
STEVEN L. SCHANKER**



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



CITY OF
Ames™





January 29, 2021

To: Mayor and Ames City Council Members:

It seems that each year, as I prepare my budget transmittal letter to the City Council, I am struck by how increasingly difficult it has become to meet both the service expectations of our residents and their equally fervent desire for us to reduce their property taxes and utility fees. Equally challenging is the fact that we must finalize this financial strategy as many as eighteen months before the expenses will actually be incurred.

The uncertainty of when our country will overcome the COVID-19 virus and return normalcy to our lives, our jobs, our spending habits, our social interactions, and participation in our City services makes the preparation of the Fiscal Year (FY) 2021/22 budget even more difficult. Fortunately, our City of Ames employees have supported a strategy that included some extraordinary efforts to avert a financial crisis in our organization during the last three months of FY 2019/20 and the first seven months of FY 2020/21. These actions included delaying the filling of vacant full-time positions, cancelling training, conferences, and associated travel for all employees, eliminating the hiring of seasonal or part-time employees and assigning permanent staff members to assume these extra duties, and not spending funds on various previously approved one-time capital items. In addition, on the revenue side, we were fortunate that the federal government provided CARES funding to reduce the COVID-19 related financial strain on our Transit, Police, and Fire services.

The question now becomes, to what extent will COVID-19 impact the FY 2021/22 budget? At the time of this writing, vaccines for the virus are being distributed throughout the country. While there is hope associated with the dispensing of these vaccines, there remains uncertainty as to how fast they will work to eradicate the pandemic. Therefore, the philosophy reflected in the FY 2021/22 budget assumes a certain level of improvement in our residents' participation in the services that impact the City, but not to the extent it was in pre-COVID-19 times.

The City staff is well aware of the negative impact that the virus has had on the financial and emotional well-being of our citizens and, therefore, we have worked diligently to mitigate increases in our utility fees as well as the property tax burden on our residents in FY 2021/22.

The following is a brief summary of various highlights of the City Manager's Recommended Budget.

PROPERTY TAXES—2.69% DECREASE IN OVERALL CITY TAX RATE

FROM \$10.15 TO \$9.87

The FY 2021/22 budget calls for an additional \$590,011 from the previous year, or a 1.85% increase, to support the various services funded by the General Fund. This additional revenue requirement will be financed with a tax rate decrease of 2.69% from \$10.15 per \$1,000 of taxable value to \$9.87 per \$1,000 of taxable valuation for the City portion of the overall property tax bill, which is approximately 33% of the total tax bill.

This overall tax rate decrease is made possible because our department heads and their staffs worked very hard to hold the line on expenditures, requesting only 2% more in FY 2021/22 in the General Fund to cover their projected operational expenditures. In addition, we will benefit from a taxable valuation increase of 4.71%, or an additional \$146,122,570. Of this total increase, \$79,791,000 is associated with new growth coming on the tax rolls for the first time and \$66,331,570 from net changes to existing valuations due to reassessments, an increase in the state-mandated rollback percentage for residential property, and expiring tax exemptions.

Rather than focusing on requested tax rates and/or taxable property values, most of our residents want to know how the City's budget will impact the amount of property taxes they will have to pay. Because each situation is different, it is not possible to list the projected tax impact of this budget for every property owner. **However, when analyzing each tax classification, on average in FY 2021/22 residential property tax bills will increase .54%, or \$3.03 more per \$100,000 of assessed valuation, commercial property bills will be 1.53% lower, or \$13.93, less per \$100,000 of assessed valuation, and industrial property tax bills will be 2.69% lower, or \$24.53 less per \$100,000 of assessed valuation.**

Because of the unusual steps taken to hold the line on expenses during the last two fiscal years of the pandemic and the receipt of federal CARES funding, we expect to generate approximately \$5,000,000 in additional General Fund balance from FY 2019/20 and FY 2020/21. **As I have always cautioned the City Council, the use of one-time savings should be used for one-time expenditures.** Therefore, I have developed a list of one-time expenditures for FY 2020/21 which includes funding for an Arts Grant Program, dredging of the Ada Hayden Wetlands, new bike path signage, Downtown transformer painting, additional/replacement parking for the Downtown Plaza, Library entryway improvements, Auditorium stage lighting, replenishment of the Park Development and Parking Funds, supplemental funding for the new splash pad, and a new outdoor recreation obstacle course. Many of these projects were identified from recent citizen input into the budget process.

The FY 2021/22 budget projects an ending balance of \$10,255,214 in the General Fund. This balance allows us to maintain both our normal 25% unobligated reserve and an additional \$1,000,000 reserve to guard against the loss of state replacement funding. An additional \$236,523 in unobligated funds remains in the balance to absorb any further impacts of COVID-19.

Law Enforcement

I believe that we should not include the Ames Police Department as one the law enforcement agencies throughout the country that has been plagued by on-going incidents of unjustified actions against members of their marginalized communities. However, like all police departments, we must be committed to providing social justice to everyone who interacts with our police officers and understand that there are specific actions that we can, and should, take to accomplish this goal. In response to citizen concerns and input received after the killing of George Floyd, a report entitled, "Policing in Ames, A Path Forward" was developed by staff from the City Manager's Office and the Police Department that outlines twenty-one recommendations covering nine different categories. Over the next year, we hope to implement these recommendations.

There are two recommendations that will immediately impact the budget. The first creates a new Diversity, Equity, and Inclusion Coordinator position housed in the Human Resources Department to assist with recruiting, training, and reviewing personnel policies. This position will help to assure adherence to our organizational values as well as provide staff support for the Ames Human Relations Commission members with their city-wide effort to continue to build a more inclusive community. The second the converts a vacant Police Officer position to a new Administrative Sergeant in the Police Department who will manage the training needs, statistical reporting, and supervision of new officers during their onboarding.

Progress is being made to operationalize an upgraded radio system, StoryComm, by June 2021. This system will improve reliability and interoperability among our first responders in Story County.

The Police Department is transitioning to hybrid patrol vehicles over the next two years. The first hybrid placed into service as a pilot program is achieving 18.4 mpg compared to 9.2 mpg for our non-hybrid patrol vehicles. The greenhouse gas emissions from hybrid patrol vehicles is half the amount generated by a non-hybrid vehicle. Finally, while a non-hybrid unit averages \$4,600 over a six-month period in fuel and maintenance, the hybrid vehicle has averaged \$2,000 over the same period.

Animal Control

New regulations by the Department of Agriculture required immediate improvements to our Animal Control facility. As a result, the chain-link dog kennels were replaced, floors were resurfaced, isolation kennels were installed, and a mobile trailer was retrofitted into a cat housing room.

The Ames Animal Shelter is the only municipal shelter in Iowa that has been recognized for saving more than 90% of all domestic animals brought to the facility. Staff is developing a partnership with the Story County Animal Shelter in regard to pet adoption programs and disaster planning.

Fire Safety

Historically, the Ames Fire Department has backed up Mary Greeley Medical Center's (MGMC) ambulance operations by providing first responder services on scene. A recently updated agreement will allow our department to move from an Emergency Medical Responder (EMR) level to an Emergency Medical Technician (EMT) level. This increase in service level will allow our fire fighters to perform more advanced medical services on the

scene before MGMC ambulances arrive. The additional costs related to this service upgrade will be paid by MGMC.

Rather than construct an expensive structure, we have assembled a series of used shipping containers to serve as a fire training facility with much success. This new facility has allowed us to upgrade our fire training efforts.

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

COVID-19 has had an impact on our building permit fees which has resulted in less revenue for the General Fund. While the number of large building projects is down, the total number of building permits remain about the same as we are inspecting more smaller renovation projects. Fortunately, our new online permit system has allowed us to serve our customers even when city offices were forced to close to the public due to the pandemic.

For the first time since 2001, we are not projecting any increase in rental units. We are training each Rental Inspector to become a certified Fire Inspector 1 to supplement the work of our Fire Inspector and help assure greater fire safety in our rental properties.

ELECTRIC UTILITY– NO RATE INCREASE

No electric rate increase has been included in this budget and our long-range projections, based on the current Capital Improvements Plan (CIP), indicate that an increase will not be needed for the next five years. However, we are engaged in a study to decide the future of our current waste-to-energy system. Should this study result in a major project that is not contemplated in our current CIP, a rate increase may be needed.

The overall expenditures for FY 2021/22 in the Electric Services operating budget are down 4.6% from the previous year’s adopted level. Much of this decrease is associated with our Fuel & Purchased Power activity which is down approximately \$3,600,000 as a result of renegotiating our existing gas purchase agreement and extending it for two years, and paying off our obligation to Alliant Energy for a gas distribution line serving our plant.

Electric Production expenditures were impacted by the addition of a new proactive maintenance software package, a significant increase in property insurance premiums, and emergency renovation work to the Refuse Derived Fuel (RDF) bin.

The new SunSmart Community Solar farm become operational in December 2020. This new renewable energy facility is capable of producing up to 2.2 megawatts.

WATER UTILITY–RATE INCREASE OF 6%

The operational expenses in the Water Utility will increase 3.4% in FY 2021/22. **A 6% increase in Water Utility user rate has been incorporated in the budget, which is 2% less than we predicted last year.** This rate increase is needed to fund the projected operating and capital improvement expenditures, increase the available balance in the Water Fund to our target level, and increase the debt ratio in the fund to qualify for the State’s low-interest revolving fund.

COVID-19 should have had a significant impact on the revenue in the Water Utility since ISU students, who are a significant portion of our water users, did not return to Ames beginning in April 2020, but rather chose to take classes virtually from their hometowns. Interestingly, the existence of a major drought during this same time resulted in an increase in water consumption in excess of the amounts originally projected. Hence, the additional revenue generated as the result of the drought offset the lost revenue caused by COVID-19 in both the Water and Sewer Funds.

A main emphasis in this utility will be to optimize the efficiencies in the new plant, begin demolition of our old water treatment plant, and initiate the repurposing of the Technical Services Building. In addition, we are initiating a project to provide real-time pressure monitoring throughout the distribution system, thereby enhancing our capital improvement planning. Finally, a Risk and Resilience Assessment for the Water Treatment Plant in regard to physical and cyber security has been completed.

SEWER UTILITY– NO RATE INCREASE

Operational expenses for the Sewer Utility are planned to be 0.8% less than the previous adopted level. Therefore, no rate increase is scheduled in FY 2021/22.

In effort to mimic the highly successful program in the Water Fund, this budget calls for the hiring of four new part-time student plant operators. This innovative strategy provides a cost-effective alternative to staffing weekends and maintenance shifts, offers a real-world experience for the students, and solidifies a partnership with Iowa State University and Des Moines Area Community College.

The Water & Pollution Control (WPC) Laboratory activity continues to assist the Squaw Creek Watershed Management Authority by performing analyses at no cost. The frequency of these analyses has increased from the summer months only to all year as well as the number of parameters tested from two to five.

Our long-term analysis of both the Water and Sewer Utilities indicates that an average rate increase of 4.5% will be needed in each fund over the next five years to finance the projected operating expenses and capital improvement project costs. In comparison, the state average annual increase for each of these funds over the next five years is projected to be 5%.

Two new pieces of equipment will be purchased from this budget. First, a trailer mounted jet/vac will allow a timelier response to sanitary and storm sewer backups. Second, a Sewer Line Rapid Assessment tool will allow for the assessment of a potential blockage in a sanitary sewer line in a matter of minutes without having to rely on larger equipment that takes longer to put in place.

STORMWATER UTILITY– NO INCREASE IN MONTHLY FEE

There has been no increase included in the FY 2021/22 budget to the \$4.95 Equivalent Residential Unit (ERU) fee that is charged on our monthly utility bills to finance the maintenance of our storm sewer system. The fee revenue is used to prevent overland flooding from the inability to transport rainwater safely to our creeks and rivers. Our long-

range financial projections indicate the next fee increase in this utility will not be needed until FY 2022/23.

Funds have been appropriated in this utility to obtain services from Prairie Rivers of Iowa to complete watershed projects including continued implementation of a water quality monitoring plan, a soil health and education plan, and a 10-year water quality implementation plan in collaboration with City departments and Story County.

We intend to continue to focus on stormwater facility rehabilitation in various neighborhoods throughout our community by removing excess sediment, installing updated outlet structures, adding pretreatment systems, and establishing native vegetation to filter pollutants.

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

No increase is being planned to the current \$10.50 per capita charge to each partner municipality that financially supports the Resource Recovery Plant nor to the current \$58.75 per ton tipping fee charged to private haulers that dispose of their refuse at our facility. If the status quo is maintained, it is anticipated that the next increase in the tipping fee will be requested in FY 2022/23. However, because we are engaged in a comprehensive study to determine the next generation of our waste-to-energy operation, additional fee increases might be required next five years to finance any recommended capital improvements that are approved as a result of this study.

In FY 2021/22, the City of Ames is scheduled to pay \$577,500 (63%) of the total \$913.500 anticipated to be received from all the municipalities that help finance the Resource Recovery operation.

A major emphasis is being placed on removing food waste from the processing stream. These organics harm the mechanical systems and result in higher costs to landfill this wet material. During FY 2019/20, 12,042 pounds of organics were composted through our Food Waste Diversion pilot program. During the first four months of FY 2020/21, 11,276 pounds of organic material were composted. In addition, the Public Works staff is exploring whether organics from the Food Waste Diversion program can be added to the anerobic digester to generate heat and energy at the WPC Plant.

TRANSPORTATION

Street System/Traffic

After we were subjected to the full brunt of COVID-19, State officials cautioned cities that Road Use Tax revenues could be down as much as 40% because people have remained in their homes and avoided travel. A decrease of this magnitude would have had a detrimental impact on our street maintenance and traffic improvements which are funded predominantly with Road Use Tax funds. **Fortunately, as we end FY 2020/21 and prepare for FY 2021/22,**

more people are traveling by car thereby allowing us to be optimistic that this valuable revenue source will return to previous levels.

A skill-based pay system was introduced in the Traffic Maintenance activity with the goal of incentivizing upgrading of skills within the City organization and allowing us to avoid hiring more costly outside contractors.

In response to feedback received in our Resident Satisfaction Survey, six of our dump trucks will be upgraded with wing plow mounts, underbody plows, and laser guidance systems. These improvements will make the trucks safer for the operators and increase the efficiency of each truck in terms of response time for snow and ice control and street maintenance activities.

A recently completed pilot program to utilize B100 fuel in five of our trucks yielded significant success towards the City Council's goal to promote greater sustainability in our operations. These trucks generated 104 metric tons less carbon than our traditional diesel units over the same time period. Because of this success, we intend to outfit the six new trucks mentioned above with the B100 system.

Contractors will continue to supplement the City's street sweeping service. The private companies are used primarily during the spring and fall to maximize the pickup of debris and leaves.

A \$1,176,518 grant was awarded to the City that will allow us to implement Phase 1 of our Intelligent Transportation System projects by collecting traffic adaptive, high resolution controller data, and real-time monitoring of the transportation system.

CyRide

COVID-19 has severely impacted our transit system. With the largest portion of riders being Iowa State University students and many of their classes now being conducted virtually, our system ridership is down 65% compared to the previous non-pandemic year. To compound the financial challenge, the ISU Student Government Trust Fund is being depleted due to declining enrollment.

Realizing that all three funding bodies (ISU Administration, ISU Student Government, and the City of Ames) are reeling from the financial impacts from COVID-19, the FY 2021/22 budget calls for the same level of financial support as provided in FY 2020/21. This means that the City's financial support for CyRide will remain at \$2,037,720.

We are able to avoid an increase in support for the transit system in the face of declining ridership because we were fortunate to receive \$7,028,297 in federal CARES funding, which will be spent over a two-year period. The injection of these funds will allow us time to develop plans to right-size our future service levels to match our projected revenue as well as replenish the ISU Student Government Trust Fund.

Public Parking Services

With State mandates to limit hours of operation and occupancy, businesses in the Campustown and Downtown business districts have suffered over the past two fiscal years from the impact of COVID-19. Consequently, significantly fewer customers parked in our public lots resulting in far less parking meter and fine revenues than during a normal year. In fact, our projections indicate that if no financial assistance is provided, the Parking Fund will end FY 2021/22 with a \$463,486 deficit. **To avoid this fund deficit, \$600,542 in General Fund savings have been budgeted as a transfer into the Parking Operations Fund in FY 2020/21. This transfer will allow us to end FY 2021/22 with the appropriate fund**

balance, as well as to continue to build up the Parking Capital Reserve Fund for future lot improvements.

It should be emphasized that this transfer from the General Fund should be viewed as a one-time subsidy to deal with this financial emergency, rather than as establishing a precedent for supporting Parking Operations the future.

COMMUNITY ENRICHMENT

Parks & Recreation Services

A review of the revenue realized in FY 2019/20 and projected in FY 2020/21 reflect approximately \$1,500,000 less than the adopted levels because of a significant drop in participant attendance in our Instructional, Athletic, Wellness, Community Center, and Aquatics programs due to COVID-19. In an effort to offer some exercise opportunities to our residents, we have offered a number of virtual wellness classes online.

Since most of our recreational programs were cancelled, expenditure reductions were achieved by not hiring temporary staff to lead these activities, which partially offset the lost revenue. In an additional move to respond to the revenue shortfall, seasonal workers were not hired for park maintenance activities and permanent recreation staff were assigned to these duties.

Given the uncertainty of the duration of the pandemic, the FY 2021/22 budget reflects optimism that participation in our recreation offerings along with the associated fee revenue will improve, but not yet to the pre-COVID levels.

The Park Development Fund was established to provide a source of monies that would allow us to respond immediately to opportunities to obtain additional park land and/or install new facilities in our park system rather than wait for approval in the CIP planning process. Unfortunately, higher than anticipated costs associated with projects financed from this fund have depleted this valuable fund balance. **In order to restore this balance, \$600,000 from one-time General Fund savings have been moved into this fund in FY 2020/21, bringing the anticipated total to \$947,993 by the end of FY 2021/22.**

Through the generous donations of time and money from many Ames citizens, \$2,300,000 was raised by the Ames Foundation for the recently completed Harrison Barnes Family Playground and Ames Rotary Club Miracle League Field.

Library Services

The Library Board has decided to follow the example of other libraries by acknowledging the equity disparity caused by the collection of over-due fines. **Therefore, beginning in FY 2020/21 the Library discontinued charging for overdue material. This decision results in the elimination of an approximately \$90,000 revenue source.** The reduction will be partially offset by savings from collection service and credit card processing fees as well as less postage costs for the new State Library delivery service.

Economic Development Services

The final activity greatly impacted by COVID-19 is our effort to attract conventions and meetings to our community in our quest to generate sales tax revenue from these visitors to mitigate our property tax increases to our residents. This task is accomplished through a

contract with the Ames Convention and Visitors Bureau (ACVB) whereby the ACVB receives 72% of the Hotel/Motel tax proceeds the City receives each year. Unfortunately, concerns for the health of participants and reduction in organization travel budgets caused events to be cancelled resulting in drastic drop in Hotel/Motel revenues to the ACVB which is estimated to be approximately \$1,100,000 over FY 2019/20 and FY 2020/21. As a result, the ACVB eliminated a number of their permanent positions and even so their ability to remain solvent is still in jeopardy. Their financial analysis indicates that if the City Council would provide them with a \$35,000 grant and a \$75,000 loan, they could then make it through this financial crisis. **The FY 2020/21 amended budget includes funding for this request from the available balance in the Hotel/Motel Tax Fund.**

Housing Services


Fortunately, federal and state funds are being distributed to cities to help low-income residents whose lives have been negatively impacted by the coronavirus. Therefore, the FY 2020/21 adjusted budget reflects three rounds of funding, 1) \$354,515 from the Community Development Block Grant (CDBG) CARES program, 2) \$604,386 from the Iowa Economic Development Authority CARES program, and 3) \$356,455 from the CDBG CARES program. These funds will be directed primarily towards rent, mortgage, and utility relief for qualifying households.

In addition, three years of federal HOME have been rolled forward to the FY 2020/21 adjusted budget. The \$1,200,554 available initially will be directed to create low income, owner occupied houses in the new Baker subdivision at 321 State Avenue as well as for down payment and closing cost assistance for these single-family homes.

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.

My hope is that when I write my budget transmittal letter next year, we will have broken the back of COVID-19 and the doors to our homes, schools, and businesses will have reopened. Whether this happens sooner or later, the City employees will continue to provide exceptional service to the residents of our community!

Respectfully submitted,



Steven L. Schinker

City Manager

CITY COUNCIL OBJECTIVES, GOALS, & TASKS

Approved February 25, 2020

WE VALUE COMMUNICATION AND ENGAGEMENT WITH THE PUBLIC

GOAL 1: Adopt an attractive, single civic app by the end of 2021.

Related tasks:

- 1) Conduct an inventory of the City's existing customer apps/programs (e.g. Ames on the Go, electric outage reporting system, RecTrac, etc.) Identify whether/how these services can be integrated into a single app.
- 2) Review other communities' apps to identify desired features, interfaces, and other characteristics.
- 3) The City Council will provide direction regarding the services to be made available through the app.
- 4) Prepare an RFP for an app provider.
- 5) Allocate funding in the FY 2021/22 Budget.
- 6) Select a provider and implement the app.

GOAL 2: Use the best communication engagement techniques and modern technologies to engage the community by reaching people in geographic areas using multiple channels.

Related tasks:

- 1) Staff will investigate best practices used in other communities to communicate effectively with residents in different geographic areas.
- 2) Staff will evaluate the current methods used by the City to gather contact information (utility billing, recreation classes, open houses, pop-up meetings, notification sign-ups, etc.), and investigate:
 - a. What kinds of messages can be sent to residents through existing communication systems.
 - b. Whether the City could require contact information as a condition of receiving service.
 - c. What should be the minimum notification areas for notifying citizens of pending issues, and for what issues should citizens be notified (e.g. park issues, bond issues, street improvements, etc.).
- 3) After receiving these reports, the City Council will provide direction regarding these and any other communication techniques to explore.

WE VALUE DIVERSE HOUSING OPTIONS FOR THE COMMUNITY

GOAL 1: Increase the stock of diverse housing types for a variety of income levels through zoning, including adjusting minimum lot area, multiple dwelling units on a lot, and accessory dwelling units.

CITY COUNCIL OBJECTIVES, GOALS, & TASKS

Related tasks:

- 1) Staff will provide a report regarding current standards for minimum lot area and multiple dwelling units on a lot, including how the City's existing standards differ based on building type.
- 2) The City Council will decide whether to proceed with changes related to minimum lot area or multiple dwelling unit standards, and direct staff to proceed with changes.
- 3) A staff report will be provided after the completion of the Comprehensive Plan in regard to accessory dwelling units and how they are used in other communities.
- 4) The City Council will decide whether to proceed with changes related to accessory dwelling units, and direct staff to conduct public outreach.
- 5) Following the public outreach efforts, the City Council will make a final decision regarding whether to adopt changes related to accessory dwelling units.

WE VALUE A FUN, VIBRANT COMMUNITY THAT ATTRACTS AND RETAINS PEOPLE

GOAL 1: Begin construction on a downtown community space by 2021.

Related tasks:

- 1) Incorporate funds into the FY 2020/21 Budget to design and construct a community space.

Status: In progress. A sheet has been incorporated into the 2020/25 CIP totaling \$2.7 million for the overall project. Of this total, \$200,000 is budgeted in FY 2020/21 for design.

- 2) The City Council will hold a discussion to outline its vision for the project, including possible amenities to be included.
- 3) The Parks and Recreation Commission and City staff will solicit input from the public regarding desired features and location for the project.
- 4) Prepare an RFP and select a consultant to complete a design for the facility and provide cost estimates for the project.
- 5) After receiving a recommendation from the Parks and Recreation Commission and cost information from the consultant, the City Council will make final decisions regarding the features to be included in a downtown community space and the location.
- 6) Finalize the financial plan for the project.
- 7) Complete the construction design, award a contract, and complete construction.

GOAL 2: Obtain referendum approval to construct an indoor aquatic facility by summer 2021.

Related tasks:

- 1) Incorporate funds into the amended FY 2019/20 Budget to hire a firm to complete a conceptual design and prepare capital, operating, and maintenance expenses.

Status: In progress. The City Council has included \$75,000 in the FY 2019/20 Adjusted Budget to retain a design firm for the conceptual design of the project.

CITY COUNCIL OBJECTIVES, GOALS, & TASKS

- 2) The City Council will hold a discussion to outline its vision for the project, including possible amenities to be included.
- 3) The Parks & Recreation Commission and City staff will solicit input from the public regarding desired features and location for the project.
- 4) Prepare an RFP and select a consultant to complete a design for the facility and provide cost estimates for the project.
- 5) After receiving a recommendation from the Parks and Recreation Commission and cost information from the consultant, the City Council will make final decisions regarding the features to be included in an indoor aquatic facility and the location.
- 6) Allocate funds for an educational campaign and create a “friends” group. Prepare bond referendum language and hold the referendum election.
- 7) Assuming the bond referendum passes, complete construction design, award a contract, and complete construction.

GOAL 3: Create a Beautification Master Plan for community entryways and thoroughfares by the end of 2021.

Related tasks:

- 1) Inventory existing beautification plans, gateway signage, themes established for public rights-of-way, public art programs, and other plans that have been conceptualized or implemented.
- 2) The City Council will identify the scope of the beautification master plan and staff will then prepare an RFP for a consulting firm to assist in the development of the plan.
- 3) Hire a firm to complete the plan.
- 4) Adopt the plan and allocate funding in future budget years to complete the plan’s components.
- 5) Begin construction on the first phase of the project.

WE VALUE A DIVERSE, EQUITABLE, AND INCLUSIVE COMMUNITY

GOAL 1: Develop a shared understanding of diversity, equity, and bias as they relate to City Council decisions and the policy-making process.

Related tasks:

- 1) Staff will provide a report regarding trainings that are tailored to City Councils regarding diversity, equity, and bias in policymaking.
- 2) An annual training program will be selected and undertaken by the City Council members beginning in 2020.

GOAL 2: Through local ordinances, expand protections for Ames citizens beyond the Code of Iowa floor protections by 2021.

CITY COUNCIL OBJECTIVES, GOALS, & TASKS

Related tasks:

- 1) A staff report will be provided regarding broadening hate crime protections.
- 2) A staff report will be provided regarding source of income protections in rental housing.
- 3) A staff report will be provided regarding “ban the box” protections in housing and employment.
- 4) The City Council will determine whether to implement ordinance changes regarding any of these issues.

GOAL 3: Identify, by the end of 2020, the ways the City can assist the Ames Community School District (ACSD) in its efforts to close the achievement gap.

Related tasks:

- 1) The Mayor and City Manager will meet with the ACSD Board President and Superintendent in spring 2020 to discuss the issues.
- 2) Staff will provide an analysis of best practices in peer cities to cooperate with school districts to close the achievement gap.
- 3) A workshop will be held between the City Council and the ACSD Board in summer 2020 to discuss what role, if any, the City Council can play in closing the achievement gap.
- 4) The City Council will identify any next steps it wishes to pursue following the workshop.

WE VALUE ENVIRONMENTAL SUSTAINABILITY

GOAL 1: Develop and adopt a Climate Action Plan by the end of 2021

Related tasks:

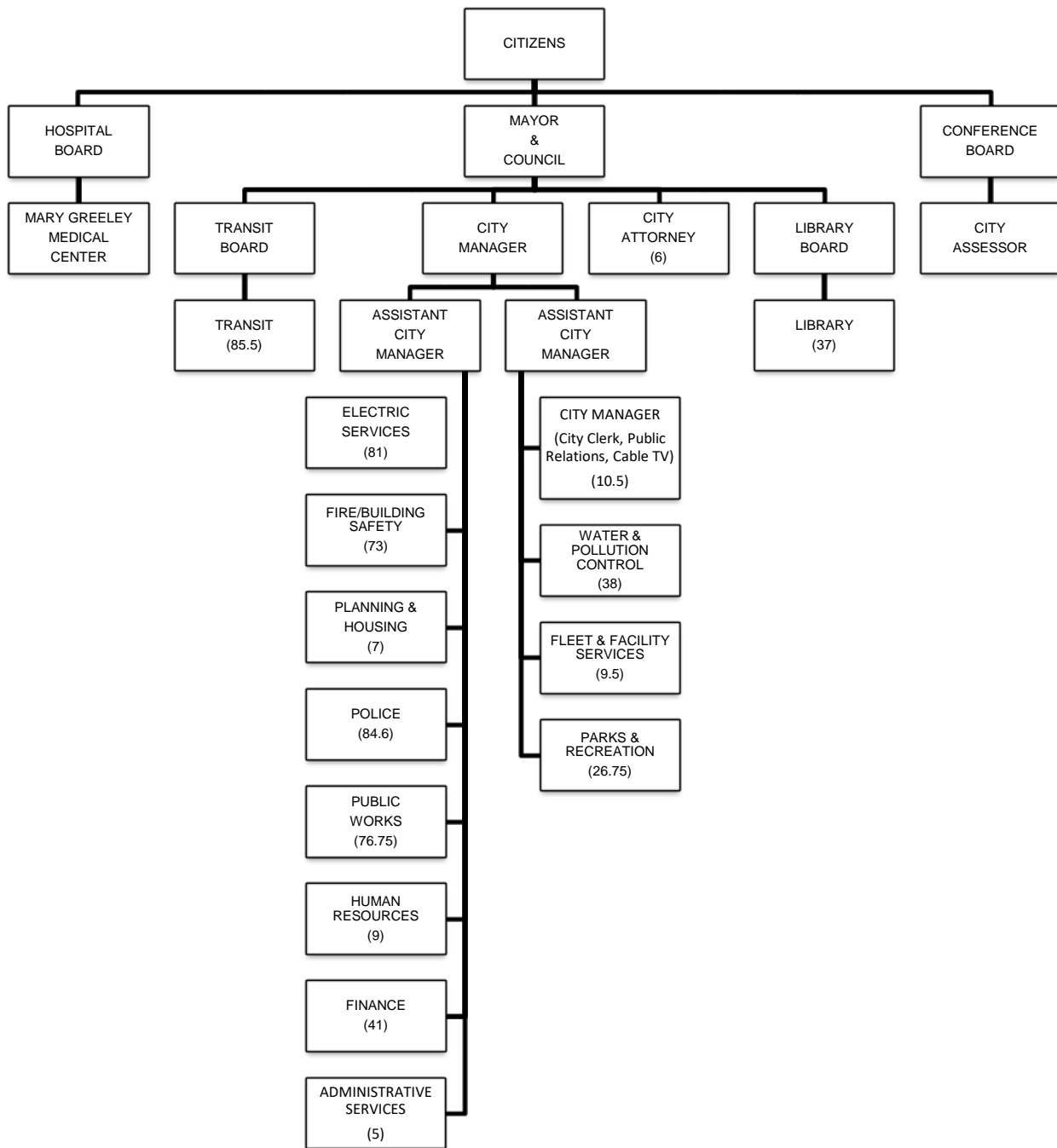
- 1) Incorporate funding into the FY 2019/20 adjusted budget for a Climate Action Plan.

Status: Completed. The City Council has allocated \$130,000 in the FY 2019/20 adjusted budget to retain a consultant for this initiative.

- 2) Staff will prepare an RFP for a firm to complete a Climate Action Plan, which will need to be approved by the City Council before it is issued.
- 3) Issue the RFP and select a consultant to conduct the Climate Action Plan.
- 4) The City Council will receive the Greenhouse Gas Inventory final report, and the results will be provided to the consultant for the Climate Action Plan.
- 5) Receive the proposed Climate Action Plan and review the findings.
- 6) Approve the plan and adopt implementation steps and schedules.

CITY OF AMES ORGANIZATIONAL CHART

(AND NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES)



AMES CITY COUNCIL APPOINTEES

Name	Title	Phone Number
Steve Schainker	City Manager	515-239-5101
Mark Lambert	City Attorney	515-239-5146

CITY OF AMES, IOWA, 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 Services/Facilities	515-239-5520
Bethany Jorgenson	Human Resources	515-239-5199
Sheila Schofer	Library	515-239-5630
Keith Abraham	Parks and Recreation	515-239-5350
Kelly Diekmann	Planning and Housing	515-239-5400
Vacant	Police	515-239-5130
John Joiner	Public Works	515-239-5162
Barbara Neal	Transit (CyRide)	515-239-5565
John Dunn	Water and 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.

NOVEMBER

November 5 – 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 8 – 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 Manager, 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 19 – CIP workshop** with City Council. **January 26 – Public hearing** for resident input on CIP.

JANUARY FEBRUARY

January 29 & February 2, 3, 4, & 9 – City Council reviews entire program budget with department heads in five **public meetings**. **February 23**-the City Council holds a **Maximum Levy Public Hearing**.

MARCH

March 9 – 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.**



REVENUES & EXPENDITURES



CITY OF
Ames™

REVENUE SUMMARY

	2019/20 Actual	2020/21 Adopted	2020/21 Adjusted	2021/22 Adopted	% Change From Adopted
Property Taxes	32,023,021	33,566,727	33,566,727	34,359,534	2.4%
Other Taxes:					
State Replacement Tax	950,618	924,549	924,549	884,676	-4.3%
Local Option Sales Tax	8,470,510	8,577,268	10,351,680	8,920,360	4.0%
Hotel/Motel Tax	2,062,067	2,523,500	1,400,000	2,000,000	-20.7%
Total Other Taxes	11,483,195	12,025,317	12,676,229	11,805,036	-1.8%
Licenses & Permits	1,873,878	1,646,077	1,583,715	1,628,340	-1.1%
Intergovernmental Revenue:					
State Road Use Tax	7,961,955	7,488,555	7,488,555	7,835,270	4.6%
Federal Grants	3,407,455	7,498,975	17,131,646	5,434,368	-27.5%
State Grants/SRF Funding	4,540,976	24,325,854	51,846,731	12,068,630	-50.4%
County Contributions	171,748	155,000	162,829	160,000	3.2%
Other Intergovernmental Revenue	6,561,637	7,351,792	7,336,732	7,314,405	-0.5%
Total Intergovernmental Revenue	22,643,771	46,820,176	83,966,493	32,812,673	-29.9%
Charges for Services:					
Utility Charges	84,264,400	89,619,650	89,431,931	90,102,950	0.5%
Other Charges for Services	8,229,567	10,295,148	8,995,918	9,855,637	-4.3%
Total Charges for Services	92,493,967	99,914,798	98,427,849	99,958,587	0.0%
Fines, Forfeit, & Penalty	493,055	631,200	497,600	545,400	-13.6%
Use of Money & Property:					
Interest Revenue	4,798,032	1,879,850	2,282,650	2,207,900	17.5%
Other Uses of Money/Property	941,868	1,110,674	960,569	1,052,045	-5.3%
Total Use of Money & Property	5,739,900	2,990,524	3,243,219	3,259,945	9.0%
Miscellaneous Revenue:					
Proceeds from Bonds	11,800,738	13,181,900	22,339,629	13,755,400	4.4%
Other Miscellaneous Revenue	1,653,984	586,243	1,352,898	1,003,876	71.2%
Total Miscellaneous Revenue	13,454,722	13,768,143	23,692,527	14,759,276	7.2%
Internal Service Revenue	19,415,089	18,998,812	19,503,158	20,090,305	5.8%
Total Before Transfers	199,620,598	230,361,774	277,157,517	219,219,096	-4.8%
Transfers	23,927,449	23,637,203	27,640,641	23,537,089	-0.4%
Total Revenues	223,548,047	253,998,977	304,798,158	242,756,185	-4.4%

EXPENDITURES BY PROGRAM

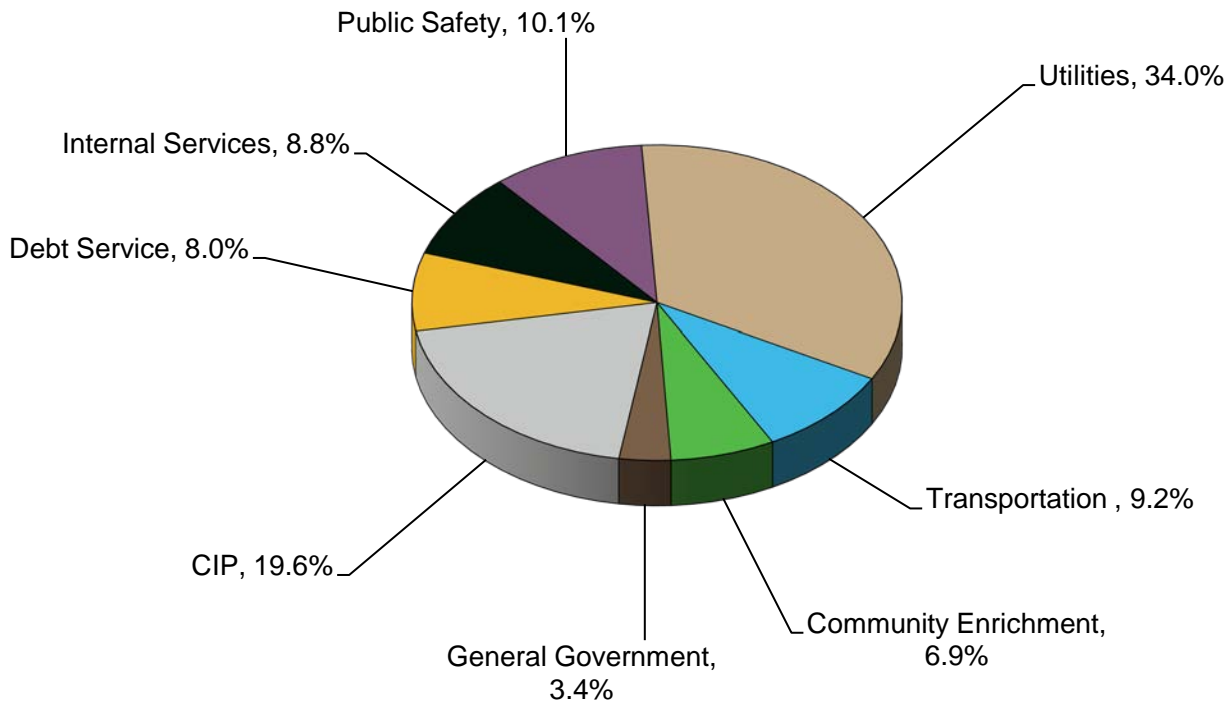
<i>Operations:</i>	2019/20	2020/21	2020/21	2021/22	% Change
<i>Public Safety:</i>	Actual	Adopted	Adjusted	Adopted	From Adopted
Law Enforcement	9,800,226	10,596,148	10,393,101	10,937,377	3.2%
Fire Safety	7,141,631	7,814,863	7,597,967	8,037,128	2.8%
Building Safety	1,553,259	1,670,718	1,633,315	1,730,043	3.6%
Animal Control	562,106	533,845	617,968	588,432	10.2%
Other Public Safety	867,486	917,344	915,372	915,458	-0.2%
Total Public Safety	19,924,708	21,532,918	21,157,723	22,208,438	3.1%
Utilities:					
Electric Services	50,014,592	59,507,515	58,530,332	56,792,448	-4.6%
Water and Pollution Control	7,578,001	8,555,217	8,193,264	8,690,806	1.6%
Water Distribution System	1,611,525	1,579,364	1,528,037	1,648,534	4.4%
Sanitary Sewer System	845,362	1,010,513	932,537	954,982	-5.5%
Stormwater Management	649,482	835,795	763,539	767,344	-8.2%
Resource Recovery	3,547,680	4,033,384	4,057,397	4,215,431	4.5%
Utility Customer Service	1,680,580	1,804,394	1,778,247	1,866,477	3.4%
Total Utilities	65,927,222	77,326,182	75,783,353	74,936,022	-3.1%
Transportation:					
Street/Traffic System	5,679,935	6,410,670	6,309,702	6,517,681	1.7%
Transit System	10,522,729	12,085,908	12,088,064	12,540,000	3.8%
Parking System	961,247	1,006,263	895,885	1,022,434	1.6%
Airport Operations	159,732	154,021	226,337	157,971	2.6%
Total Transportation	17,323,643	19,656,862	19,519,988	20,238,086	3.0%
Community Enrichment:					
Parks and Recreation	4,041,666	4,950,550	4,141,146	4,651,329	-6.0%
Library Services	4,557,755	4,995,871	4,865,101	5,147,226	3.0%
Human Services	1,443,998	1,551,213	1,601,744	1,628,056	5.0%
Art Services	208,716	229,898	304,838	279,733	21.7%
Cemetery	199,185	187,793	187,508	202,870	8.0%
Housing Programs	453,090	1,088,778	4,430,154	1,096,230	0.7%
Economic Development	1,993,856	2,729,772	2,066,833	2,356,451	-13.7%
FEMA/Disaster Relief	99,232	-	1,388,521	-	
Total Community Enrichment	12,997,498	15,733,875	18,985,845	15,361,895	-2.4%

EXPENDITURES BY PROGRAM (continued)

	2019/20	2020/21	2020/21	2021/22	% Change
<i>General Government:</i>	Actual	Adopted	Adjusted	Adopted	From Adopted
City Council	481,908	471,481	787,779	564,776	19.8%
City Clerk	417,243	443,797	448,079	481,976	8.6%
City Manager	711,892	782,757	686,164	814,715	4.1%
Public Relations	210,854	223,216	250,231	229,907	3.0%
Media Production Services	139,607	185,501	184,956	191,082	3.0%
Planning Services	948,022	887,461	980,797	913,342	2.9%
Financial Services	1,847,811	2,065,888	1,993,229	2,090,573	1.2%
Legal Services	782,911	849,598	850,795	880,674	3.7%
Human Resources	548,376	617,953	617,396	741,389	20.0%
Facilities	433,801	459,548	499,010	470,655	2.4%
Total General Government	6,522,425	6,987,200	7,298,436	7,379,089	5.6%
Total Operations	122,695,496	141,237,037	142,745,345	140,123,530	-0.8%
CIP:					
Public Safety CIP	1,161,137	1,375,000	2,745,750	-	-100.0%
Utilities CIP	16,744,039	32,456,100	68,312,032	20,033,650	-38.3%
Transportation CIP	12,586,997	25,089,173	58,191,020	21,357,411	-14.9%
Community Enrichment CIP	1,027,140	1,219,750	6,656,967	1,625,000	33.2%
General Government CIP	61,761	100,000	2,060,951	50,000	-50.0%
Internal Services CIP	-	-	291,959	-	-
Total CIP	31,581,074	60,240,023	138,258,679	43,066,061	-28.5%
Debt Service:					
General Obligation Bonds	12,074,255	12,519,230	21,332,565	11,988,237	-4.2%
Electric Revenue Bonds	965,306	969,306	969,306	966,306	-0.3%
SRF Loan Payments	4,764,252	4,763,894	4,773,797	4,751,088	-0.3%
Bond Costs	142,027	-	-	-	-
Total Debt Service	17,945,840	18,252,430	27,075,668	17,705,631	-3.0%
Internal Services:					
Fleet Services	4,204,610	4,739,095	5,832,681	3,153,808	-33.5%
Information Technology	2,535,869	2,801,532	3,346,588	2,826,041	0.9%
Risk Management	2,123,543	2,577,215	2,544,207	2,850,001	10.6%
Health Insurance	9,608,396	10,036,440	10,009,306	10,539,050	5.0%
Total Internal Services	18,472,418	20,154,282	21,732,782	19,368,900	-3.9%
Total Expenditures Before Transfers	190,694,828	239,883,772	329,812,474	220,264,122	-8.2%
Transfers:	23,927,449	23,637,203	27,640,641	23,537,089	-0.4%
Total Expenditures	214,622,277	263,520,975	357,453,115	243,801,211	-7.5%

EXPENDITURES BY PROGRAM (continued)

WHERE THE MONEY IS SPENT... 2021/22 ADOPTED



Excluding Transfers

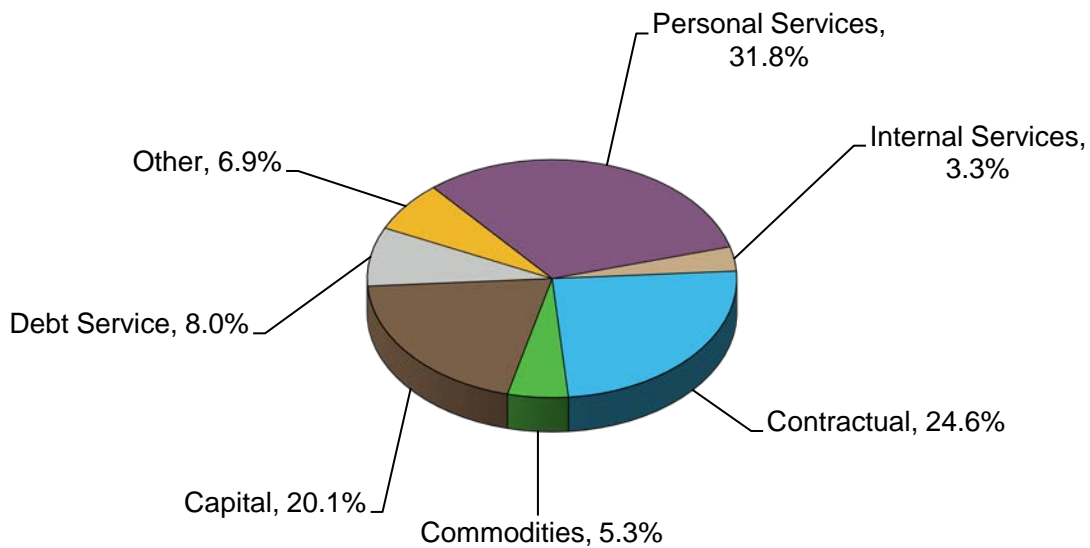
The FY 2021/22 budget was approved by the Ames City Council on March 9, 2021. The only changes from the proposed \$243,760,820 budget were as follows:

- An additional \$30,640 in funding was added from Local Option Sales Tax to fully fund the requests made by arts agencies through the Commission on the Arts (COTA) funding process.
- An adjustment was made to remove \$249 from the Local Option Sales Tax budget to match the exact amount requested by the Downtown and Campustown business associations to waive parking fees for special events to be held in those areas.
- Funding of \$10,000 was added for a special project to have artists create art on the stormwater intakes throughout the city. This project will be funded through the Stormwater Utility Fund.

EXPENDITURES BY CATEGORY

	2019/20 Actual	2020/21 Adopted	2020/21 Adjusted	2021/22 Adopted	% Change From Adopted
Personal Services	61,147,600	68,038,629	64,643,398	69,948,938	2.8%
Internal Services	8,182,949	7,152,949	7,530,665	7,198,572	0.6%
Contractual	51,604,659	56,346,335	58,046,410	54,223,404	-3.8%
Commodities	9,510,629	11,649,331	12,682,182	11,595,011	-0.5%
Capital	28,792,895	63,355,410	144,421,797	44,399,711	-29.9%
Debt	17,945,840	18,252,430	27,075,668	17,705,631	-3.0%
Other (Refunds, Insurance Claims, etc.)	13,510,256	15,088,688	15,412,354	15,192,855	0.7%
Total Expenditures Before Transfers	190,694,828	239,883,772	329,812,474	220,264,122	-8.2%
Transfers	23,927,449	23,637,203	27,640,641	23,537,089	-0.4%
Total Expenditures	214,622,277	263,520,975	357,453,115	243,801,211	-7.5%

BREAKDOWN BY MAJOR EXPENSE CATEGORY 2021/22 ADOPTED





PROPERTY TAXES & DEBT

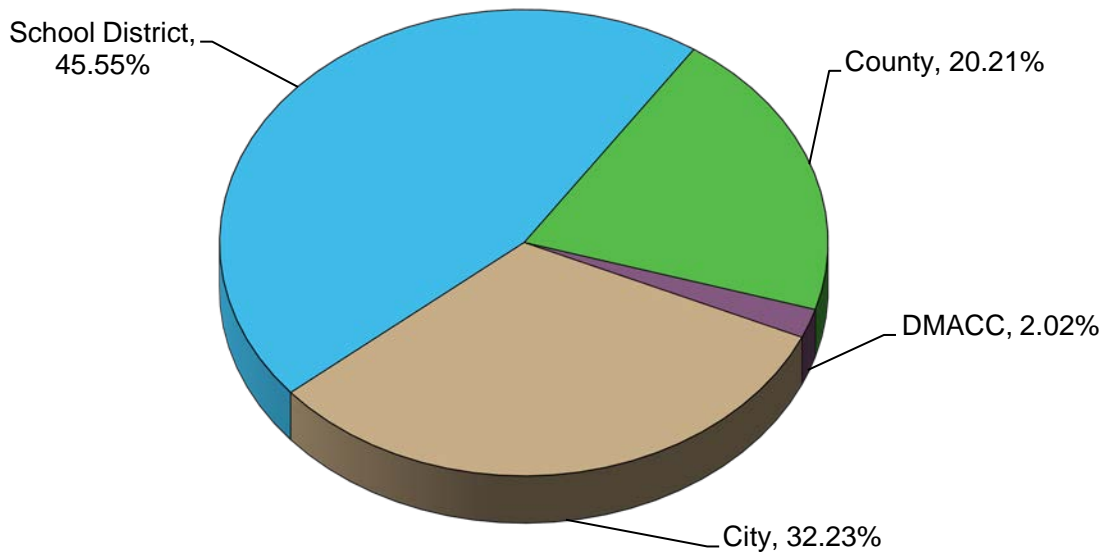


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PROPERTY TAXES

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
2020/21 RATES**



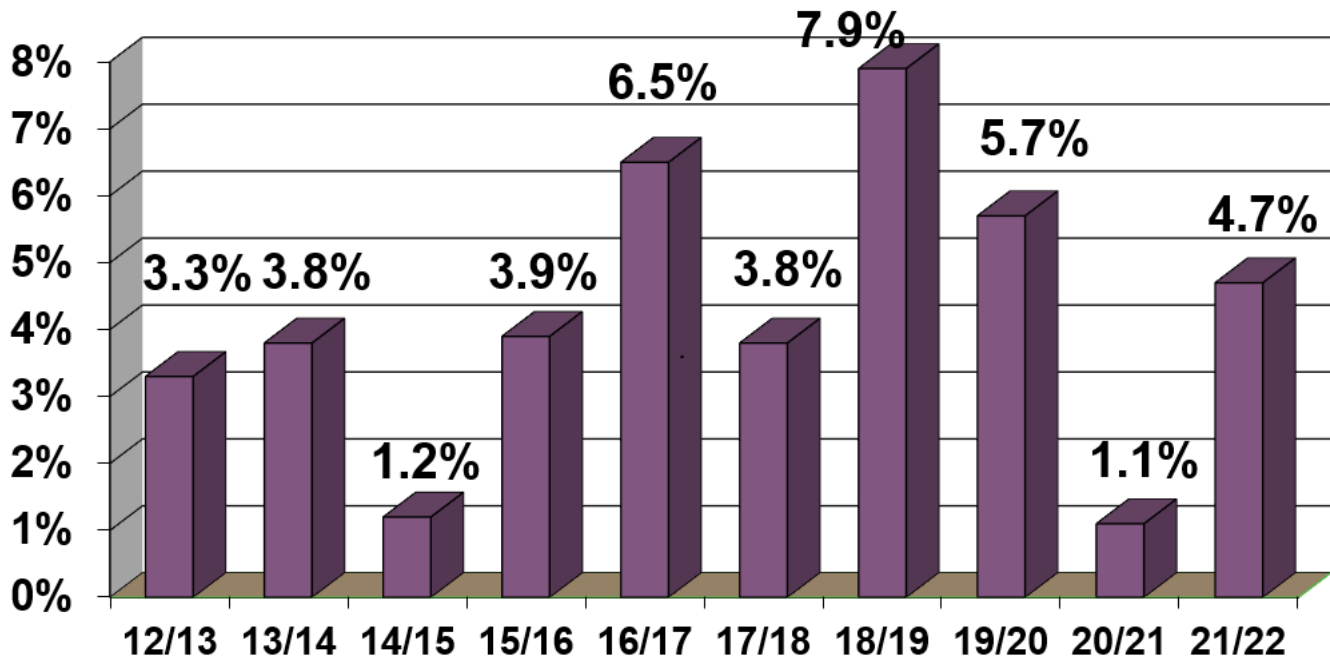
**PREVIOUS YEAR'S
RATES**

School District	45.50%
County	20.63%
DMACC	2.07%
City	31.80%

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



Fiscal Year Percentage Change, City of Ames, Iowa

The FY 2020/21 budget is based on a \$145,439,849, or 4.7%, increase in the City's taxable valuation. The average annual valuation increase over the last ten years is 4.2%. The total taxable valuation of \$3,257,725,869 is made up of the following components:

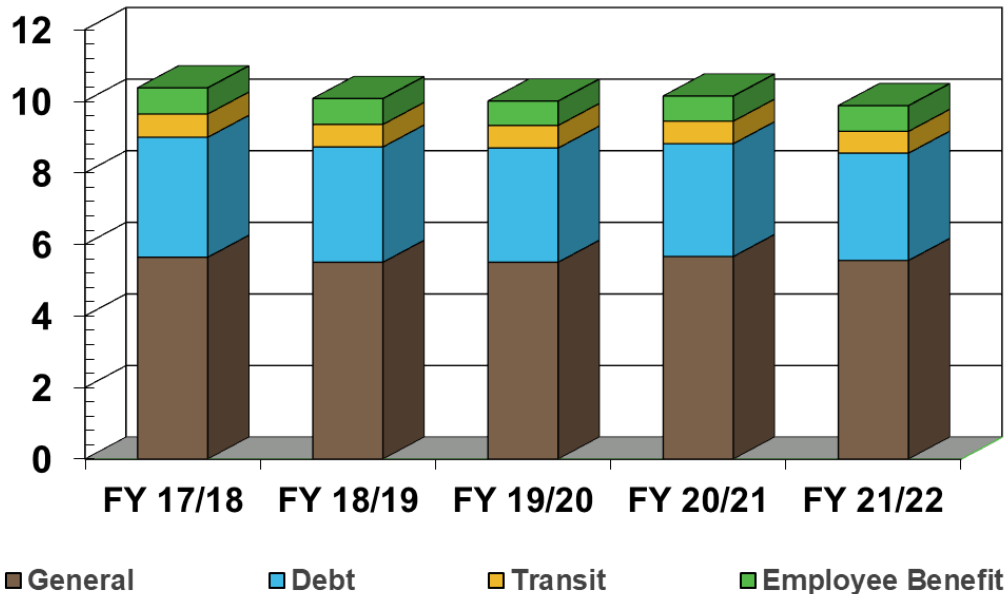
	Taxable Valuation	Percentage of Valuation	Change From Prior Year
Residential property	2,074,535,466	63.7%	4.66%
Commercial & Multi-residential property	1,021,670,292	31.4%	5.51%
Industrial property	140,542,410	4.3%	.76%
Utilities	13,322,959	0.4%	(5.35%)
Utilities subject to excise	7,654,742	0.2%	(8.19%)
	3,257,725,869	100.0%	4.67%

FACTORS IMPACTING VALUATION GROWTH

The taxable valuation for the FY 2021/22 budget is based on property valuation as of January 1, 2020. 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 \$146.1 million, or a 4.71% increase over the prior year and included increased assessed valuation for all property classifications. The increase was primarily due to three factors; new taxable property contributed approximately \$79.7 million; the increased valuation of property increased taxable value by \$28.3 million; and adjustment to rollback increased valuation by \$37.9 million. 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, however there is concern on the possible impact of COVID-19 on retail commercial property valuation especially in the hospitality sector.

PROPERTY TAX LEVIES

All property taxes collected for the City are levied on the assessed valuation of real and personal property as determined by the City Assessor. The FY 2021/22 total tax levy is \$32,408,729, a 1.85% increase over the FY 2020/21 total tax levy of \$31,818,718. Total property tax revenue of \$34,359,534, as shown on the revenue summary page, also includes \$10,128 for ag land, \$2,605 for military tax credits, \$20,000 for mobile home taxes, and \$1,918,072 for TIF related tax collections. The City's overall levy is made up of four individual levies as described below.



Total Tax Levy/\$1,000 Taxable Valuation

General Levy

The general levy, which is used to fund many basic City services such as police and fire protection, park maintenance, and library services, is limited by the State of Iowa to \$8.10 per \$1,000 of assessed valuation. The City of Ames' general levy for FY 2021/22 is \$5.54979, a slight decrease from the FY 2020/21 rate of \$5.66051. The \$2.55021 difference between the City's general levy and the State limit could be used to fund operations in the future if it became necessary. Sixty percent of the City's local option sales tax is applied to property tax relief which creates a credit of \$1.64/\$1,000 valuation for FY 2021/22. A total of \$493,525 will also be received in State Replacement Tax funding for FY 2021/22.

Transit Levy

A transit levy can be implemented without voter approval to fund the operations of a municipal transit system. This levy may not exceed \$0.95/\$1,000 valuation. The levy is collected in the General Fund, and then transferred to the Transit Fund. The FY 2021/22 levy of \$0.60847 will generate \$1,982,240, a 4.38% decrease over the amount collected for FY 2020/21. A total of \$55,480 will also be received in State Replacement Tax funding for FY 2021/22.

Trust and Agency Levy

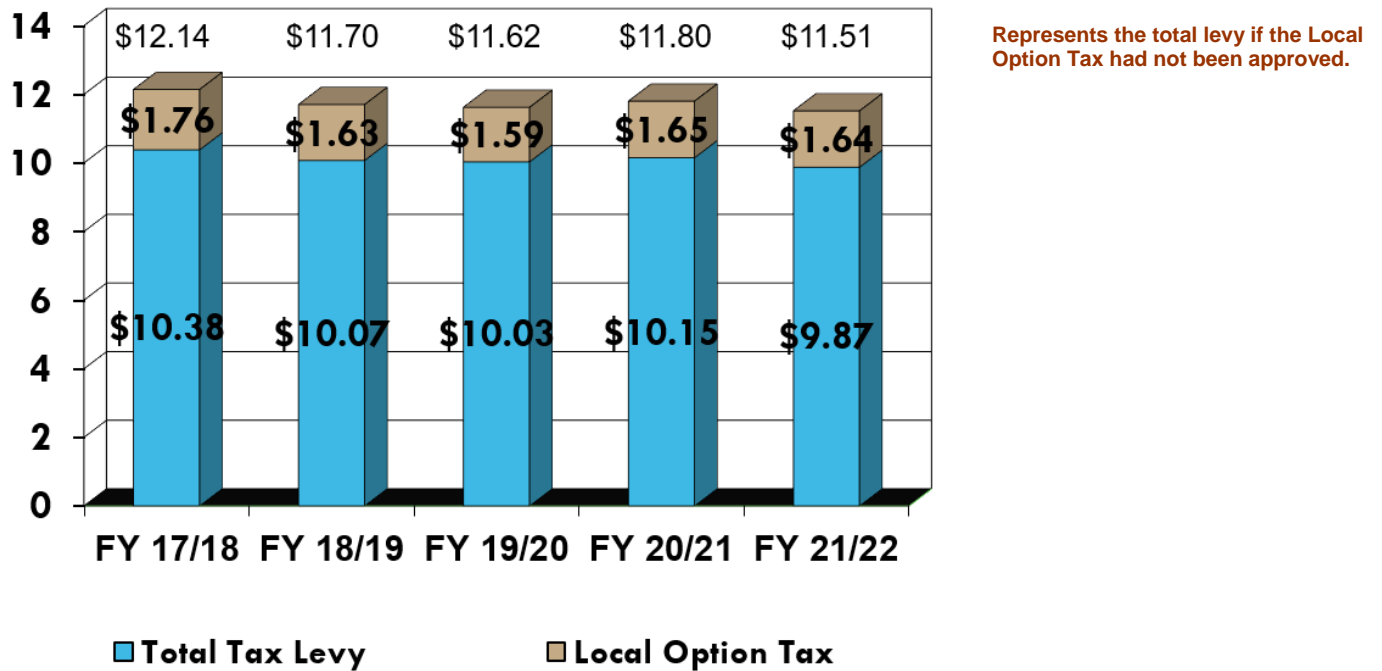
A trust and agency levy is available to fund all payroll benefits, but is used by the City only for the cost of the state police/fire retirement system. Of the total FY 2021/22 obligation of \$2,495,125, \$2,339,120 will be funded by the trust and agency levy, \$61,005 will be funded by State Replacement Tax funding, and \$95,000 will be funded by the remaining balance in the closed local police and fire pension trust fund.

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 2021/22 is \$10,007,684, with an additional \$274,666 funded by State Replacement Tax revenue. The levy of \$2,99735/\$1,000 valuation for FY 2021/22 is 4.85% lower than the rate of \$3.15027 required for FY 2020/21.

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 \$5,352,216 in FY 2021/22, which will lower the total necessary tax levy by \$1.64. 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 2020/21 is projected to be \$10,351,680, which is a 20.7% increase over the \$8,577,268 amount adopted for FY 2020/21. Local option sales tax revenue for FY 2021/22 is being budgeted at \$8,920,360, a 4% increase over the amount adopted for FY 2020/21.

FY 2021/22 PROPERTY TAX LEVY

Taxable Valuation \$ 3,257,725,869
 % Change From FY 2020/21 4.7%

Levy Required	Levy Per \$1,000 Valuation	Dollar Amount	Rate Change	%	Dollar Change	%
Total Requirement	7.34421	23,925,426	(0.13025)	(1.74)	662,764	2.85
Less:						
State Replacement Tax	0.15149	493,525	(0.00890)	(5.55)	(5,654)	(1.13)
Local Option Property Tax	1.64293	5,352,216	(0.01063)	(0.64)	205,855	4.00
Net General Levy	5.54979	18,079,685	(0.11072)	(1.96)	462,563	2.63
Trust and Agency Levy (Partial Police/Fire Benefits)	0.71802	2,339,120	0.01832	2.62	161,469	7.41
Transit Levy	0.60847	1,982,240	(0.02786)	(4.38)	1,795	0.09
Total Before Debt Service	6.87628	22,401,045	(0.12026)	(1.72)	625,827	2.87
Debt Service Levy	2.99735	10,007,684	(0.15292)	(4.85)	(35,816)	(0.36)
Grand Total Tax Levy	9.87363	32,408,729	(0.27318)	(2.69)	590,011	1.85

Ag Levy – Valuation: \$3,371,719 x 3.00375 = \$10,128

TIF valuation available for Debt Service - \$81,120,190

FY 2020/21 PROPERTY TAX LEVY COMPARISONS

City	Population	General Levy Per \$1,000	Total Levy Per \$1,000	Total Levy Per Capita
Council Bluffs *	62,230	\$8.10	\$18.26	\$834.76
Waterloo *	68,406	8.10	18.44	629.17
Davenport *	99,687	8.10	16.78	802.86
Des Moines *	204,220	8.10	16.61	682.56
Iowa City	67,862	8.10	15.77	969.85
Cedar Rapids *	126,326	8.10	15.66	861.22
Sioux City *	82,684	8.10	14.90	553.76
Cedar Falls *	39,260	8.10	11.43	573.18
West Des Moines *	56,609	8.10	10.99	1,044.15
Urbandale	39,463	8.10	10.16	827.59
Ames *	58,965	5.53	10.15	535.57
Dubuque *	57,637	8.10	10.14	453.96
Ankeny	54,598	6.10	10.00	710.45
Average		\$7.75	\$13.79	\$729.16

* 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

	2019/20	2020/21	2021/22
Streets/Traffic	149	153	150
Police Protection	135	132	134
Fire Protection	85	86	88
Library	70	69	68
Parks and Recreation	41	30	34
General Support Services	27	28	29
Transit	36	35	27
Planning Services	10	9	9
Resource Recovery	6	6	6
Animal Control	5	5	6
Facilities/Cemetery	4	3	3
Storm Water Management	3	2	2
Building Safety	-	1	1
	<u>571</u>	<u>559</u>	<u>557</u>
Assessed Value	100,000	100,000	100,000
Rollback	56.9180	55.0743	56.4094
Taxable Value	56,918	55,074	56,409
Tax Rate per \$1,000	10.0258	10.1468	9.8736
Calculated Tax	571	559	557

All categories reflect their applicable amounts for debt service.

DEBT SERVICE

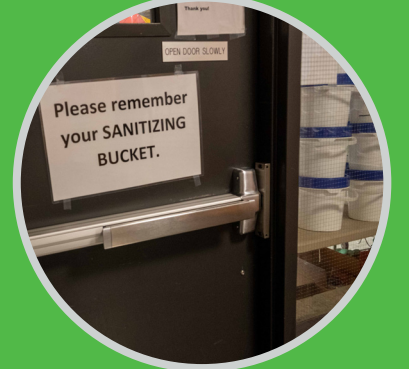
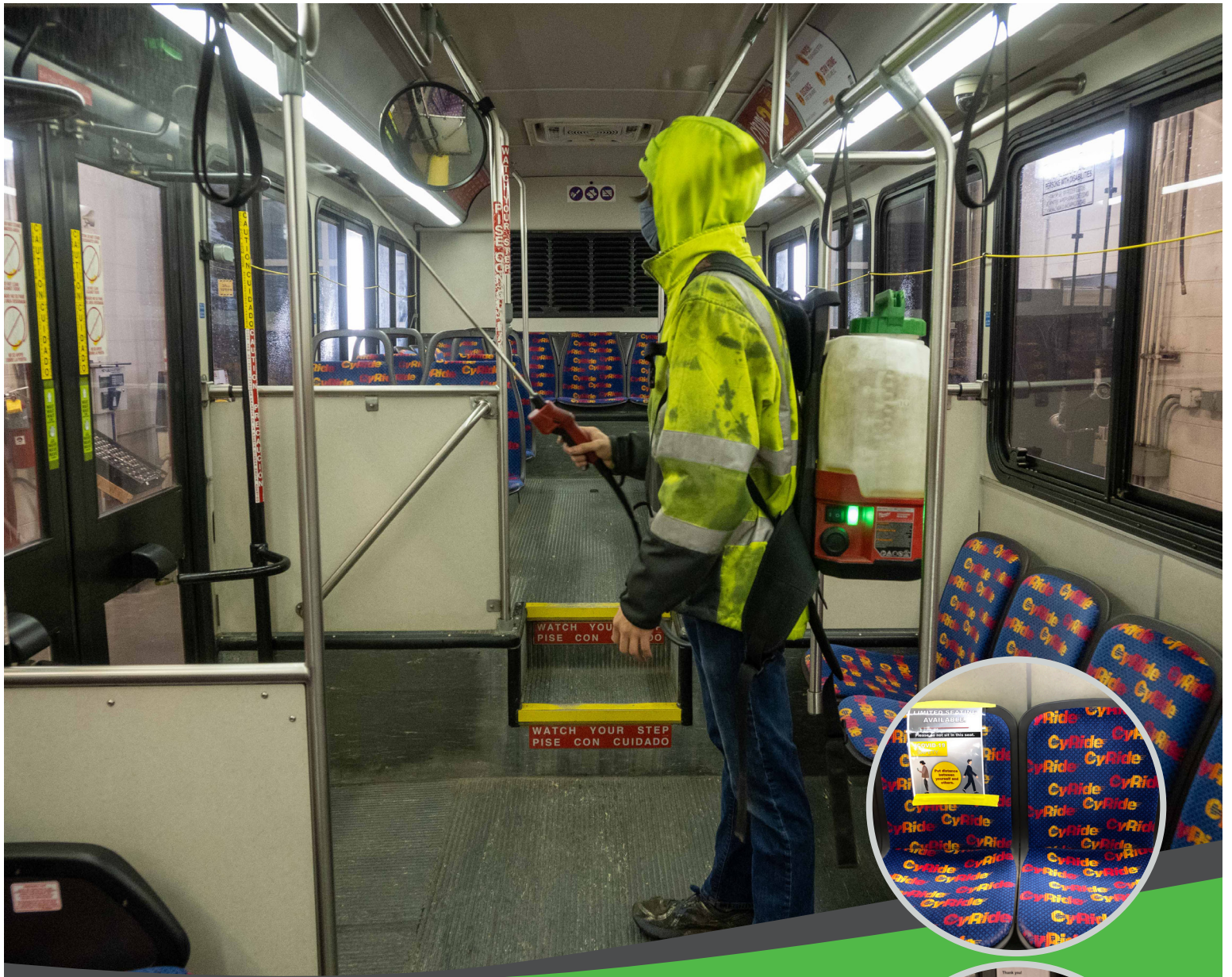
DEBT SERVICE COST ALLOCATION FOR 2021/22 BUDGET

Taxable Valuation for Debt Service: \$3,338,846,059

Use of Bond Proceeds	Allocated Debt Service	Debt Service Abatements	Property Tax Support	Rate Per \$1,000 Valuation
Airport	70,983	70,983	-	
Fire Department Apparatus	174,867	43,717	131,150	0.03928
Fire Facilities	13,220	-	13,220	0.00396
Public Safety Radio	252,736	28,051	224,685	0.06729
Library	1,181,527	-	1,181,527	0.35387
City Hall Improvements	14,548	-	14,548	0.00436
Water Projects	124,535	124,535	-	
Sewer Projects	382,739	382,739	-	
Resource Recovery	161,487	161,487	-	
Urban Renewal - TIF	331,425	331,425	-	
Storm Sewer	99,843	-	99,843	0.02990
Streets	7,571,984	-	7,571,984	2.26785
Special Assessments	318,313	318,313	-	
2021/2022 CIP G. O. - Less Abated	1,045,393	-	1,045,393	0.31310
Total G.O. Debt	11,743,600	1,461,250	10,282,350	3.07961
Less: State Replacement Tax	-	-	274,666	0.08226
Use of Fund Balance	-	-	-	0.00000
Total Debt Service Cost	11,743,600	1,461,250	10,007,684	2.99735
FY 2021/2022 Debt Service Levy			10,007,684	2.99735

2021/2022 CIP G.O. Issue

Arterial Street Pavement Improvements	800,000
Collector Street Pavement Improvements	2,400,000
Concrete Pavement Improvements	3,500,000
Asphalt Street Pavement Improvements	2,500,000
Seal Coat Street Pavement Improvements	750,000
Downtown Street Improvements	245,000
Intelligent Transportation System	160,400
Downtown Plaza	700,000
Tax Supported Bonds	11,055,400
East 13th Street Sewer Extension TIF	2,700,000
Abated Bonds	2,700,000
Total G.O. Bonds	13,755,400



COMMUNITY OVERVIEW



CITY OF
Ames™

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 and attractive buildings. 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!*

THE AMES COMMUNITY

PRINCIPAL EMPLOYERS 2020

Employer	Employees	Rank	Percentage of Total City Employment
Iowa State University	16,647	1	30.42%
City of Ames	1,573	2	2.87%
Mary Greeley Medical Center	1,407	3	2.57%
Danfoss ¹	1,015	4	1.85%
Iowa Department of Transportation	975	5	1.78%
Hy-Vee Food Stores	725	6	1.32%
McFarland Clinic, P.C.	675	7	1.23%
Ames Community School District	650	8	1.19%
Workiva	550	9	1.01%
Hach Chemical	500	10	0.91%
Total			45.15%

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 32,000 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.

¹ Formerly Sauer-Danfoss

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 ISU Student Government. 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 2020

Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Iowa State University Research Park	56,097,983	1	1.73%
Barilla America Inc.	37,649,430	2	1.16%
Campus Investors IS LLC	36,949,414	3	1.14%
Clinic Building Company, Inc.	29,672,730	4	0.92%
FPA6 University West LLC	22,357,004	5	0.69%
GPT Ames Owner LLC ²	21,346,650	6	0.66%
ACA Stadium View Student Housing Dst	20,348,211	7	0.63%
Dayton Park LLC	19,707,990	8	0.61%
CB at Ames LLC	18,148,502	9	0.56%
Ames Iowa LLC	16,857,900	10	0.52%
Total	279,135,814		8.62%

² Formerly Cycloneball, LLC



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** 2021 Estimated: **66,532**
Households: 2010 Census: **22,771** 2015: **23,622** 2021 Estimated: **25,440**

Ames Community School District:

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

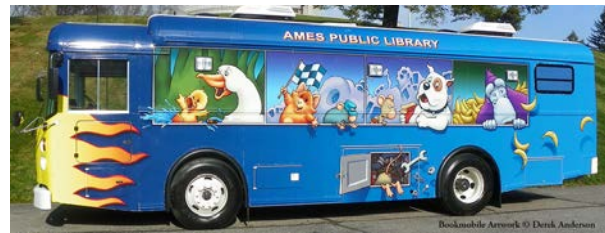
Education Attainment (2015):

- 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" (Zipppa, 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

ANNUAL COMMUNITY EVENTS

Black Arts & Music Festival

This two-day event in **February** celebrates the artistic and cultural contributions of African and African American visual and performing arts in the community.

EcoFair

Every **April**, the City of Ames hosts an outreach event with the goal of connecting citizens with City staff and experts who provide resources focused on energy, water, land, and resources. Additionally, citizens can learn about environmentally minded projects and groups, and how to support a more sustainable future.

Special Olympics Summer Games

In **May**, Ames hosts one of eight statewide championships for individuals with intellectual disabilities that includes track & field, Bocce, cycling, developmental events, soccer, swimming, and tennis competitions.

Concerts at Bandshell Park

Live music and performances are held from **May through July**.

Farmers Markets

The residents of Ames enjoy two market locations that provide fresh local produce, meats and cheese, crafts, artwork and prepared food from **May through October**. Live music, local entertainment, educational and free children's activities can also be found throughout the season.

Art Walk

Over 60 artists participate in this **June** downtown event, including painters, jewelry makers, photographers, woodworkers, potters, sculptors, and musicians.

Iowa Games

Over 60 sports are offered in an Olympic-style format to all ages and abilities, including weekend athletes, school children, and senior citizens during the month of **July**.

Foodies & Brew

This **July** event features live music, food samplings from local restaurants and chefs, and samples of local, craft and microbrews, and is hosted at the Ames Municipal Airport Hangar. All proceeds go toward funding the historic preservation, beautification, and economic development of downtown Ames.

Pridefest

This **September** LGBTQIA+ celebration includes live performances, presentations, poetry readings, live music, food cart vendors, and educational & youth programs. The celebration helps build community for LGBTQIA+ people in Ames, Iowa State University and the surrounding area.

Oktoberfest

Live polka music, beer sampling tent, German food vendors, and Gutentag games can be enjoyed at this **October** event in downtown Ames.

Snow Magic

Downtown Ames starts the holiday season with the lighting of the Snow Magic tree in Tom Evans Plaza in **November**. Shoppers can stroll through the shopping district with hot cocoa, cider, or coffee and visit festive business open houses.

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

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