City of Ames, Iowa

PROGRAM BUDGET

2026-2027





AGRICULTURE
LEADERS
SUSTAINABLE
COMMUNITY
Ames
INNOVATIVE
HISTORIC
CHARMING

CITY OF ames™

City of Ames, Iowa

PROGRAM BUDGET

2026-2027

AMES PUBLIC ART: Creativity around the Corner

Public art is more than decoration; it is a visible measure of a community's vitality, values, and forward momentum. From striking metal sculptures to intricate fiber works and vibrant acrylic paintings, the artistic expressions that make up Ames' public art collection invite residents and visitors to pause, reflect, and engage. Art transforms everyday spaces into places of curiosity, conversation, and connection.

Ames is a community filled with creative, fun, whimsical, and thoughtful pieces of public art that captivate the imagination and spark dialogue. Each installation tells a story about the place it occupies, the people who encounter it, and the ideas it represents. Whether playful or profound, public art breaks down barriers, making creativity accessible beyond the walls of galleries and performance spaces. It encourages viewers of all ages and backgrounds to see their environment in new ways and to feel a sense of shared ownership in their community.

A robust collection of public art serves as a signal that a community prioritizes innovation and cultural investment. This is especially fitting for Ames, home to Iowa State University and a hub of research, discovery, and forward-thinking ideas. The same spirit that drives scientific exploration and technological progress also fuels artistic expression. Together, they create a dynamic environment where creativity and problem-solving complement each other.

Public art enhances quality of life and strengthens community identity. It enriches streetscapes, invites tourism, and boosts civic pride. Most importantly, it reflects a community that believes progress is not defined only by numbers and data, but by imagination, expression, and shared experiences that shape a truly vibrant place to live.

CITY OF Ames™

City of Ames, Iowa
2026/2027
Program Budget

Adopted by The City Council
April 14, 2026

Mayor
John Haila

Council Members
Bronwyn Beatty-Hansen
Gloria Betcher
Amber Corrieri
Timothy Gartin
Rachel Junck
Anita Rollins

City Manager
Steven L. Schainker

GFOA Award

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Ames
Iowa

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Ames, Iowa for its annual budget for the fiscal year beginning July 1, 2024. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, operations guide, financial plan, and communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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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

July 1, 2026

Mayor and Members of the Ames City Council:

Attached is the approved City of Ames FY 2026/27 Budget, totaling $361,554,504. This program/performance budget reflects 1) the numerous services and capital improvement projects that will be provided to our residents, 2) the costs and supporting revenues for each of these services and capital improvement projects, and 3) the associated performance measures that will allow us to evaluate the effectiveness and efficiency of our service delivery as well as benchmark our productivity with other comparable cities.

Because we operate a number of enterprise operations that require us to separate their expenditures and revenues from other funds, it is difficult to interpret this service/financial plan for the City by focusing on the macro level. Therefore, on the following pages of this transmittal letter I have attempted to emphasize the major highlights of the budget at the program/activity level.

Changes In Revenue That Will Impact Property Taxes

As we began the preparation of the budget, we were faced with the recently adopted reforms by the State Legislature that permanently impacted Iowa's municipal property tax framework. Taken together, these changes significantly limit revenue growth for cities through levy restrictions, expanded exemptions, and the elimination of state backfill payments. While these reforms were directed at property tax relief for taxpayers, the cumulative effect has placed additional strain on city budgets, particularly for communities experiencing continued valuation growth.

A summary of these reforms includes:

General Levy Cap:

The City's General Levy, which primarily supports Law Enforcement, Fire Safety, Building Safety, Animal Sheltering and Control, Parks and Recreation, Library Services, and Planning Services, is subject to a State-mandated automatic reduction mechanism which in FY 2026/27 limits the increase in the amount of new property tax revenue that can be generated to finance these important services to 3.78%, or only $883,424 in additional funding. This mandated cap limits our ability to add new services and/or facilities that might be desired by our residents.

Residential Rollback:

For FY 2026/27, the residential rollback rate, which stipulates the percentage of the property value that is subject to property taxes, decreases from 47.4316% to 44.5345%, thereby reducing revenue available from existing properties by $1,885,023.

Backfill:

The historical reimbursement program, known as Backfill, was originally created by the State Legislature to partially compensate local governments for the commercial and industrial valuation rollbacks going from 100% to 90%. Later, rather than backfilling 100% of the lost revenue, the State Legislature adopted a multi-year phase-out program which will end in FY 2025/26, resulting in an additional loss of $195,316 in promised revenue.

Homestead Exemption:

The Homestead Exemption, which exempts the first $6,500 of assessed valuation from property taxes for property owners aged 65 or older, is estimated to result in a loss in revenue of approximately $90,000 annually due to the increase in participating households.

Military Service Exemption:

State legislation also expanded the Military Service Exemption and eliminated the State's contribution toward that program beginning in FY 2024/25. These changes are estimated to result in lost revenue of approximately $18,000 annually.

Local Option Sales Tax:

The 1% local option sales tax provides a critical alternative revenue source that helps reduce the City's reliance on property taxes, with 60% of the proceeds allocated to the General Fund to reduce the property tax burden. Based on information available when developing the FY 2026/27 Budget, staff projected a modest increase of approximately 2.4%, or $180,000, in this revenue stream for the upcoming fiscal year. This growth rate is lower than the increases experienced in prior periods.

Property Taxes
3-Cent Decrease In Total Tax Rate
From $10.30 To $10.27

In the face of the aforementioned revenue losses, the FY 2026/27 Budget reflects a total property tax levy rate decrease from the prior year of three cents, from $10.30 per $1,000 of taxable valuation to $10.27 per $1,000 of taxable valuation.

The $10.27 tax rate is projected to generate an additional $2,125,387, or 5.63%, to finance the various services funded with the General Fund revenues. It should be noted that included in this incremental total are $115,811 to finance the operations for the new

Fitch Family Aquatic Center, $434,350 for the first-year debt service for the Fire Station #2 Relocation, and $86,516 for the addition of a firefighter. Additionally, this budget required a direct dollar for dollar increase resulting from the loss of $195,316 from the phasing out of the State Backfill. It should be noted that if these amounts are excluded, the increase in tax revenue requested for FY 2026/27 would be 3.43%, rather than 5.63%.

The $2,125,387 in additional property tax revenue needed to fund the expenditures in the FY 2026/27 Budget breaks down in accordance with the following three levies that comprise the overall City tax rate:

General Levy - $883,424, or a 3.78% increase in dollars as compared to the prior year.

Transit Levy - $89,738, or a 4.10% increase in dollars as compared to the prior year.

This levy pays for the City's share to support the CyRide bus system.

Debt Service Levy - $1,152,225, or a 9.44% increase in dollars as compared to the prior year.

This levy funds the annual debt service payments for General Obligation Bonds issued to pay for capital improvements projects including various street/traffic improvements, stormwater improvements, airport improvements, and the new relocated Fire Station #2.

Of course, our residents want to know how this budget will impact their property tax bills. It is a difficult task to highlight the impact for every property owner since each of their situations is different. However, by analyzing the following tax classifications, we can estimate that, on average, for FY 2026/27:

- A residential property tax bill will increase by $7.66 per $100,000 of assessed valuation (1.57%).

- A commercial property tax bill will increase by $93.08 per $100,000 of assessed valuation (10.54%).

- An industrial property tax bill will increase by $176.42 per $100,000 of assessed valuation (19.44%).

The reason for the discrepancy in the percentage increases among the three classifications is due to the fact that, on average, the taxable valuations for commercial properties increased by 10.6% and were "rolled back" to 85.93% of their assessed values, the valuations for industrial properties increased by 19.3% and "rolled back" to 88.44% of their assessed values, while the valuations for residential properties increased by 8.5% and "rolled back" to 44.54% of their assessed values.

Carryover Funds In The General Fund

We can take pride in the fact that our Department Heads are good stewards of City monies and do not rush to spend all the funds that have been budgeted for their services when not needed. This fact, coupled with greater than expected interest earnings and savings from vacant positions, has once again yielded substantial savings in the General Fund over the past two years.

With this type of savings, I have always advised the City Council to not use the funds for ongoing operations. Therefore, I have included the following one-time expenditures in the FY 2025/26 adjusted budget.

Law Enforcement:		
Prisoner transport van (additional funds)	$	50,000
Phone evidence locker		5,300
EMD training software		5,000
	$	60,300
Fire:		
Respirator fit tester	$	13,884
Technical rescue equipment		15,759
Station 1 emergency circuits (additional funds)		30,624
Fire training facility addition		42,294
	$	102,561
Parks and Recreation:		
Auditorium projector and screen	$	42,000
Tractor (early replacement)		25,000
Additional truck with snowplow		70,000
	$	137,000
Facilities:		
City Hall space renovations	$	50,000
City Hall courtyard renovation		150,000
City Hall HVAC fencing		60,000
	$	260,000
Transfers:		
Parks and Recreation Scholarship Fund	$	167,523
City Council Priorities Fund (Sustainability)		140,250
City Council Priorities Fund		619,296
Parking Operations Fund		50,000
Recycling Services Fund		150,000
Debt Service Fund		430,000
		$1,557,069

Public Safety

Law Enforcement

With a change in State law, the Ames Resident Police Advisory Committee (ARPAC) was disbanded. However, in an effort to continue receiving citizen feedback about our operations, the Police Chief will continue to meet informally with the previous members of ARPAC, focusing on community concerns and not police conduct as now prohibited by State law.

A significant portion of our calls for service continue to be related to mental health and homeless issues. We continue to address this workload by partnering with Mary Greeley Medical Center to fund the Alternative Response for Community Health (ARCH) team and working with the Homeless Outreach Support Team (HOST) to ensure these individuals are connected with the appropriate service providers rather than relying solely on a police officer response. The FY 2026/27 Budget includes $130,000 for our share of funding the ARCH program.

A major emphasis continues to be on officers developing trusting relationships with residents through positive interactions. To that end, officers participate in a wide range of community outreach events, including Coffee with Cops, Donuts in the Park, the Downtown Farmers Market, Carving with Cops, Shop with a Cop, various neighborhood association meetings, and National Night Out. National Night Out continues to grow in popularity, with more than 3,000 attendees in 2025.

Federal forfeiture funds have allowed the department to purchase several drones, which have already proven their value. These tools have been used on multiple occasions to help locate missing persons and to enhance officer safety during responses to high-risk calls.

In our ongoing quest to improve the efficiency of our service delivery, the Police Department will be engaging in preliminary discussions with the Story County Sheriff's Office to determine if savings can be realized through a consolidation of our Emergency Communication Centers.

Fire Safety

The highlight of this program is the construction of a relocated Fire Station #2 on Iowa State University property at 601 State Street, which is anticipated to open in the fall of 2027. Because this project involves relocating an existing station, there will be no additional staffing costs associated with the project. In addition, to reduce the overall cost of the new station, it is our intent to reuse $172,000 of fixtures, furnishings, and equipment from the current Station #2 on Welch Avenue at the new location.

In anticipation of the future need for a fourth station, additional firefighter positions have been added over the last ten years. The addition of a new firefighter position in the FY 2026/27 Budget will represent the final year of this strategy, as sufficient positions will have been added to staff the additional station.

The Fire Department is developing a new outreach plan to connect with local organizations, community groups, neighborhood associations, and senior living facilities in order to deliver targeted safety education programs.

The transition to smaller, light-duty rescue vehicles has resulted in improved operational efficiency, reduced maintenance costs, and support for the City's Climate Action Plan.

Building Safety (Increase In Rental, Building, and Trade Inspection Fees)

The State of Iowa updated its building and trade codes effective Spring 2026. Staff is reviewing these changes and planning a community outreach campaign prior to the implementation to educate the public.

While the number of neighborhood complaints continues to increase, City staff works very hard to ensure that violations are corrected through education. For example, in FY 2024/25, only 2.5% of reported complaints resulted in a citation, while the remaining 97.5% were resolved through educational compliance.

The goal of the Rental Housing activity is to establish inspection fees that generate sufficient revenue to cover expenditures. Therefore, to move closer to a breakeven point, the FY 2026/27 Budget includes inspection fee increases from $2.89 for single family rental units scaled down to $1.44 per unit for an apartment building with greater than 20 units. The last such fee increase was in FY 2022/23.

The last increase for building code and trade inspection permit fees was in 2013. We have reached a point where expenditures have exceeded revenue by over $100,000. To help mitigate this deficit and avoid subsidizing this activity with property tax revenue, this budget reflects a 5% across the board fee increase for the building and trade permit fees.

Animal Control and Sheltering

The new Animal Shelter is anticipated to be opened in the winter of 2026/27. Therefore, the FY 2026/27 Budget includes six months of expenditures related to this much larger facility. This accounts for a larger percentage increase in expenditures than seen in other programs.

The staff will continue to promote low- to no-cost microchip and vaccination clinics in partnership with volunteer veterinarians, as well as providing donated pet food to owners in need.

Gathering information about how other cities in the state are administering a pet licensing program will continue before the City Council is asked to make a final decision about this new user fee.

Electric Utility
1.5% Increase In User Rates
(Overall Impact On Customer Bill = 3.5%)

A recent Cost of Service analysis recommended a series of smaller 1.5% annual increases in our electric rates over the next five years to maintain an adequate fund balance as we pay for the projected operating costs and the capital improvements included in our five-year plan. The largest project envisioned for this utility in the near future is the $84,000,000 Thermal Generation project to replace our aging Power Plant generating units.

Because natural gas prices are anticipated to increase in the coming year because of the energy market, we are anticipating an increase in our Purchased Power budget for this energy. As a result, we are projecting the impact on the Energy Cost Adjustment (ECA) portion of our customers' bills to be an additional 2.0%.

The new Resource Recovery and Recycling (R3C) facility is forecasted to be operational by July 1, 2027. With the implementation of a new curbside recycling service, the resulting reduction in waste delivered to the existing Resource Recovery Plant is expected to save Electric Services approximately $1,500,000. These savings result from the reduced volume of waste, which allows the utility to rely more heavily on Power Plant Unit #7 and reduces the amount of natural gas required for operation.

It is important to note that the savings highlighted above are earmarked in the budget to purchase new trucks and trailers necessary to haul the waste from our new R3C facility to both a recycling center and landfill for disposal.

In accordance with the City's Climate Action Plan, staff will continue exploring opportunities for increasing our renewable energy portfolio with wind and solar resources. However, with the federal tax credits being eliminated in 2026, financial modeling indicates these types of projects are currently very challenging to accomplish.

One organizational change is highlighted in the budget. The Substation Maintenance activity, which was previously included with the Metering operation in the Technical Services Division budget, is being moved to the Distribution Division to better align with distribution operations.

Water Utility
3.5% Increase In User Rates

Long-range financial forecasts indicate the need for a 3.5% increase in water user rates in each of the next five years to fund projected operating costs and debt service

associated with approved capital improvement projects, while also ensuring the fund maintains an available balance equal to the minimum policy level of 25% of operating expenditures. The most significant capital project requiring debt service within this utility is the $12,000,000 River Valley Well Field project, which is nearing completion.

The primary focus within this utility will be upgrading water mains in older areas of the community to address rusty water and pressure issues, implementing a new split treatment process to help reduce chemical costs, and completing infrastructure improvements related to ground storage reservoirs, wellheads, lime slakers, and the fluoride system.

Sanitary Sewer
5.5% Increase In User Rates

Here again, the proposed 5.5% user rate increase projected for each of the next five years is needed to finance projected operating costs and debt service payments for capital improvement projects approved for this utility, while also ensuring the fund maintains an available balance equal to the minimum policy level of 25% of operating expenditures. The most expensive project driving these rate increases is related to Phase 1 of the Nutrient Reduction initiative. This $65,000,000 State-mandated project requires a major overhaul of our Water Pollution Control Plant.

Improvements to the Fats, Oils, and Grease (FOG) Receiving Station are planned in FY 2026/27. This project will allow for more waste material to be anaerobically digested to produce additional methane that can be used to produce up to 15% of the electric needs at the Water Pollution Control Plant from on-site generation.

Our Technical Services Complex receives attention in this budget with funding made available for renovations focused on energy efficiency and safety improvements.

Stormwater Utility
No Increase In User Rates

The FY 2026/27 Budget includes no increase in the existing $5.20 monthly Equivalent Residential Unit (ERU) fee. However, our financial forecast indicates that this user fee will have to be adjusted as early as FY 2027/28.

In keeping with the feedback received in our Resident Satisfaction Survey, the budget will allow us to continue an emphasis on maintaining our stormwater systems to help mitigate the impact of overland flooding on private property.

Resource Recovery Utility

Increase In Tipping Fee From $75 Per Ton To $85 Per Ton
No Increase In Per Capita Charge

In order to help finance the cost of transitioning away from our Waste to Energy facility to our new solid waste disposal model, the Resource Recovery and Recycling Center, the FY 2026/27 Budget includes a tipping fee increase from $75 to $85 per ton. However, the financial model projects that tipping fees for this new operation eventually will increase to $95.11 in FY 2027/28.

In keeping with an emphasis on user fees rather than property taxes to support this utility, the Per Capita charge to the City and our partners needed to subsidize the operation will remain at $10.50. Therefore, the FY 2026/27 Budget reflects a total tax subsidy of $912,150 from all partners in the facility, with the City contributing $592,484 of this total amount.

Recycling Services

As we transition away from burning our solid waste in our Power Plant boilers because of more stringent air quality requirements and the increasing negative financial impact on the Electric Utility, a new Recycling Services activity is being introduced in the budget. It is anticipated that this new single-stream, curbside recycling service provided by a private hauler will continue our goal to reduce the amount of solid waste that must be landfilled.

The new recycling service is scheduled to begin operation on July 1, 2026. Because this is a new initiative, it is difficult to estimate the user fee for this service. At this time, our best estimate for the cost will be less than $10 for a bi-weekly pickup.

Traffic And Streets

A number of new transportation-related initiatives are being supported in this budget:

- Funding is provided for a new construction management software to improve the City's ability to manage a growing number of transportation-related projects. The software will support project planning, cost tracking, and construction administration.

- A new city-wide stormwater analysis will be conducted to identify future capital improvement needs within the stormwater system.

- Sensors will be installed on 21 City vehicles to collect data on street and multi-use path conditions, enabling more objective decisions regarding appropriate treatment methods and timing for improvements.

- A proactive sidewalk inspection program will be initiated, with the goal of reviewing 10% of the sidewalk system annually.

- New public engagement tools will be introduced to provide residents with easier access to GIS information.

- The purchase of a new, more reliable street sweeper will allow up to 70% of street sweeping to be performed in-house at a lower cost than contracted services.

The budget supports the use of 26 City units, along with $115,465 to hire contractors to supplement our capabilities, to clear snow and ice from 563 lane miles of roads and alleys.

Transit – 4.1% Increase In Transit Levy

The City's share to support CyRide in FY 2026/27 will be $2,305,328, a 3.5% increase over the prior year. The City's funding is generated from property tax revenue and State Replacement funds. Because the State Replacement funding has been lowered for FY 2026/27, the property tax levy will need to be increased by 4.1% to make up for the difference in state funding. Our contribution represents approximately 14% of all CyRide revenue. In addition, Iowa State University students contribute to our public transit system with $6,368,140 from their student fees, along with $1,010,978 in funding provided by the ISU Administration.

We continue to look for ways that technology can enhance the rider experience. Real-time passenger information displays have been installed at key ISU locations to provide riders with easy access to bus arrival times. In addition, the installation of on-board passenger information systems that display upcoming stops continues.

Currently, five of our buses operate on B100 biodiesel. We will continue to monitor this pilot project, focusing on operational performance, emissions reductions, and alignment with other goals of the City's Climate Action Plan before determining whether to expand this program.

CyRide will continue to contract with HIRTA for Dial-A-Ride services and monitor their on-time performance, ADA compliance, and responsiveness as community demand grows.

Parking

Our financial analysis indicates that the Parking Fund will be in a deficit situation by FY 2028/29. In addition, an element of the proposed Downtown Plan is to construct a new parking ramp in the Central Business District parking lot. Therefore, in the near future, an analysis will be needed to recommend a sustainable financing plan that addresses both the operational and future capital improvement needs, with the goal of a self-supporting parking system. In order to bolster the fund, should our estimates prove incorrect, the FY 2025/26 adjusted budget includes a $50,000 infusion from General Fund savings.

We are finding that parking meter equipment is becoming scarce, making it difficult to locate replacement parts or purchase new ones. Therefore, staff is developing strategies to switch to app-based automated parking enforcement tools in the near future.

Airport

A greater emphasis is being placed in FY 2025/26 and FY 2026/27 on the appearance of the Airport grounds through enhanced landscaping, turf management, and general site cleanup. In conjunction with improving the entryway, Airport Drive will be reconstructed. In addition, we will begin much-needed repairs on the Airport's T-Hangars, a project that will occur over the next several years. Finally, staff will continue to explore possible public/private partnerships to construct new hangar facilities and other aviation related buildings on the Airport property.

In accordance with a current agreement, Iowa State University will contribute $70,975 towards the City's debt service payments for the new terminal building. Unfortunately, the farm revenue which is set aside for capital improvements at the Airport is planned to decrease by $10,602 in FY 2026/27, as the cash rent payment from our tenant farmer will decrease from $285 per acre to $255 per acre.

Parks And Recreation

5% User Fee Increase In 37% Of The Programs

Parks and Recreation activities play a key role in attracting and retaining residents by enhancing the quality of life in the community. Notably, the City provides nearly twice the national average of park land per 1,000 residents, while maintaining these assets at a per capita cost that is approximately 10% below the national average.

Parks and Recreation staff has been assigned a robust work plan to accomplish a number of important projects. It should be noted that by the end of FY 2025/26, 51 out of the 57 assigned projects will be completed.

A review of this program reflects an overall budget increase of 8.4%. However, the impact of this abnormally large increase is centered in the Aquatics budget. If the expenses related to this new Fitch Family Aquatic Center are omitted, the overall expenditure increase in the Parks and Recreation program would be only 2.1%. Credit should be given to the staff since the budgeted operating deficit for this new facility is projected to be $295,000, as opposed to the $400,000 amount originally estimated by our consultant.

Another facility, the Daley Park Splash Pad, will impact the budget with an additional $40,000 of expenditure introduced in FY 2026/27 to operate this new facility.

For a number of years, the Lutheran Church of Hope has rented space in the Community Center/Auditorium to host their events. As they prepare to move into their own new building, our staff is working on a strategy to offset the annual loss of $69,000 from lost revenue. One thought to attract more events to the Auditorium is to switch from a flat rental fee to shared revenue events.

A significant cost driver within Parks and Recreation activities is temporary salary expenses for lifeguards, umpires, instructors, and other staff needed to operate the wide range of programs offered. To remain competitive in attracting and retaining this workforce, the budget includes $1,417,671 in temporary salary funding for more than 400 positions. Of this total, $446,476 represents new expenditures associated with staffing the Fitch Family Aquatic Center.

Our staff continues to explore new recreation opportunities for our customers and new partnerships to enhance our programming.

Due to the popularity of the programming of our wellness activities at the new 60 Forward building, the subsidy for our Wellness activity has dropped significantly.

Ames/ISU Ice Arena
5% User Fee Increase

The cost to build the Ames/ISU Ice Center was shared by the City and University with an agreement that the Parks and Recreation Department would manage the finances and operations of the facility. The expectation of both parties is that the expenses for the operations and, hopefully, the needed capital improvements would be covered by user fees.

User fees have historically been sufficient to cover operating expenditures. To continue this trend, the budget includes a 5% increase in user fees. As the facility continues to age, additional capital improvements are anticipated and reflected in the five-year Capital Improvements Plan.

Originally, both parties contributed $20,000 annually to a separate Capital Reserve Fund. Beginning in 2022, the City and Iowa State University each increased their annual contributions to $40,000 in response to projected repair and replacement needs. The City's share of this obligation is funded through Local Option Sales Tax revenues.

Homewood Golf Course
5% Increase In User Fees

Homewood Golf Course continues to thrive and, therefore, meets our goal that the revenues from this facility are able to cover some of the needed capital improvements as well as operational costs. To maintain this trend, a 5% increase in user fees has been incorporated into the budget.

Library Services

Our Library represents another important quality of life attraction for our community. In keeping with the change in preferences of our customers, the budget reflects a shift away from physical collections toward electronic collections, which have higher costs. Our residents also benefit from the wide array of Library programs that are diverse, responsive, and promote connectivity.

Since there is very little in the way of user fees at the Library to reduce the reliance on property tax revenue, we are fortunate that 1) the Library's Friends Foundation will contribute $458,546 in FY 2026/27 toward programming and capital purchases, and 2) the Library will benefit from 425 volunteers who provide 12,000 hours of service to the Library in lieu of hiring additional staff.

To strengthen standardization, security, and customer service throughout the organization, the budget reflects a shift of two Information Technology (IT) positions from Library Administration to the City's IT Division. With this shift, we are able to reduce one FTE in the Information Technology Division.

Cemetery
7% Increase In User Fees

Our goal over the years is to generate enough revenue each year from charges for service so that there is no property tax subsidy for operating our two cemetery locations. With the recent decline in lot sales, an increase in contract mowing, and a reallocation of FTEs to add needed administrative support services, the property tax support will increase to 22% in FY 2026/27, even after a 7% increase in cemetery fees is adopted.

Affordable Housing

As part of our affordable housing efforts, the Baker subdivision has 26 single-family home lots. Since the land was purchased with Community Development Block Grant monies, 51% of the lots, or 14 lots, must be for low- and moderate-income (LMI) qualified households, while the remaining 12 lots can be sold at market rate. Of the LMI lots, six lots remain uncommitted, while all 12 market rate lots are available for sale.

In order to abide by the Federal timeliness test and avoid any financial penalty, the City intends to sell three LMI lots and six market rate lots in FY 2026/27 with a similar number of lots in FY 2027/28.

The availability of HOME/American Rescue Plan funds provides the City with the opportunity to utilize these one-time monies to provide non-congregate housing and shelter for the homeless and other vulnerable populations.

Thank You!

Once again, it is important to thank our Department Heads and their staff members who work each day to achieve our organizational goal of providing exceptional customer service at the best price to our residents. Highlighted above are just a few examples of how we intend to accomplish this goal.

This program/performance budget is a complex document. Fortunately, we have a very talented Budget Management Team composed of Corey Goodenow, Finance Director, Nancy Masteller, Budget Manager, Patti Lehman, Budget Analyst, Bre Van Sickle, Finance Secretary, and our two Assistant City Managers, Brian Phillips, and Pa Vang Goldbeck. These team members deserve special recognition for scrutinizing every budget line item, assisting in the development of performance measures and highlights, and compiling the financial information reflected in this budget document.

Respectfully submitted,



Steven L. Schainker
City Manager

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.

Ames Community School District:

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







Average Temperature:

Winter - 24 degrees
Summer - 74 degrees
Rain - 36 inches
Snow - 31 inches

Education:

Bachelor's Degree - 31.3%
Graduate Degree - 30.3%
Attainment (2020)





Form of Government:

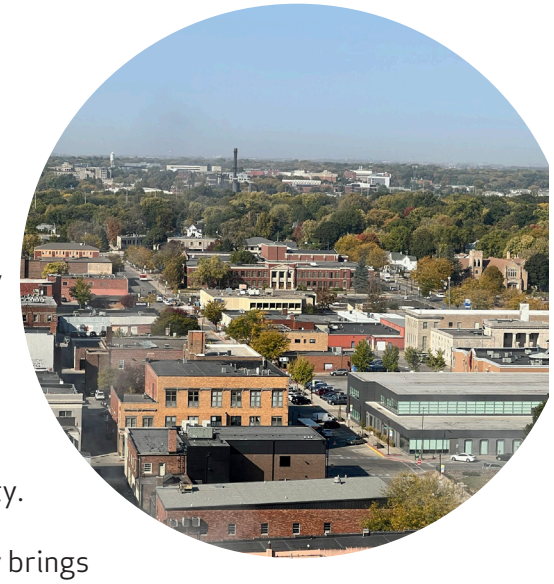
Manager - Council
Fiscal Year: July 1 - June 30
Area: 27.7 sq. miles

Ranked nationally as a great place to live…



- No. 3 on the list of 5 College Towns to Live in After Graduation (Livability, 2023)
- No. 3 Best Small Cities for Small Businesses (VerizonSpecials.com, 2023)
- One of the Top 100 Best Places to Live (Livability, 2022)
- River Town of the Year (Iowa Rivers Revival, 2021)
- No. 1 10 Best States to Retire in 2021 (MoneyRates, 2021)
- No. 5 Best Iowa High Schools (US News & World Report, 2021)

COMMUNITY OVERVIEW



Beneath the small-town charm of Ames, Iowa, beats the heart of a much larger city. With a population of more than 66,000, Ames offers cultural, recreational, educational, business, and entertainment amenities more common in bigger 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!

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 approximately 30,000 students. The University brings excitement and vitality to our city and provides cultural and entertainment options typically found only in larger cities.



Located along Highway 30 and Interstate 35 in Iowa's Cultivation Corridor, Ames is an attractive location for new businesses to locate and for existing businesses to expand. World class companies including 3M, Barilla, BASF, Boehringer Ingelheim, Hach, Danfoss, Syngenta, and many others are located in Ames. The community's commitment to excellence is contagious.

Ames and Iowa State University together offer an unsurpassed quality of life. Ames, Iowa is your ***Smart Choice!***

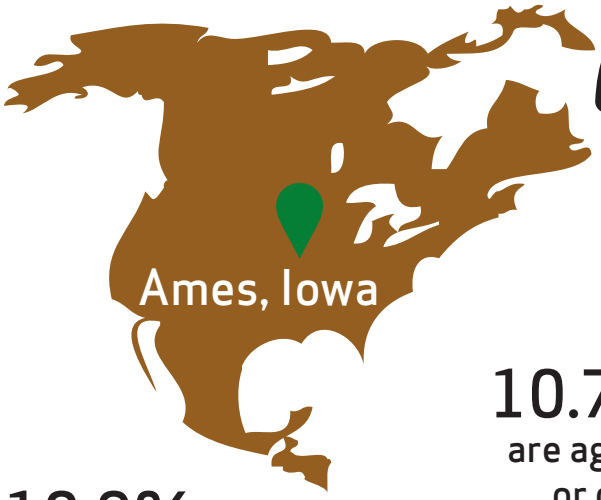
Principal Employers 2025	
Employer	Employees
Iowa State University	16,116
Mary Greeley Medical Center	1,589
Danfoss Corporation*	1,180
City of Ames**	1,015
Iowa Department of Transportation	975
United States Department of Agriculture	750
McFarland Clinic, PC	675
Ames Community School District	650
Workiva	550
Ames Laboratories	415

*Formerly Sauer-Danfoss
**This includes full-time, part-time, and temporary employees
Source: United States Department of Labor, City of Ames, and company inquiries

Principal Property Taxpayers 2025	
Taxpayer	Taxable Assessed Value
Iowa State University Research Park	$67,313,728
Barilla America, Inc.	$49,658,684
Clinic Building Company, Inc.	$36,184,200
Campus Investors IS, LLC	$28,714,688
Bricktowne Ames LC	$25,138,427
Spirit Realty, LP	$23,691,218
FP A6 University West, LLC	$21,332,151
Dayton Park, LLC	$21,321,844
Wal-Mart Stores, Inc.	$19,038,994
Midwest Centers LP	$18,637,684

Source: Story County Auditor

WHO IS IN AMES?
OUR COMMUNITY



Population **66,427**
including ISU students



31,105
ISU students
as of Fall 2025

69%
are off campus

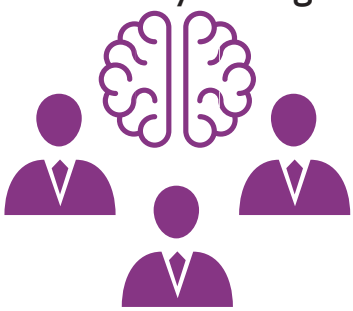
According to the Ames Resident Satisfaction survey

90%
feel they belong in Ames

10.7%
are age 65 or older

10.9%
are foreign born

The average age is **23**



The poverty rate is **26%**
Most common racial or ethnic group living below the poverty line is White

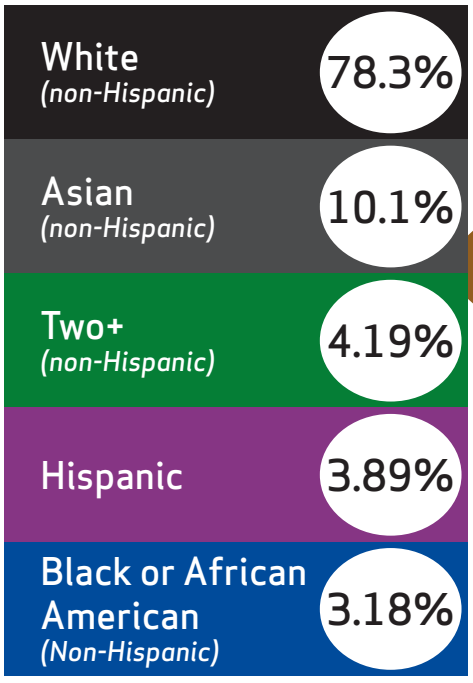


The median household income is **$60K**



42.9%
are homeowners

The **5** largest ethnic groups are:





13.4%
speak a language other than English at home

Languages and dialects spoken in Ames according to school district reports:
58
including Chinese, Spanish, Ukranian, Haitian Creole/French, Arabic, Tamil, and Hindi

CITY OF ames

ANNUAL COMMUNITY EVENTS





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.

Ames On The Half Shell

Live music and performances are held from May through July hosted by the Ames Junior Chamber at the Durham Bandshell Park.

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.

Holiday Home Tour

Tour beautiful Ames homes and enjoy the holiday decorating for two days during December. Five homes are chosen annually.

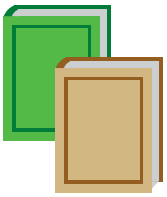
CITY SERVICES

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 street system, parking lots, parks, and municipal cemeteries. Also, it operates the Ames Animal Shelter, 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 refuse which can be burned for fuel at the City's Power Plant.

Public Safety:

1 Police Station
56 Sworn Officers
3 Fire Stations
64 Full-Time Firefighters



1 Main Library
1 Bookmobile



41 City Parks
1 9-Hole City Golf Course
1 Skate Park
1 Dog Park
3 Ice Rinks
1 Lake
1,268 Acres in Park System
1 18-Hole Disc Golf Course



1 Municipal Airport



Transportation:

1 City Bus System - CyRide



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.

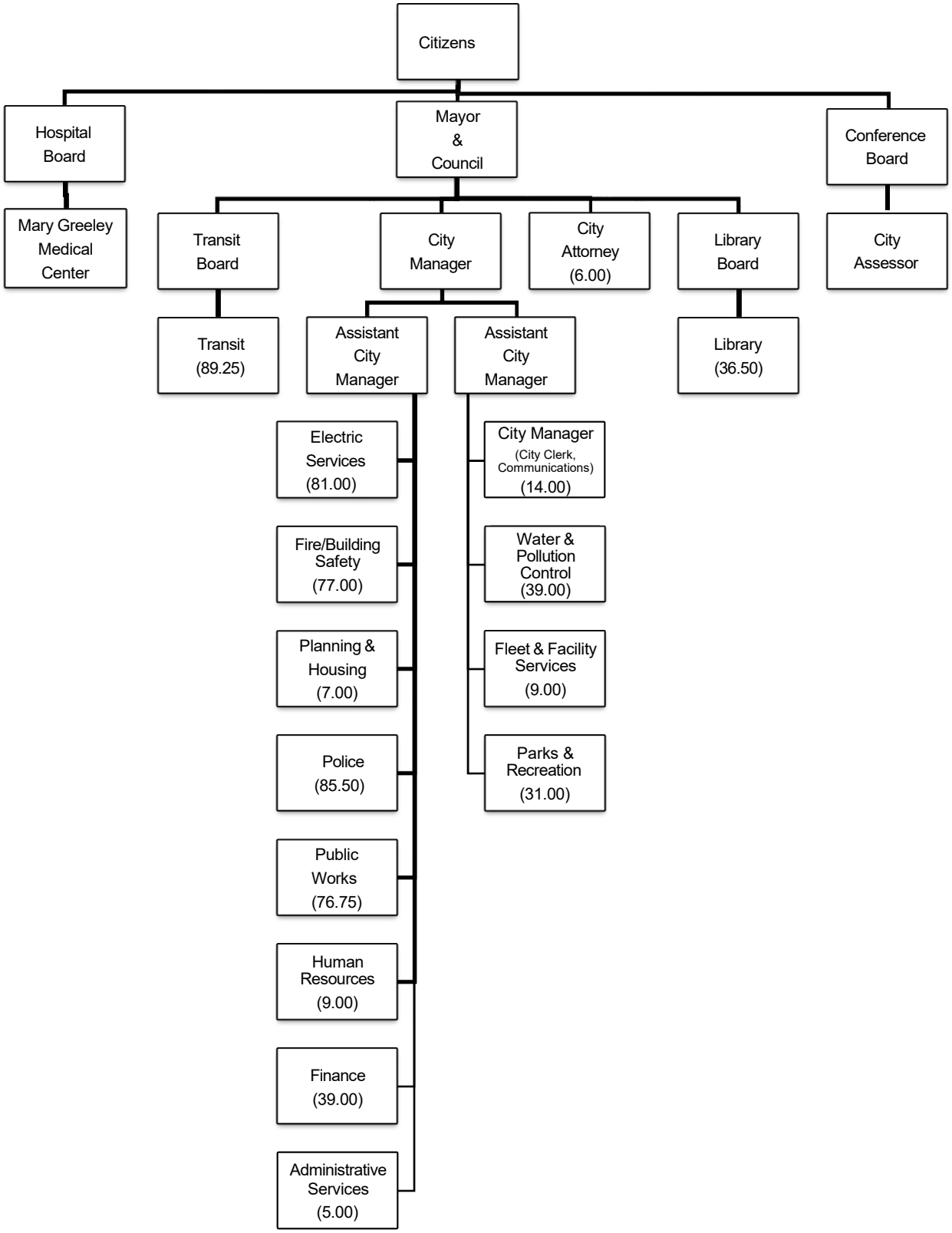


1 Municipal Hospital - Mary Greeley

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.

City of Ames Organizational Chart

Includes number of Full-Time Equivalent Employees (FTE)



City Council Values, Goals, and Tasks

The budget process begins each year with the Ames City Council setting its goals for the coming year and developing a plan for how to accomplish those goals. The City Council's current values were created in Council retreats held in January of 2020. A decision was made at that time to replace the Council's former model of Goals, Objectives, and Tasks with a new model of Values, Goals, and Tasks. The intention of the new model is that the value statements will be used to support a variety of additional initiatives instead of just the specific goals and tasks identified at the goal-setting sessions.

On January 6, 2024, the Mayor and City Council met in a workshop setting to review the values and to update the goals and tasks for the upcoming year. The Council's values, goals and task were approved on March 12,2024. The City Council goals were incorporated into departmental goals which were used in developing the FY 2025/26 budget during the fall and winter of 2024 and early 2025. In accordance with City Council's directive, staff will plan to provide status updates regarding the progress toward accomplishing the Council goals in the spring and fall of each year.



Mayor John Haila



Gloria Betcher



Tim Gartin



Anita Rollins



Rachel Junck



Bronwyn Beatty-Hansen



Amber Corrieri

City Council Values, Goals, and Tasks

January 1, 2024 to December 31, 2025

VALUES - GOALS - TASKS

A. WE VALUE COMMUNICATION AND ENGAGEMENT WITH THE PUBLIC

A1. Increase public feedback on proposed major projects, studies, and policy changes prior to City Council making final decisions.

A1.T1. Utilize non-traditional, creative, innovative ways to improve community engagement, particularly underrepresented groups.

- Implement, at least, one new technique for obtaining public feedback with special emphasis on engaging our under-represented residents.
- Staff will report to Council some creative software and services that exist to collect feedback, and the Council will consider adopting one or more programs (Polco software for example).
- Use targeted direct emails on specific issues of interest (for example NAACP, Latino, Asian American communities, etc.).
- Post City information flyers in grocery stores and other public spaces (such as: Food At First, Overflow Thrift Store, churches, other places) where underrepresented people might eat/shop/worship/frequent.

A1.T2. Highlight outreach efforts in a more standardized format on staff reports, CAFs, and other reports to Council.

A1.T3. Develop performance measures and metrics that staff will report regularly to the Council/public regarding issues such as permit process timing, etc.

A1.T4. Develop an outreach policy setting expectations for the types of outreach that should be used for various types of activities.

B. WE VALUE DIVERSE HOUSING OPTIONS FOR THE COMMUNITY

B1. Increase quantity and variety of single and multi-family housing units at various price points or rental rates related to new construction and rehabilitation of existing.

B1.T1. Adopt Council approved items included in AEDC housing document.

- Explore how to get the existing land within the City to move forward with development.
- Review/consider incentive options and development requirements to spur on more housing (tax abatement, TIF, sharing in infrastructure costs off site, etc.).
- Analyze resident demographics (including income), target housing price points and possible incentives to “match” income.

B1.T2. Explore opportunities to partner with groups such as the ISU Design College, College of Engineering, Construction Management, etc. and/or IEDA and enter into, at least, one partnership involving an innovative research project that focuses on lowering housing costs, and are both sustainable and affordable.

B1.T3. Explore, support, and pursue a creative housing development with a public partner (ISU, ISU Foundation, Ames & Gilbert CSD). Similar to the Purdue University Foundation housing development project or school district building rental units for school staff.

B1.T4. Engage with United Way of Story County, Story County Housing Trust, other community partners in the following ways:

- Study, review, evaluate existing strategies and programs of the other entities related to diverse housing needs.
- Develop joint (City/other entity) strategies that complements, builds on and/or leverages these existing initiatives.
- Consider/evaluate/study options for the City to financially support affordable housing rehabilitation, with the understanding that the City shall not become the sole funder of this initiative.
- Continue discussions with Polk County regarding a possible partnership in a grant application for an owner-occupied, income-based retrofit program.

Note: The above task also would positively impact the Council's carbon reduction plan goals.

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

C1. Plan, budget, and initiate construction of multiple new City owned projects.

C1.T1. Complete the planned Splash Pad, Agility Course, Schainker Plaza, and Mini-Pitch Field.

C1.T2. Complete the face lift of City Hall interior with new carpet, base, paint, signage/wayfinding, and ceiling tiles when needed. Consider installing LED lighting in public areas to start, and within three years replace all lighting with LED in building.

C1.T3. Prioritize, schedule, conceptually design, and determine funding strategy for:

- Replacement of existing Animal Control Shelter
- Relocation and construction of a new Fire Station #2 (Campustown)
- New privately or City owned Indoor Recreation Center with walking track, basketball/pickleball courts, soccer pitch, and multi-purpose space. (Note: Initially meet with private developers to ascertain viability and potential for a private indoor complex.)
- New Community Park along Ontario Road in west Ames
- New Fire Station #4

C1.T4. Receive the Main Street Improvements Study, adopt the Council-approved recommendations, and develop a plan for financing the City-supported components in the CIP.

C2. Support arts and culture in the community, including community celebrations, festivals and/or events.

C2.T1. Ask Board and Commissions to identify ways in which they can support or partner with outside community groups (such as Ames Main Street, Campustown Action Association, cultural and international organizations) to host new or existing events in the community that celebrate arts and culture, with the goal of holding two new annual events.

D. WE VALUE A DIVERSE, EQUITABLE, AND INCLUSIVE COMMUNITY

D1. Further diversify membership on City Boards and Commissions.

- D1.T1. Identify the barriers to increased diversity and participation on boards and commissions (e.g., childcare, transportation, virtual meetings). Include evaluation of best practices from other communities who are successful in achieving diverse membership.
- D1.T2. Adopt solutions that are within the Council's control to improve diversity and participation.

D2. Consider pursuing a Community-Wide Inclusion plan.

- D2.T1. Initially, review research performed by City staff regarding what other cities' plans look like and accomplish.

E. WE VALUE ENVIRONMENTAL SUSTAINABILITY

E1. Adopt a new plan for collection and disposal of waste and recyclable items.

- E1.T1. Decide how to handle the disposal of solid waste. In accordance with Goal A1, engage the public and solicit feedback as a part of the decision-making process.
- E1.T2. Make decision on organized collection of residential waste and recyclable items. Here again, engage the public and solicit feedback as a part of the decision-making process in accordance with Goal A1.
- E1.T3. Educate the public on what has changed from past communications over the decades where "throw everything in your trash" is no longer the case. Cast vision for waste reduction, recycling, and reuse opportunities for the future.
- E1.T4. Identify specific a schedule and steps required for this new plan and explain how each steps integrates with Climate Action Plan.

E2. Pursue initiatives that use new and emerging technologies or processes to assist in meeting the Climate Action Plan.

- E2.T1. Explore with ISU, ISURP, Chevron REG, and others on what opportunities may exist to serve as a test case. (For example the REG/Biodiesel/Optimus test using city heavy truck fleet or a ISU a researcher is studying how to turn plastics into fuel.)

E3. Increase use of public transit and active transportation.

- E3.T1. Encourage the Transit Board to pursue going "fare free" for the current system.
- E3.T2. Engage in a more aggressive marketing plan and strategy promoting public use of CyRide.
- E3.T3. Explore options and support initiatives to increase transportation availability for those unable to get to work, school, or other desired destinations within Ames.

City Council Appointees

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

Department Heads

Name	*Department*	*Phone Number*
Donald Kom	Electric Services	515-239-5171
Corey Goodenow	Finance	515-239-5113
Rich Higgins	Fire	515-239-5414
Corey Mellies	Fleet Services/Facilities	515-239-5520
Bethany Ballou	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
Geoff Huff	Police	515-239-5130
Justin Clausen	Public Works	515-239-5165
Barbara Neal	Transit (CyRide)	515-239-5565
John Dunn	Water and Pollution Control	515-239-5150

How to Use This Budget Document

The following notes and definitions have been prepared to assist the Mayor, Council, and citizens of Ames in more readily understanding the format and terminology which are used in this budget.

Program Budget Philosophy

Program budgeting provides a methodology and set of tools that are specifically designed to help provide policy makers and the citizens with clear information on what the City of Ames does and how much it costs, creating a more transparent budget. The program budget provides information for decision making on a ***service*** or ***program-oriented*** basis. ***Policy makers*** are thus given the means to make crucial budgetary decisions based upon specific and measurable ***service levels***, as well as upon the total dollar cost of those services. At the same time, ***citizens*** should be able to see the service-level ***results*** of the elected representatives' decision. A program budget is meaningful to the governing board and the public because programs are directly relevant to how they experience public services. A program budget is organized into service areas rather than just departments, objects of expenditure, and line items.

Program Structure

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

Public Safety
Utilities
Transportation
Culture and Recreation
Community Development
General Government

In addition to these six operating programs, two additional programs identify other "non-operating" types of expenditures:

Debt Service
Internal Services/Transfers

These programs have next been divided into "sub-programs" and "activities." Each of these levels reflects the City's efforts to address community needs at a progressively more specific level. To illustrate the pyramiding nature of this program structure, a portion of the transportation program is outlined below.

Program	*Sub-Program*	*Activity*
Transportation	Street System	Street Surface Maintenance, Street Surface Cleaning, Snow and Ice Control
	Public Parking	Parking Operation & Maintenance, Parking Law Enforcement, Parking Violation Collection

The activity sheet (or sub-activity, when necessary) is the basic building block of the program budget. Using the performance, personnel, cost, and funding information given on these sheets, budget decisions are made for each of the activities. The summary of activities into sub- programs and of sub-programs into programs then provides us with a comprehensive program of all those services which are provided by the City.

Fund Accounting and Major Funds

To meet various reporting requirements and generally accepted accounting principles, the City of Ames has established a number of financial funds to record financial activity. These funds allow the City to segregate specific financial activity and meet requirements of various financial regulations, restrictions, and limitations on use of various revenue sources. The following matrix shows the relationship between the City's budgetary programs and the City's fund structure. A budget is established for each fund and program.

Matrix of Funds and Programs

Funds:	Public Safety	Utilities	Transportation	Culture & Recreation	Community Development	General Government	Debt Service	Capital Projects	Internal Services
General Fund *	X		X	X	X	X		X	
Special Revenue Funds:									
Local Option Sales Tax				X	X	X		X	
Hotel/Motel Tax					X	X		X	
Road Use Tax			X		X			X	
Public Safety Spec Rev	X							X	
City-Wide Housing					X				
CDBG Program					X				
HOME Program					X				
P&R Donations/Grants				X				X	
Library Donations/Grants				X					
Utility Assistance		X							
Miscellaneous Donations				X					
Economic Development					X				
TIF Funds					X				
Capital Projects Fund *					X			X	
Permanent Funds				X					
Enterprise Funds:									
Airport			X					X	
Water Utility *		X					X	X	
Sewer Utility *		X					X	X	
Electric Utility *		X					X	X	
Parking			X						
Transit			X					X	
Stormwater Utility		X						X	
Ames/ISU Ice Arena				X				X	
Homewood Golf Course				X				X	
Resource Recovery		X						X	
Recycling Services		X							
Debt Service Fund *							X		
Internal Service Funds:									
Fleet Services									X
Information Technology									X
Risk Management									X
Health Insurance									X

* Indicates a major fund or fund group

How to Use This Budget Document

The fund summary section of this document provides brief descriptions, revenues, expenses, and fund balances for each fund. The major funds represent significant activities of the City of Ames and include the following funds or fund groups:

General Fund
Debt Service Fund
Capital Projects Fund
Water Utility Fund
Sewer Utility Fund
Electric Utility Fund

Combined, these major funds represent approximately three-quarters of total City expenses. In the Fund Summary section, funds by type are listed. A description of how each fund is used is provided at the top of each fund page.

Department Goals and Core Services

Each activity page within each program will list departmental goals and core services. These goals are set by the department responsible for providing the service for that activity.

The goals listed in the budget should:

- Support the goals of the organization and activity
- Describe what will be accomplished
- Reflect the planned benefit to customers
- Allow measurement of progress
- Define quantifiable future targets (if appropriate)

Performance Measures

Reporting of accomplishments of objectives will include the following types of service measures where appropriate:

- Input – unit of resources expended to produce services
- Output – quantity of products or units of service produced
- Efficiency – inputs used per unit of output or outputs per unit of input
- Service Quality – Measure of the extent to which customers are satisfied with a program or how timely or accurately the service is provided
- Outcome – qualitative results of service; ultimate benefit to customer

The objective of service measurement reporting is to provide more complete information about the City of Ames' performance than can be provided by financial statements and schedules. The service measures are designed to assist users in assessing the economy, efficiency, and effectiveness of services provided. The future budget year's projected measures are an estimate or target.

Highlights

Highlights of each activity's budget are described beneath the goals and performance measures section. The first section lists items that impact that activity's budget, such as personnel changes, increased cost of supplies, or changes in service levels. The second section describes projects or initiatives occurring in the current fiscal year. The third section describes significant projects or changes that are projected for the upcoming year for which the budget is being established.

Expenditures
The columns of financial information include:

- One historic year of actuals.
- The current year's adopted budget.
- The second amendment to the current year's budget which is prepared while budgeting for the future year. The City of Ames amends the current year's budget in October for project carryovers from the previous fiscal year and prepares a final amendment in May.
- The Manager's recommended budget after the PROBE (Productive Review of Budget Entries) and the City Manager have reviewed and approved the budget (draft budget document) or the adopted budget after the City Council approves and certifies the budget (final budget document).

Types of Expenditures
Six types of expenditures are noted.

- Personal Services includes full-time and part-time wages, overtime, various leaves, benefits for IPERS, health insurance, FICA, Medicare FICA, Utility retirement, Police and Fire retirement, workers comp, life insurance, and unemployment compensation.
- Internal Services includes charges from other City departments for services such as fleet maintenance, computer services, messenger service, legal services.
- Contractual includes services provided by external vendors such as consulting, outside legal services, repairs, maintenance, and utilities.
- Commodities includes office supplies, food, minor equipment, structural materials, chemicals, equipment parts and supplies, meters and meter parts, and fuel.
- Capital includes equipment, vehicles, and improvements to land, building, utility systems, streets, and traffic systems. The City of Ames' capitalization threshold for operating capital (typically equipment) is $10,000. For capital construction projects, the threshold is $15,000, but projects over $15,000 may be classified as non-capital if they are determined by the City's accounting staff or auditors to be routine in nature and more of a maintenance expenditure.
- Other Expenditures includes bond and interest payments, insurance claims, refunds, and transfers.

Funding Sources
Specific revenues which have been assigned to a program activity are listed. Not every revenue source can be assigned to just one program activity as explained below in Fund Support.

Fund Support
Wherever possible, efforts have been made to assign specific revenue sources to the various program activities. Both costs and revenues related to a given City service can thus be shown on the same page. Levels of "self-support" for the given activity can thus be made evident.

When specific revenues cannot be assigned to a given activity, then the funding source shown will be "fund support." This indicates that the funding will come from the respective fund, and not from any specific revenue sources within that fund.

It is not always possible to assign the revenues to the appropriate program activity. However, all major revenue sources for each fund are shown on the respective fund summary sheets.

Percentage Change

The percentage change number on the financial pages indicates the percentage change between the column for the Manager Recommended or Adopted column and the Adopted column for the previous fiscal year.

Full-Time Equivalent (FTE)

When referring to the number of people employed by the City and to the number of positions authorized in any given department, this budget uses the term “full-time equivalent”, or “FTE”. One FTE is equivalent to 2,080 hours of work per year by full-time and permanent part-time employees (52 weeks times 40 hours per week equals 2,080 hours).

Beginning Balances

The beginning balances shown on the fund sheets reflect not only cash, but also other assets and liabilities. Exclusions to assets as shown in the audit are capital assets in the Enterprise and Internal Service Funds, and inventory in all the funds. Excluded from liabilities are employee benefits which are not recorded on City books but are shown in the audited City financial statements as a liability.

Emphasis has been placed on the beginning balances for the current year adjusted, which are then carried forward based on the estimated revenues and expenditures to estimate a beginning balance for the beginning of the next fiscal budget.

In this budget presentation, the fund sheets reflect the excess or deficit of revenues over/under expenses and then add this excess or deficit to the beginning balance to establish a new ending balance.

The ending balance is then carried forward and becomes the beginning balance for the next budget year.

Budget and Fiscal Policies

The Ames City Council adopts the City's budget and fiscal policies each year as part of the budget process. A separate investment policy was adopted by City Council on July 31, 2018, and a separate debt policy on June 27, 2017. The budget follows and complies with all the City's budget and fiscal policies.

Financial Plan Purpose and Organization

Financial Planning Objectives

Through its financial planning process, the City will link resources with results by:

- Identifying community needs for services.
- Establishing the programs required to provide these services.
- Establishing program policies and goals which define the nature and level of program services required.
- Identifying activities performed in delivering program services.
- Proposing objectives for improving the delivery of program services.
- Identifying and appropriating the resources required to perform program activities and accomplish program objectives.
- Setting standards to measure and evaluate the output of program activities, accomplishment of program objectives, and expenditure of program appropriations.

The City will use financial modeling tools to assist in the financial planning process and assess and forecast the effect of proposed service level changes on tax rate and fees.

Annual Budget

The City's annual budget emphasizes long-range planning and effective program management. The benefits expected from the annual budget include:

- Reinforcing the importance of long-range planning in managing the City's fiscal affairs.
- Concentrating on developing and budgeting for the accomplishment of significant objectives.
- Establishing realistic timeframes for achieving objectives.
- Creating a proactive budget that provides for stable operations and ensures the City's long-term fiscal health.
- Promoting orderly spending patterns.

The City will maintain Government Finance Officers Association (GFOA) standards for the "Distinguished Budget Presentation Award" and will submit the budget document annually for review under the GFOA program.

Measurable Objectives

The financial plan will establish measurable program objectives and allow reasonable time to accomplish those objectives.

Budget Amendments

The Council will formally review the City's fiscal condition, and amend the budget, if necessary, in accordance with the Code of Iowa and administrative rules for local governments.

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

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

Under this policy, it is allowable for total expenditures to exceed revenues in a given year. This is often done in the City's enterprise funds, where rates may be increased several years ahead of capital project to fund the project with cash reserves instead of debt. It may also occur if large donations are received prior to the construction of a capital project. In these situations, the beginning fund balance will be used primarily to fund the capital projects, or other one-time, non-recurring expenditures. Excess balances may also be utilized as part of a program to stabilize property tax levy rates over a planned number of years. Five-year fund projections are prepared for most City funds to determine the funds' stability over a longer period than the year of the budget. For the City's utility funds, projections are prepared on a 10- or 20-year basis.

Financial Reporting

Annual Reporting
The City will prepare annual financial statements as follows:

- In accordance with various requirements, the City will contract for an annual audit by a qualified independent certified public accountant. The City will strive for an unqualified auditor's opinion.
- The City will use generally accepted accounting principles in preparing its annual financial statements and will strive to meet the requirements of the GFOA's Award for Excellence in Financial Reporting program.
- The City will issue audited financial statements within 180 days after year-end.

General Revenue Management

Diversified and Stable Base
The City will seek to maintain a diversified and stable revenue base to reduce the effects of short-term fluctuations in any one revenue source.

Current Revenues for Current Uses
The City will fund current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

Interfund Transfers and Loans
To achieve important public policy goals, the City has established various special revenue, capital project, debt service and enterprise funds to account for revenues whose use should be restricted to certain activities. Accordingly, each fund exists as a separate financing entity from other funds, with its own revenue sources, expenditures, and fund equity.

Any transfers between funds for operating purposes are clearly set forth in the annual budget. These operating transfers, under which financial resources are transferred from one fund to another, are distinctly different from interfund borrowings, which are usually made for temporary cash flow reasons, and are not intended to result in a transfer of financial resources by the end of the fiscal year. In summary, interfund transfers result in a change in fund equity; interfund borrowings do not, as the intent is to repay the loan in the near term.

User Fee Cost Recovery Goals

Ongoing Review

Fees will be reviewed and updated on an ongoing basis to ensure that they keep pace with changes in service delivery costs, as well as changes in methods or levels of service delivery. In instances where State or other regulations limit the level of fees charged for City services, the user fee cost recovery principles may not apply. The budget document will identify where fee levels have been limited and clearly identify the subsidy required due to user fee limitations.

User Fee Cost Recovery Levels

In setting user fees and cost recovery levels, the following factors will be considered:

- Community-Wide Versus Special Benefit – The level of user fee cost recovery should consider the community-wide versus special service nature of the program or activity. The use of general-purpose revenues is appropriate for community-wide services, while user fees are appropriate for services that are of special benefit to easily identified individuals or groups.
- Service Recipient Versus Service Driver – After considering community-wide versus special benefit of the service, the concept of service recipient versus service driver should also be considered. For example, it could be argued that the applicant is not the beneficiary of the City's development review efforts; the community is the primary beneficiary. However, the applicant is the driver of development review costs, and as such, cost recovery from the applicant is appropriate.
- Effect of Pricing on the Demand for Services – The level of cost recovery and related pricing of services can significantly affect the demand and subsequent level of services provided. At full cost recovery, this has the specific advantage of ensuring that the City is providing services for which there is genuinely a market that is not overly stimulated by artificially low prices. Conversely, high levels of cost recovery will negatively impact the delivery of services to lower income groups. This negative feature is especially pronounced, and works against public policy, if the services are specifically targeted to low-income groups.
- Feasibility of Collection and Recovery – Although it may be determined that a high level of cost recovery may be appropriate for specific services, it may be impractical or too costly to establish a system to identify and charge the user. Accordingly, the feasibility of assessing and collecting charges should also be considered in developing user fees, especially if significant program costs are intended to be financed from that source.

Factors Favoring Low-Cost Recovery Levels

Very low-cost recovery levels are appropriate under the following circumstances:

- There is no intended relationship between the amount paid and the benefit received.
- Collecting fees is not cost-effective or will significantly impact the efficient delivery of the service.
- There is no intent to cover the cost of the service. Examples may include park shelter and auditorium rental.
- The service is non-recurring, generally delivered on a "peak demand or emergency basis, cannot reasonably be planned for on an individual basis, and is not readily available from a private sector source. Many public safety services fall into this category.
- Collecting fees would discourage compliance with regulatory requirements and adherence is primarily self-identified, and as such, failure to comply would not be readily detected by the City. Small-scale licenses and permits might fall into this category.

Factors Favoring High-Cost Recovery Levels
The use of service charges as a major source of funding service levels is especially appropriate under the following circumstances:

- The service is similar to services provided through the private sector and private or other public sector alternatives could or do exist for the delivery of the service.
- For requested service that requires added costs, it is intended that there be a direct relationship between the amount paid and the level and cost of the service received. An example is higher fees for utility hookup after normal working hours.
- The service is regulatory in nature and voluntary compliance is not expected to be the primary method of detecting failure to meet regulatory requirements. Building permit, plan checks, and subdivision review fees for large projects would fall into this category.

General Concepts Regarding the Use of Service Charges
The following general concepts will be used in developing and implementing service charges:

- Revenues should not exceed the reasonable cost of providing the service.
- Cost recovery goals should be based on the total cost of delivering the service, including direct costs, departmental administration costs, and organization-wide support costs such as accounting, personnel, data processing, vehicle maintenance and insurance.
- The method of assessing and collecting fees should be as simple as possible to reduce the administrative cost of collection.
- Rate structures should be sensitive to the "market" for similar services as well as to smaller, infrequent users of the service.
- A unified approach should be used in determining cost recovery levels for various programs based on the factors discussed above.

Low-Cost Recovery Services
Based on the criteria discussed above, the following types of services should have very low-cost recovery goals. In selected circumstances, there may be specific activities within the broad scope of services provided that should have user charges associated with them. However, the primary source of funding for the operation as a whole should be general-purpose revenues, not user fees.

- Delivering public safety emergency response services such as police patrol services and fire suppression.
- Maintaining and developing public facilities that are provided on a uniform, community-wide basis such as streets, parks, and general-purpose buildings.
- Providing social service programs and economic development activities.

Recreation Programs
The following cost recovery policies apply to the City's recreation programs:

- Cost recovery for activities directed to adults should be relatively high.
- Cost recovery for activities directed to youth and seniors should be relatively low. Although ability to pay may not be a concern for all youth and senior participants, these are desired program activities, and the cost of determining need may be greater than the cost of providing a uniform service fee structure to all participants. Further, there is a community-wide benefit in encouraging high levels of participation in youth and senior recreation activities regardless of financial status.
- In circumstances where services are similar to those provided in the private sector, cost recovery levels should be higher.

The City Parks and Recreation Department will work with the Parks and Recreation Commission to review recreation programs and establish specific cost recovery targets for broad program classifications.

Planning, Building Safety, and Public Works Engineering Services
Cost recovery for these services should generally be very high. In most instances, the City's cost recovery goal should be 100%. Exceptions to this standard include long range planning activities, as this function is clearly intended to serve the broader community.

- Planning services include planned development permits, tentative tract and parcel maps, rezonings, general plan amendments, variances, and use permits.
- Building and safety services include building permits, structural plan checks, inspections, and rental inspections.
- Engineering services include public improvement plan checks, inspections, subdivision requirements, and encroachments.

Comparability with Other Communities
In setting user fees, the City will consider fees charged by other agencies in accordance with the following criteria:

- Surveying other comparable communities provides useful information about the market for the fees being assessed.
- If prudently analyzed, they can serve as a benchmark for how cost-effectively the City provides its services.
- However, fee surveys should never be the sole or primary criteria in setting City fees as there are many factors that affect how and why other communities have set their fees at their levels. For example:

    1. What level of cost recovery is their fee intended to achieve compared with our cost recovery objectives?
    2. What costs have been considered in computing the fees?
    3. When was the last time that their fees were comprehensively evaluated?
    4. What level of service do they provide compared with our service or performance standards?
    5. Is their rate structure significantly different than ours and what is it intended to achieve?

    These can be very difficult questions to address in fairly evaluating fees among different communities. As such, the comparability of our fees to other communities should be one factor among many that is considered in setting City fees.

Enterprise Fund Fees and Rates

Water, Sewer, Electric, and Resource Recovery
The City will set fees and rates at levels which fully cover the total direct and indirect costs, including operations, capital outlay, capital improvements, and debt service, of the following enterprise programs: water, sewer, electric, and resource recovery. For major City utilities including water, sewer, and electric, the City will model five years of projected revenues and expenses including capital improvements. These projections will be used to identify and notify the City Council of the timing and level of possible rate changes.

Stormwater Utility
Stormwater utility rates are intended to fund operating costs of the Storm Sewer Utility. Major capital improvements will be funded by other funding sources including general obligation bonds.

Homewood Golf
Golf program fees should fully cover direct operating costs. Because of the nine-hole nature of the golf course with its focus on youth and seniors, subsidies from other City funds (Local Option Tax, General, Hotel/Motel Tax) to finance capital improvements will be presented to the City Council as part of the financial planning process.

Ice Arena
The Ames/ISU Ice Arena fees and rates are set to fully cover direct operating costs. The City of Ames and Iowa State University will fund major capital improvement costs.

Transit (CyRide)
Costs for operating the CyRide transit system will be shared based on the agreement between the City of Ames, Iowa State University, and the ISU Student Government. The City support of CyRide will be limited to the transit property tax rate.

Payment In-Lieu of Taxes
In accordance with long-standing practices, the City will treat the Electric Utility in the same manner as if it were privately owned and operated. In addition to setting rates at levels necessary to fully cover the cost of providing electric service, this means assessing reasonable property tax in-lieu of fees.

- For the Electric Utility, property tax in-lieu fees are established under the same methodology used in assessing property tax for the City of Ames.

Enterprise Fund Debt Service
The City will set enterprise fund rates at levels needed to fully cover debt service requirements as well as operations, maintenance, administration, and capital improvement costs. The ability to afford new debt for enterprise operations will be evaluated as an integral part of the City's rate review and setting process.

Grant Funding Policy
The City will actively seek grant funding to fund both operating and capital expenditures. Prior to acceptance of grant funding, an evaluation of the grant must determine the following:

- The grant purpose is compatible with City program objectives.
- The benefits provided by the grant exceed the cost of administration.
- The grant does not commit the City to long-term tax funded expenditures after the completion of the grant period. The City will evaluate the cost and funding source to determine whether to continue the service when the grant period ends. The decision to continue to fund or drop will be made prior to accepting the grant. Alternatively, the City could choose to continue the service with other funding.

Revenue Distribution

The Council recognizes that generally accepted accounting principles for state and local governments discourage the earmarking of General Fund revenues, and accordingly, the practice of designating General Fund revenues for specific programs should be minimized in the City's management of its fiscal operations. Approval of the following revenue distribution policies does not prevent the City Council from directing General Fund resources to other functions and programs, as necessary.

Road Use Tax Revenue

All Road Use Tax revenues (which are restricted by the State for street-related purposes) will be recorded in the Road Use Tax fund and reports will be provided to the State of Iowa per Code of Iowa requirements. The City will utilize this fund primarily for eligible operations and maintenance activities; the available funds may be utilized for eligible capital improvement funding.

The City maintains several other special revenue funds. The policy for revenue allocation for these funds will be included in the City Fund Policy Document.

Investments

Responsibility

Investments and cash management are the responsibility of the City Treasurer or designee.

Investments Objectives

The City's primary investment objective is to achieve a reasonable rate of return while minimizing the potential for capital losses arising from market changes or issuer default.

Accordingly, the following factors will be considered in priority order in determining individual investment placements:

- Safety
- Liquidity
- Yield

The City Council adopted a formal investment policy; this policy requires regular reporting by the City Treasurer that demonstrates compliance with the policy.

Fund Balance Designations and Reserves

Minimum Fund Balance

The City will establish and maintain fund balances based on evaluation of each individual fund. The minimum balance will be set at a level that is considered the minimum necessary to maintain the City's creditworthiness and to adequately provide for:

- Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy.
- Contingencies for unseen operating or capital needs.
- Cash flow requirements.

Other Designations and Reserves

In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years which are carried forward into the new year; debt service reserve requirements; reserves for encumbrance; and other reserves or designations required by contractual obligations, state law, or generally accepted accounting principles.

Equipment Replacement
For certain assets, the City will establish and maintain equipment replacement funds to provide for the timely replacement of vehicles, technology, and other capital equipment. The City will maintain balances in the Fleet and Technology Replacement Funds adequate to allocate the cost of replacement over the lives of the assets.

The annual contribution to these funds will generally be based on the estimated life of the vehicle or equipment and its projected replacement cost. Sales of surplus equipment, as well as any damage claims and insurance proceeds, will be credited to the replacement funds. The City Information Technology and Fleet Services policies cover this subject in greater depth.

Future Capital Improvement Project (CIP) Designations
The Council may designate specific fund balance levels for future development of capital projects that it has determined to be in the best long-term interest of the City.

Capital Improvement Management

CIP Projects - $15,000
Construction projects, equipment purchases, and certain studies that cost $15,000 or more, and are infrequent in nature, will be included in the City's capital improvement plan (CIP) rather than a program operating budget. Routine maintenance projects that exceed the $15,000 threshold will not qualify as CIP projects and will be included in program operating budgets.

CIP Purpose
The purpose of the CIP is to systematically plan, schedule, and finance capital projects to ensure cost-effectiveness as well as conformance with established policies. The CIP is a five- year plan organized into the same functional groupings used for the operating programs. The CIP will reflect a balance between capital replacement projects that repair, replace, or enhance existing facilities, equipment or infrastructure, and capital projects that significantly expand or add to the City's existing capital asset system.

CIP Review
The City Manager, Assistant City Managers, Finance Department staff, and applicable department personnel will review project proposals, determine project phasing and funding, and review and evaluate the draft CIP budget document.

CIP Appropriation
The City's annual CIP appropriation is based on the projects designated by the City Council through adoption of the five-year capital improvements financial plan. Adoption of the CIP document does not automatically authorize funding for the entire five-year plan. The first year of the plan is included as part of the annual budget process and will be authorized by City Council with the budget authorization.

CIP Budget Carryover
Appropriations for CIP projects lapse at the end of each fiscal year. Projects that are not completed are reviewed and will be submitted to the City Council as part of a budget amendment.

Capital Improvement Financing and Debt Management

Capital Improvement Financing

The City will consider the use of debt financing for capital improvement projects only under the following circumstances:

- When the project's useful life will exceed the term of the financing.
- When project revenues or specific resources, including property taxes, will be sufficient to service the long-term debt.

Debt financing will not be considered appropriate for recurring purposes such as current operating and maintenance expenditures.

The additional cost of public capital improvements required to support specific developments will be financed primarily by the owners of the development and will be specified in development agreements.

Road Use Tax revenue is a major funding source in financing transportation system improvements, operations, and maintenance. However, revenues from these fees are subject to fluctuation. Accordingly, the following guidelines will be followed in designing and building projects funded with Road Use Tax revenue:

- The availability of Road Use Tax for funding eligible projects will be analyzed as part of the five-year capital improvement plan.
- If adequate funds are not available, the Council will make one of two determinations:
    1. Defer the project until funds are available.
    2. Based on the priority of the project, issue G.O. Bonds, or use other funding sources.

The City will use the following criteria to evaluate pay-as-you-go versus long-term financing in funding capital improvements.

Factors Favoring Pay-As-You-Go Financing

- Current revenues and adequate fund balances are available, or project phasing can be accomplished.
- Existing debt levels adversely affect the City's credit rating.
- Market conditions are unstable or present difficulties in marketing.

Factors Favoring Long-Term Financing

- Revenues available for debt service are deemed sufficient and reliable so that long-term financings can be marketed with investment grade credit ratings.
- The project securing the financing is of the type that will support an investment grade credit rating.
- Market conditions present favorable interest rates and demand for City financings.
- A project is mandated by state or federal requirements, and resources are insufficient or unavailable.
- The project is immediately required to meet or relieve capacity needs and current resources are insufficient or unavailable.
- The life of the project or asset to be financed is ten years or longer.
- The cost of the project should be spread to benefitted users over the life of the capital improvement.

Debt Management

An analysis will be prepared as part of the Capital Improvement Plan process to determine the impact of outstanding and planned debt issuances on current and future budgets for debt service and City operations. This analysis will also address the reliability of revenues to support debt service. The City has adopted a comprehensive debt policy that provides guidance for use of debt financing.

Excellence Through People (ETP)

Ensuring that quality programs are provided in an "efficient and fiscally responsible manner" is one of the key concepts embodied in the City's Mission Statement. To this end, the City will monitor and review methods of operation to ensure that services continue to be delivered in the most cost-effective manner possible. This review process encompasses a wide range of productivity issues, including:

- Analyzing systems and procedures to ensure efficient delivery of services.
- Evaluating the ability of new technologies and related capital investments to improve productivity.
- Developing the skills and abilities of all City employees.
- Developing and implementing appropriate methods of recognizing and rewarding exceptional employee performance.
- Evaluating the ability of the private sector to perform the same level of service at a lower cost.

Budget Calendar

State statute normally requires a municipality to certify its budget by April 30. A goal during the entire process is to encourage citizen involvement in the annual budget decision making process through public hearings.

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 five-year plan and begin preparation of amended 2025/26 and proposed 2026/27 operational budgets. Resident Satisfaction Survey results are presented to the City Council.
November	November 6 – 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 9 – City Council budget meeting to review issues, priorities, and preferences in service levels for the 2026/27 budget. Staff drafts five-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 20 – CIP workshop with City Council. January 27 – Public hearing for resident input on CIP. January 30 – City Council budget overview.
February	February 3, 4, 5, and 10 – City Council reviews entire program budget with department heads in public meetings.
March	The County sends Truth-in-Taxation statements to property owners to provide information on proposed tax levies and hearing dates. March 24 – the City Council holds a Property Tax Levy Public Hearing.
April	April 14 – Final budget hearing and adoption of amended 2025/26 budget and proposed 2026/27 budget. State statute requires the 2026/27 budget be certified with the County Auditor by April 30.
May	Departments review their budgeted revenues and expenses in May 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.

Budget Process

All City funds are appropriated and included in the budget. The legal level of control for the City's budget is the State of Iowa once it has been submitted to the State's Department of Management. Cities may not exceed the budget in a program area at any point of the fiscal year but may amend their budgets if necessary. The City Council approves the City budget before it is submitted to the State of Iowa and can make changes during the budget adoption process. Two department budgets, Transit and the Ames Public Library, are approved by their individual boards prior to being approved by City Council.

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

The budget process for the City begins in late August with the Internal Service group of departments. This group prepares budget adjustments for the current fiscal year and budget projections for the future fiscal year. Productive Review of Budget Entries (PROBE) meetings are conducted with the Assistant City Managers, Finance Director, Budget Manager, and Internal Service group Department/Division Heads in September. As a result of these meetings, internal service schedules are prepared for fleet services, information technology services, risk and property insurance, financial services, messenger service, and human resources, all of which are finalized by early October.

In September, departments are asked to identify any uncompleted capital improvement projects or capital purchases from the prior fiscal year that need to be incorporated into the current year's budget. These "carryover" amounts are summarized and presented to City Council in September or October as the first amendment to the current year's adopted budget.

In early October, budget instructions, along with the internal services schedules, are sent to the rest of the City departments. Payroll projections for both the current and future fiscal years are also provided. These projections include any staffing changes, updated salary information, union settlements, and health insurance rate changes that may have occurred since the current year's budget was adopted. Departments then have until mid-November to complete adjustments for the current fiscal year and projections for the future fiscal year.

Departments also prepare proposed Capital Improvement Plan (CIP) project sheets in September and October. The City Manager's Office conducts tours with each department in October to review the proposed projects, and revised project sheets are submitted to the Finance Department by mid-November. The Finance Department edits the sheets and prepares summary reports for the City Manager to determine the total funding necessary for the proposed projects.

Preliminary fund projections are prepared after the mid-November operational budget and CIP deadlines. The month of December is spent in PROBE meetings with the remaining City departments to review their operational budgets. CIP review meetings are also held to determine the adequacy of funding, and a draft CIP document is prepared.

In early January, the Budget Manager and Finance Director prepare summaries of all City funds and operating programs to present to the City Manager. The City Manager, Assistant City Managers, Finance Director, and Budget Manager meet with the departments and complete the City Manager's recommended budget by the end of January. Also, during January, the draft CIP is presented to the City Council in a workshop, followed by a public hearing one week later.

A budget overview is presented to City Council in late January or early February, followed by departmental budget presentations. A final budget wrap-up meeting is held in early February to approve the amended current year budget, the future year budget, and the Capital Improvement Plan.

The final budget hearing and adoption of the amended and future budgets take place before the required March 15 certification deadline.

In April, a final amendment to the current year's budget is prepared if necessary. Any necessary amendments are summarized by the Finance Department and presented to the City Manager and the City Council by the end of May.

Budget Process

Accounting/Budget Basis

The City's government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. The City's accounting and budget records for general governmental operations are maintained on a modified accrual basis, with the revenue being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities incurred. Revenues for which payment has not been received 60 days after fiscal year-end are reclassified as deferred revenue. The primary differences between the financial statement and the budget record are the recognition of debt issuance and repayment, the treatment of capital outlay, the recognition of depreciation expense, and the recognition of a compensated absence liability. Accounting records for the enterprise and internal service funds are maintained on the accrual basis.

Budget Amendment Process

The City's budget is typically amended three times during the fiscal year. The first amendment is submitted in September or October for carryovers of uncompleted projects from the prior fiscal year. A second amendment is approved with the new fiscal year budget in March, and a final amendment is prepared in May. Budget amendments are prepared by individual departments and reviewed by the Finance Department and the City Manager's Office. Amendments are published and a public hearing is held prior to City Council approval. After City Council review and approval, amendments are submitted to the Story County Auditor as required by the State of Iowa.

In between the formal amendment processes, transfers of funding between projects can be approved by either City Management or City Council as long as the overall appropriation amount is not exceeded. City Management can approve changes up to $50,000. Funding changes above the $50,000 amount need City Council approval. Changes made by either City Management or City Council are then incorporated into the next formal amendment process.

Public Input

The City welcomes public input to ensure that the adopted budget includes the services and programs that are most important to the Ames community. There are multiple opportunities for the public to be involved in the budget process, beginning with the annual Resident Satisfaction Survey which is sent to 1,350 residents in the spring before the budget process begins. The survey asks residents to give feedback about the effectiveness of City services, funding priorities, and upcoming capital improvements. The results of the survey are presented to City Council in early fall at the beginning of the budget process and are used to prioritize operational funding and proposed capital improvements.

The annual Town Budget Meeting is held in late October and early November and provides another opportunity for community members to provide input either by attending the meeting in person, attending virtually, or emailing suggestions or requests to the City Manager's Office or City Council members. Input can also be submitted through the City's multiple social media platforms. This public input is summarized and included in information provided to City Council during the Budget Issues presentation, typically done at a City Council meeting in early December.

During January and February, departmental presentations to City Council of the Capital Improvements Plan (CIP) and operational budgets are all open to the public and streamed on the City's television channel and social media platforms. Public input can be given at multiple times during the process, and the documents being reviewed, such as the draft CIP, draft budget, and special reports, are available on the City's website. Hard copies of the documents are available for public viewing at the Ames Public Library, the City Clerk's Office, and the City Manager's Office.

Throughout the year, the public is also encouraged to contact City Council, the City Manager's Office, and departments with suggestions and input. Email addresses and phone numbers are available on the City's website, www.cityofames.org.

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CITY OF ames™

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Revenue By Type

	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Property Taxes	35,940,431	38,234,403	38,234,403	40,602,320	6.2%
Other Taxes:					
Local Option Sales Tax	11,838,478	12,400,000	12,400,000	12,700,000	2.4%
Hotel/Motel Tax	3,027,969	2,773,000	3,120,000	3,210,000	15.8%
Other Non-Property Taxes	275,469	115,393	149,896	137,618	19.3%
Total Other Taxes	15,141,916	15,288,393	15,669,896	16,047,618	5.0%
Licenses & Permits	1,268,073	1,562,801	1,543,360	1,597,466	2.2%
Intergovernmental Revenue:					
Federal Grants	13,845,528	22,674,045	40,026,076	28,524,677	25.8%
State Road Use Tax	9,403,759	9,500,000	9,500,000	9,600,000	1.1%
State Property Tax Replacement	822,764	610,317	610,316	429,605	-29.6%
State Grants/Other State Funding	2,256,482	5,550,861	10,477,501	3,663,461	-34.0%
Local Government Funding	9,714,273	10,192,623	11,296,376	11,682,889	14.6%
Total Intergovernmental Revenue	36,042,806	48,527,846	71,910,269	53,900,632	11.1%
Charges for Services:					
Utility Charges	96,275,262	99,088,500	100,957,382	100,946,325	1.9%
Other Charges for Services	8,703,134	9,871,437	9,043,333	11,864,200	20.2%
Total Charges for Services	104,978,396	108,959,937	110,000,715	112,810,525	3.5%
Fines, Forfeit, & Penalty	1,956,954	633,800	583,490	675,900	6.6%
Use of Money & Property:					
Interest Revenue	13,269,832	6,163,896	6,161,896	6,734,750	9.3%
Other Uses of Money/Property	1,766,728	1,752,896	1,776,275	1,808,007	3.1%
Total Use of Money & Property	15,036,560	7,916,792	7,938,171	8,542,757	7.9%
Miscellaneous Revenue:					
Proceeds from Bonds	18,732,930	20,227,500	27,771,197	42,705,306	111.1%
State Revolving Loan Program	16,802,969	26,240,000	56,576,156	7,250,000	-72.4%
Other Miscellaneous Revenue	6,551,346	3,706,899	10,250,121	2,142,810	-42.2%
Total Miscellaneous Revenue	42,087,245	50,174,399	94,597,474	52,098,116	3.8%
Internal Service Revenue	25,005,166	24,417,590	25,864,887	27,114,880	11.1%
Total Before Transfers	277,457,547	295,715,961	366,342,665	313,390,214	6.0%
Transfers	29,831,781	25,030,918	30,188,285	28,193,165	12.6%
Total Revenues	307,289,328	320,746,879	396,530,950	341,583,379	6.5%

Revenue By Fund

	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
***General Fund **	46,425,916	47,465,237	47,394,942	49,772,669	4.9%
Special Revenue Funds:					
Local Option Sales Tax	12,011,678	12,558,616	12,578,464	12,883,612	2.6%
Hotel/Motel Tax	3,027,969	2,773,000	3,120,000	3,210,000	15.8%
Road Use Tax	9,407,604	9,504,055	9,562,721	9,604,055	1.1%
Other Special Revenue Funds	4,505,964	5,007,063	10,710,499	4,005,794	-20.0%
Total Special Revenue Funds	28,953,215	29,842,734	35,971,684	29,703,461	-0.5%
***Capital Project Funds **	33,449,558	20,285,414	30,769,777	27,767,830	36.9%
Permanent Funds:					
Cemetery Perpetual Care	23,305	26,250	24,750	26,250	0.0%
Furman Aquatic Center Trust	58,670	35,000	35,000	35,000	0.0%
Total Permanent Funds	81,975	61,250	59,750	61,250	0.0%
Enterprise Funds:					
Airport	2,936,585	11,172,408	12,901,999	16,339,060	46.2%
Water Utility *	21,301,416	21,822,456	29,037,912	21,521,246	-1.4%
Sewer Utility *	31,188,777	41,222,332	69,098,983	22,750,585	-44.8%
Electric Utility *	73,158,634	78,312,253	82,206,148	81,885,335	4.6%
Parking	924,087	1,060,800	1,003,790	1,066,800	0.6%
Transit	19,364,765	21,114,125	28,783,474	21,006,269	-0.5%
Stormwater Utility	2,520,474	2,618,500	3,516,500	2,247,500	-14.2%
Ames/ISU Ice Arena	762,966	777,595	768,537	801,581	3.1%
Homewood Golf Course	614,954	578,956	587,656	614,301	6.1%
Resource Recovery	5,308,335	5,517,828	12,263,825	20,874,053	278.3%
Recycling Services	-	-	150,000	1,522,500	
Total Enterprise Funds	158,080,993	184,197,253	240,318,824	190,629,230	3.5%
***Debt Service Fund **	13,385,488	13,479,696	15,146,464	15,383,472	14.1%
Internal Service Funds:					
Fleet Services	6,011,388	5,739,377	6,187,005	5,968,801	4.0%
Information Technology	3,646,228	2,775,928	2,915,961	3,087,765	11.2%
Risk Management	3,490,502	3,745,829	3,520,502	3,844,762	2.6%
Health Insurance	13,764,065	13,154,161	14,246,041	15,364,139	16.8%
Total Internal Services	26,912,183	25,415,295	26,869,509	28,265,467	11.2%
Total Revenues	307,289,328	320,746,879	396,530,950	341,583,379	6.5%

Indicates a major fund or fund group

Expenditures by Program

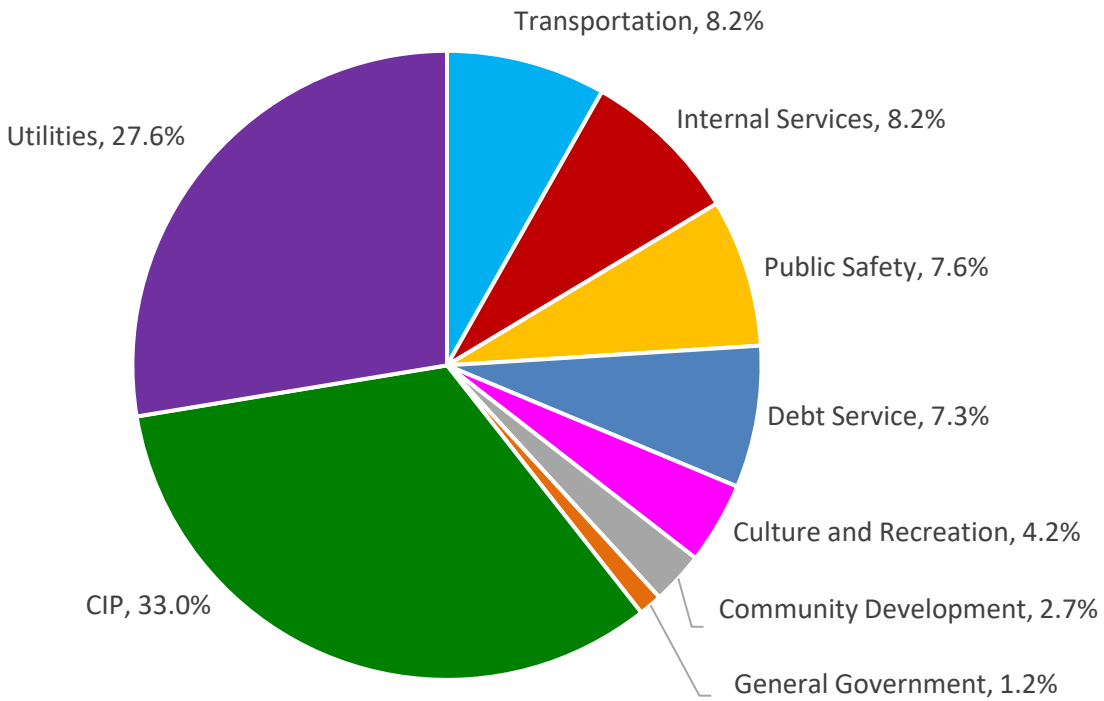
Operations: *Public Safety:*	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Law Enforcement	10,848,042	12,269,884	11,894,904	12,709,386	3.6%
Fire Safety	8,893,907	9,250,301	8,951,494	9,606,138	3.9%
Building Safety	1,901,328	1,994,042	1,958,197	2,116,318	6.1%
Animal Control	913,294	908,763	923,188	963,369	6.0%
Other Public Safety	8,308	15,559	19,511	12,944	-16.8%
Total Public Safety	22,564,879	24,438,549	23,747,294	25,408,155	4.0%
Utilities:					
Electric Services	60,190,047	64,408,013	66,951,305	67,267,091	4.4%
Water and Pollution Control	10,221,638	11,956,279	11,652,627	12,143,211	1.6%
Water Distribution System	1,841,059	1,975,698	1,895,743	2,120,447	7.3%
Sanitary Sewer System	1,056,298	1,038,011	962,829	1,124,487	8.3%
Stormwater Management	748,396	980,255	977,976	1,057,580	7.9%
Resource Recovery	4,487,044	5,024,867	4,908,102	5,153,402	2.6%
Recycling Services	-	-	-	1,512,000	
Utility Customer Service	1,906,597	1,892,349	1,797,091	1,705,595	-9.9%
Total Utilities	80,451,079	87,275,472	89,145,673	92,083,813	5.5%
Transportation:					
Street/Traffic System	8,464,732	9,422,416	9,650,699	9,722,547	3.2%
Transit System	14,935,386	15,692,130	15,880,270	16,400,727	4.5%
Parking System	882,345	1,031,607	974,306	1,013,750	-1.7%
Airport Operations	175,258	168,801	256,144	258,813	53.3%
Total Transportation	24,457,721	26,314,954	26,761,419	27,395,837	4.1%
Culture and Recreation:					
Parks and Recreation	5,438,320	6,564,041	6,628,151	7,118,414	8.5%
Library Services	5,647,911	6,102,886	6,114,055	6,350,708	4.1%
Art Services	316,228	298,978	513,840	306,567	2.5%
Cemetery	236,874	258,096	269,096	287,675	11.5%
Total Culture and Recreation	11,639,333	13,224,001	13,525,142	14,063,364	6.4%
Community Development:					
Planning Services	912,291	1,178,104	1,077,030	1,048,713	-11.0%
Economic Development	3,044,167	2,853,961	3,101,749	3,364,077	17.9%
Council Special Allocations	322,035	339,487	369,487	380,000	11.9%
Sustainability	65,649	24,927	1,166,540	26,747	7.3%
Housing Services	2,649,578	1,600,998	4,296,328	2,042,660	27.6%
Human Services	1,916,943	2,053,976	2,059,469	2,116,460	3.0%
Total Community Development	8,910,663	8,051,453	12,070,603	8,978,657	11.5%

Expenditures by Program

General Government:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
City Council	261,583	269,546	329,228	277,524	3.0%
City Clerk	286,125	312,095	355,351	336,114	7.7%
City Manager	532,604	611,789	537,026	637,321	4.2%
Communications/Outreach	386,574	400,852	423,875	420,185	4.8%
Financial Services	568,845	596,981	681,080	608,859	2.0%
Legal Services	573,755	609,546	603,106	639,665	4.9%
Human Resources	405,592	493,804	519,162	510,877	3.5%
Facilities	436,508	410,591	560,243	417,255	1.6%
Total General Government	3,451,586	3,705,204	4,009,071	3,847,800	3.9%
Total Operations	151,475,261	163,009,633	169,259,202	171,777,626	5.4%
CIP:					
Public Safety CIP	1,590,818	3,541,905	7,452,904	6,680,955	88.6%
Utilities CIP	34,382,787	49,973,000	109,225,644	54,722,155	9.5%
Transportation CIP	19,423,794	37,840,563	76,971,409	44,812,337	18.4%
Culture and Recreation CIP	15,256,074	6,810,079	14,767,863	3,543,500	-48.0%
Community Development CIP	23,856	175,000	439,248	175,000	0.0%
General Government CIP	1,200,933	75,000	1,190,664	90,000	20.0%
Internal Services CIP	-	-	-	-	
Total CIP	71,878,262	98,415,547	210,047,732	110,023,947	11.8%
Debt Service:					
General Obligation Bonds	13,421,870	14,092,994	14,092,994	15,674,470	11.2%
Electric Revenue Bonds	966,213	966,075	966,075	968,200	0.2%
SRF Loan Payments	5,895,765	6,070,082	6,803,108	7,543,291	24.3%
Bond Costs	186,985	200,222	321,621	-	-100.0%
Total Debt Service	20,470,833	21,329,373	22,183,798	24,185,961	13.4%
Internal Services:					
Fleet Services	5,423,727	5,775,956	8,371,935	5,022,112	-13.1%
Information Technology	3,113,771	2,760,052	3,172,988	3,051,429	10.6%
Risk Management	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Health Insurance	13,624,472	12,175,481	14,409,145	15,284,254	25.5%
Health Promotion	292,392	373,131	332,592	346,775	-7.1%
Total Internal Services	25,807,355	24,735,049	29,669,609	27,373,805	10.7%
Total Expenditures Before Transfers	269,631,711	307,489,602	431,160,341	333,361,339	8.4%
Transfers:	29,831,781	25,030,918	30,188,285	28,193,165	12.6%
Total Expenditures	299,463,492	332,520,520	461,348,626	361,554,504	8.7%

Expenditures by Program

Where the Money is Spent
FY 2026/27 Recommended Budget*



*Excluding Transfers

The FY 2026/27 budget of $361,554,504 and the FY 2025/26 adjusted budget of $461,348,626 were approved by the Ames City Council on April 14, 2026 with no changes.

Expenditures by Fund

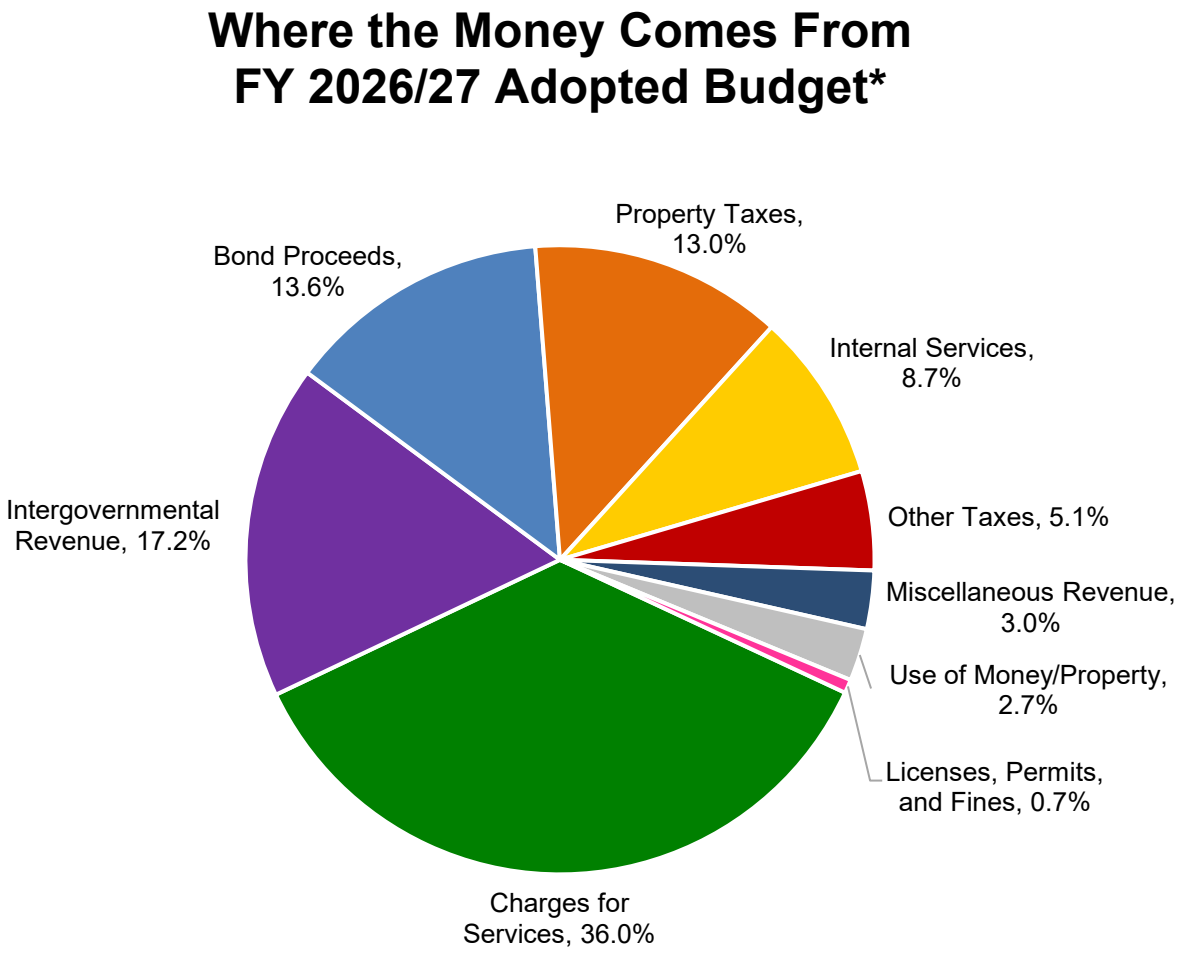
	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
***General Fund **	48,925,753	47,465,237	50,757,620	49,772,669	4.9%
Special Revenue Funds:					
Local Option Sales Tax	12,874,887	12,514,377	16,956,800	12,730,326	1.7%
Hotel/Motel Tax	3,114,588	2,580,261	3,010,891	2,961,470	14.8%
Road Use Tax	8,911,230	11,225,779	16,827,886	10,450,264	-6.9%
Other Special Revenue Funds	8,032,266	5,294,311	11,928,067	4,358,456	-17.7%
Total Special Revenue Funds	32,932,971	31,614,728	48,723,644	30,500,516	-3.5%
***Capital Project Funds **	25,994,583	23,884,979	49,719,126	28,987,661	21.4%
Permanent Funds:					
Cemetery Perpetual Care	-	-	-	-	
Furman Aquatic Center Trust	16,696	-	15,685	-	
Total Permanent Funds	16,696	-	15,685	-	
Enterprise Funds:					
Airport	3,006,878	11,178,662	13,413,954	16,365,832	46.4%
Water Utility *	20,167,601	24,613,133	34,540,131	21,945,588	-10.8%
Sewer Utility *	30,544,306	38,341,464	61,164,130	25,902,583	-32.4%
Electric Utility *	71,764,608	81,563,608	100,166,628	93,872,790	15.1%
Parking	882,345	1,031,607	974,306	1,013,750	-1.7%
Transit	18,168,345	23,002,693	34,421,643	22,479,464	-2.3%
Stormwater Utility	1,731,520	3,537,255	9,927,174	3,164,580	-10.5%
Ames/ISU Ice Arena	740,108	595,249	654,605	761,906	28.0%
Homewood Golf Course	361,003	406,229	495,002	740,868	82.4%
Resource Recovery	4,997,550	6,457,633	12,612,375	21,486,022	232.7%
Recycling Program Fund	-	-	-	1,512,000	
Total Enterprise Funds	152,364,264	190,727,533	268,369,948	209,245,383	9.7%
***Debt Service Fund **	13,421,870	14,092,994	14,092,994	15,674,470	11.2%
Internal Service Funds:					
Fleet Services	5,423,727	5,775,956	8,371,935	5,022,112	-13.1%
Information Technology	3,113,771	2,760,052	3,172,988	3,051,429	10.6%
Risk Management	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Health Insurance	13,916,864	12,548,612	14,741,737	15,631,029	24.6%
Total Internal Services	25,807,355	24,735,049	29,669,609	27,373,805	10.7%
Total Expenditures	299,463,492	332,520,520	461,348,626	361,554,504	8.7%

Indicates a major fund or fund group

Revenue Discussion

Revenue Projections

The revenue projection process begins with estimates submitted by City departments. The Finance Director and Budget Manager review the estimates and make adjustments as needed on all revenues. Prior year's actuals and current year-to-date amounts are used to project both the current year and next year's revenues. Information received from the State, County, Iowa League of Cities, and other sources is utilized to project recent trends and anticipated revenue amounts. Interest earnings are projected using conservative interest rate projections and current balances and interest accrual information. The Budget Review Team then reviews revenues, expenses, and ending fund balances during departmental budget meetings to determine if fees and charges need to be adjusted. Many funds have a minimum fund balance requirement for cash flows or other purposes. Fund balances above the minimum balance are available for capital improvements or special projects as approved by the City Manager and City Council.



*Excluding Transfers

Revenue Discussion

Local Economy

The City is supported by a diverse economy that includes both the private and public sectors. Ames is home to several large governmental agencies, including Iowa State University (ISU), Iowa Department of Transportation, the U.S. Department of Agriculture National Animal Disease Center and National Veterinary Services Laboratories, and a U.S. Department of Energy National Laboratory. ISU and other government employers add significant local economic stability that has resulted in an unemployment rate below the national and state averages for the past 30 years.

In December 2025, the U.S. Bureau of Labor Statistics reported that the Ames metropolitan statistical area (MSA) unemployment rate was 2.4% (preliminary), among the lowest in the nation and below both the Iowa unemployment rate of approximately 3.3% and the national rate of about 4.1%. The City has experienced a general trend of employment recovery following losses during the COVID-19 pandemic and has largely returned to pre-pandemic employment levels. The City has also experienced steady population growth, increasing from 58,965 in the 2010 Census to 66,427 in 2020, a 12.65% increase over ten years.

Ames has continued steady, moderate growth in both population and property valuation. Recent valuation reports indicate modest annual increases in taxable value, including an increase of approximately 5.9% in the most recent reporting period. ISU student enrollment declined from earlier peaks through fall 2022 but has since stabilized and increased, reaching 31,105 students in fall 2025.

Commercial and industrial development activity has continued to recover and stabilize following pandemic-related slowdowns, with ongoing investment in new construction and redevelopment. The City continues to coordinate with the State of Iowa and private development partners on improvements in the Lincoln Way Corridor and downtown area, including public and private projects such as an indoor aquatics facility, commercial and retail space, and housing. These efforts are supported in part by funding through the Iowa Reinvestment District program administered by the Iowa Economic Development Authority.

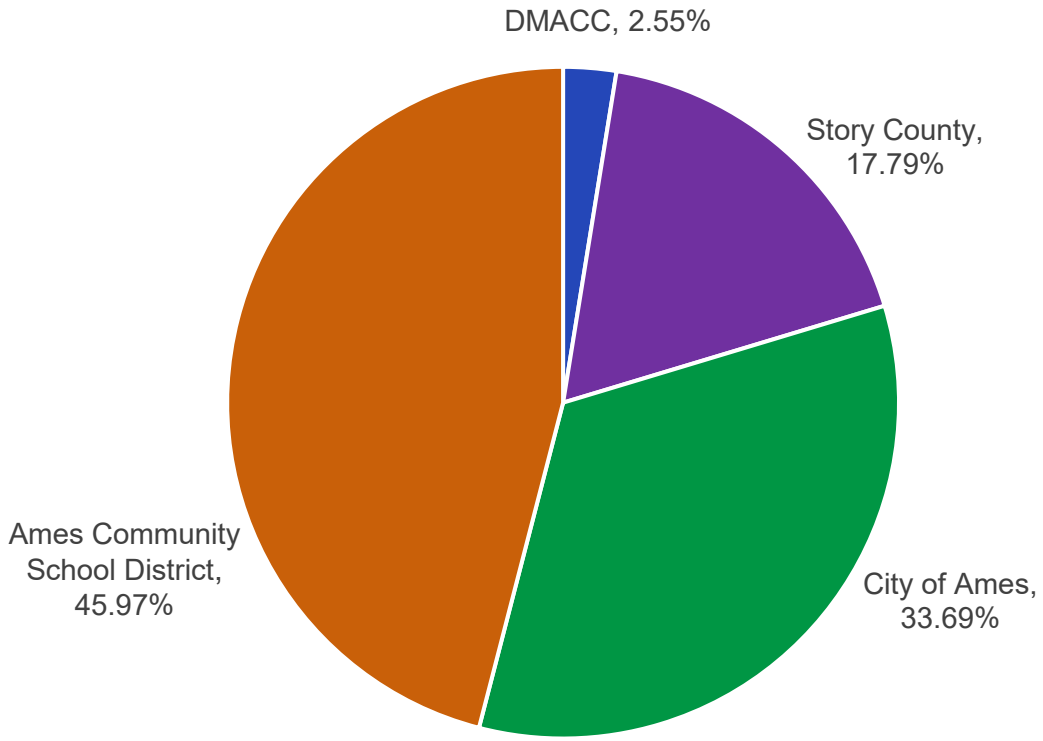
Some of the specific factors of the local economy and City financial practices that have impacted the budget include:

- Growing tax base anchored by the presence of Iowa State University.
- Expanding local economy continues to maintain very low unemployment.
- Active economic development, including both residential and commercial projects.
- Diverse larger taxpayer base with low concentration.
- Conservative budgeting practices leading to positive budget-to-actual financial performance.
- Strong general fund unrestricted cash balances.
- Significant revenue-raising flexibility.

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 FY 2025/26 Rates



*Excluding Transfers

Previous Year's Breakdown	
Ames Community School District	45.71%
City of Ames	32.94%
Story County	18.87%
DMACC	2.48%

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).

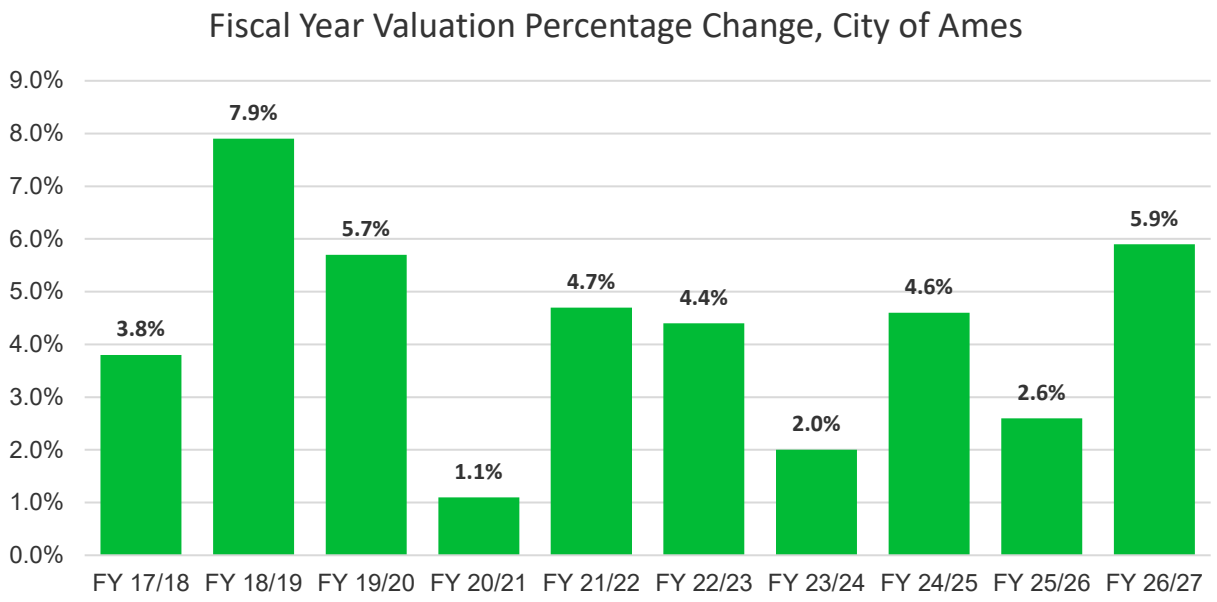
Property Tax Levy Comparisons

City	Population	General Levy per $1,000	Total Levy per $1,000	Total Levy per Capita
West Des Moines *	68,723	$7.97	$10.80	$1,079.68
Council Bluffs *	62,799	$8.10	$17.69	$1,048.11
Cedar Rapids *	137,710	$8.15	$16.66	$945.15
Iowa City	74,828	$8.40	$15.63	$938.82
Urbandale *	45,580	$7.79	$10.03	$902.29
Davenport *	101,724	$8.39	$16.61	$882.84
Ankeny	67,887	$5.90	$9.90	$835.59
Waterloo *	67,314	$8.91	$21.79	$764.72
Marion *	41,535	$7.95	$14.90	$757.27
Des Moines *	214,133	$8.10	$16.61	$731.10
Sioux City *	85,797	$8.56	$17.12	$704.73
Cedar Falls *	40,713	$8.06	$12.20	$676.61
Ames *	**66,427**	**$6.39**	**$10.30**	**$567.23**
Dubuque *	59,667	$7.79	$10.06	$499.68
Average		$7.89	$14.31	$809.56

* 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 FY 2024/25 was $6.22.

Valuation Growth



The average annual valuation increase over the last ten years is 4.27%. The FY 2026/27 total taxable valuation of $3,870,869,626 is made up of the following components:

	Taxable Valuation	Percentage of Valuation	Change From Prior Year
Residential property	2,518,678,527	65.08%	2.33%
Commercial/multi-residential property	1,145,130,194	29.58%	10.56%
Industrial property	203,400,352	5.25%	26.96%
Utilities	16,260,323	0.42%	28.82%
Utilities subject to excise	8,965,250	0.23%	10.77%
Less Exemptions (military, 65+)	(21,565,020)	-0.56%	1.34%
Total	**3,870,869,626**	**100.00%**	**5.86%**

Factors Impacting Valuation Growth

The taxable valuation for the FY 2026/27 budget is based on property values as of January 1, 2025. It is influenced by property additions or removals, changes in valuations, and state-mandated rollback adjustments.

For FY 2026/27, the City's total taxable valuation grew by $214.2 million (5.86%). Below is a list of categorical changes to taxable valuation.

- **New construction**: +$59.7 million
- **Property reclassification**: -$31.9 million
- **Valuation changes to existing properties**: $384.7 million
- **Expiration of tax exemptions**: -$15.9 million
- **State rollback adjustments**: -$183.2 million

Recent reassessment activity and state tax reforms continue to shape the City's property tax outlook. The City continues to monitor the evolving state property tax framework, including levy limitations, rollback adjustments, and changes to exemption programs. These factors collectively influence long-term revenue capacity despite ongoing growth in the local tax base.

Property Tax Levy

Taxable Valuation	$ 3,870,869,626
% Change from FY 2025/26	5.86%

Levy Required	Levy Per 1,000 Valuation	Dollar Amount	Rate Change	%	Dollar Change	%
Total Requirement	8.29969	32,127,036	(0.22504)	-2.64%	954,930	3.06%
Less:						
State Replacement Tax	(0.06880)	266,309	0.03370	-32.88%	(108,494)	-28.95%
Local Option Property Tax	(1.96855)	7,620,000	0.06609	-3.25%	180,000	2.42%
Net General Levy	6.26234	24,240,727	(0.12525)	-1.96%	883,424	3.78%
Transit Levy Requirement	0.59556	2,305,328	(0.01357)	-2.23%	77,958	3.50%
Less:						
State Replacement Tax	(0.00645)	24,976	0.00360	-35.82%	(11,780)	-32.05%
Net Transit Levy	0.58911	2,280,352	(0.00996)	-1.66%	89,738	4.10%
Debt Levy Requirement	3.58978	14,018,337	0.05505	1.56%	1,011,788	7.78%
Less:						
Use of Fund Balance	(0.13316)	520,000	0.02990	-18.34%	(80,000)	-13.33%
State Replacement Tax	(0.03542)	138,320	0.01860	-34.43%	(60,437)	-30.41%
Net Debt Levy	3.42120	13,360,017	0.10354	3.12%	1,152,225	9.44%
Grand Total Tax Levy	10.27265	39,881,096	(0.03167)	-0.31%	2,125,387	5.63%

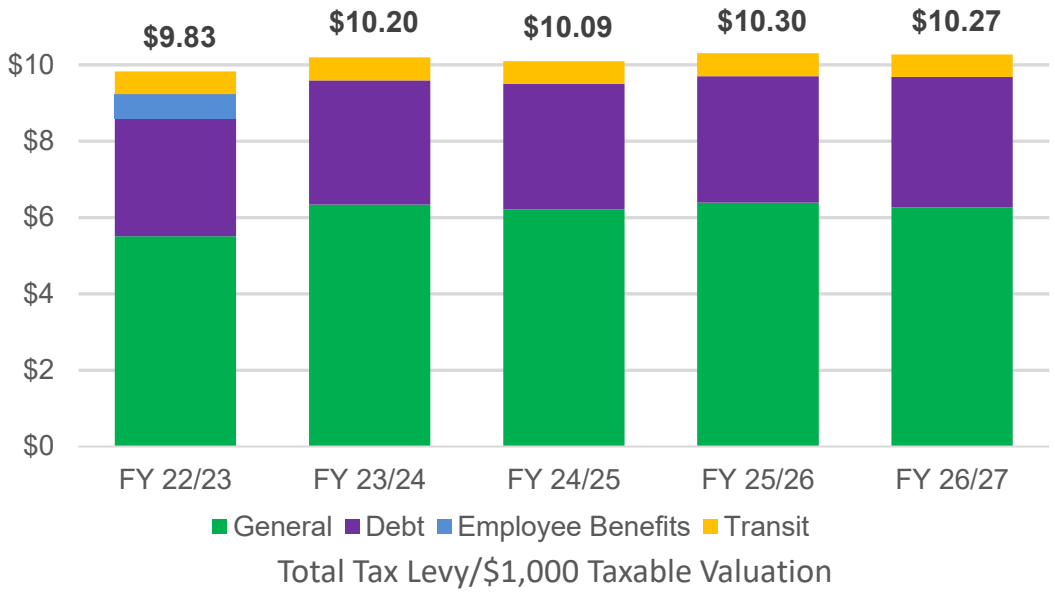
Ag Levy – Valuation: $4,427,974 x 3.00375 = $13,301

TIF valuation available for Debt Service - $34,194,488

Property Tax Levy

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 2026/27 total tax levy is $39,881,094, a 5.63% increase from the FY 2025/26 total tax levy of $37,755,709. Total property tax revenue of $40,602,320 as shown on the revenue summary page, also includes $13,301 for ag land and $800,000 for TIF related tax collections. The total does not include $92,075 in utility excise taxes, which are shown instead in the Other Non-Property Taxes category.

The City's overall levy is made up of individual levies as described below.



General Levy

The general levy, which is used to fund 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 2026/27 is $6.26234, a slight decrease from the FY 2025/26 rate of $6.38759.

Sixty percent of the City's local option sales tax is applied to property tax relief which creates a credit of $1.97/$1,000 valuation for FY 2026/27. A total of $266,309 will also be received in State Replacement Tax funding for FY 2026/27.

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 2026/27 levy of $0.58911 will generate $2,280,352, a 4.10% increase over the amount collected for FY 2025/26. A total of $24,976 will also be received in State Replacement Tax funding for FY 2026/27.

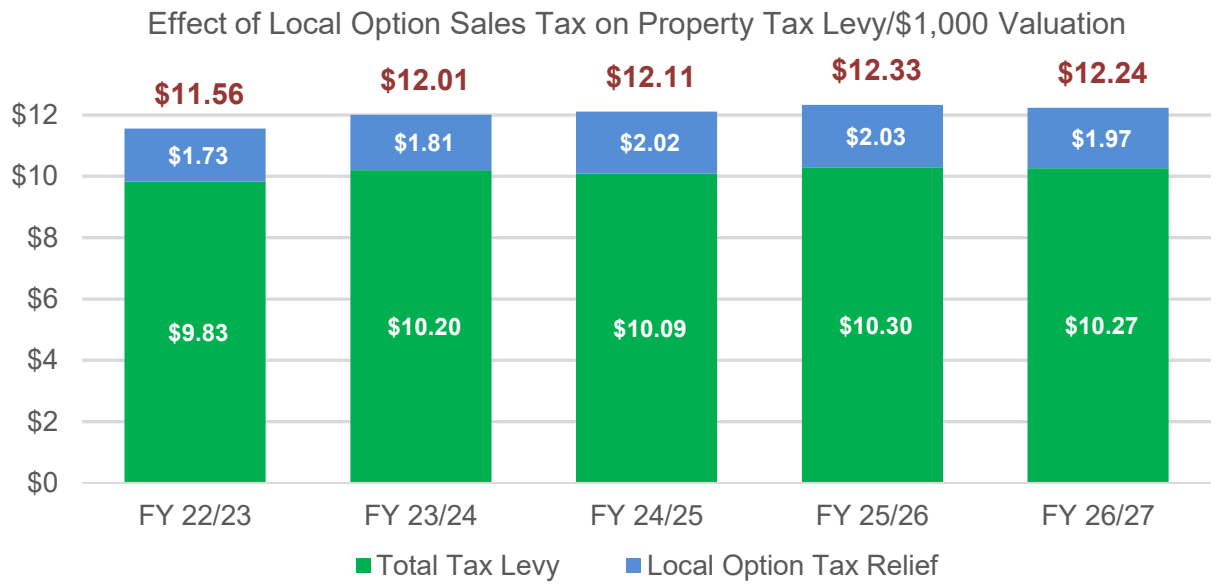
Trust and Agency Levy

A trust and agency levy is available to fund all payroll benefits. In the past, this levy has been used by the City to fund the cost of the state police/fire retirement system. For FY 2026/27, contributions for police and fire retirement will instead be funded by the City's general levy. No trust and agency levy will be used for FY 2026/27.

Property Tax Levy

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 2026/27 is $13,360,015, with an additional $138,320 funded by State Replacement Tax revenue and $520,000 funded through the use of the Debt Service Fund balance. The levy of $3.42120/$1,000 valuation for FY 2026/27 is 3.12% higher than the rate of $3.31766 required for FY 2025/26.



Represents the total levy if Local Option Tax had not been approved.

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 $7,620,000 in FY 2026/27, which will lower the total necessary tax levy by $1.97. The chart above illustrates what the total levy would need to be if the Local Option Sales Tax had not been approved.

After several years of significant increases in Local Option Sales Tax revenue, receipts have leveled off in the last year. Adjusted Local Option Sales Tax revenue for the FY 2025/26 adjusted budget is projected to be $12,400,000, which is the same as the amount adopted for FY 2025/26. Local Option Sales Tax revenue for FY 2026/27 is being budgeted at $12,700,000, a 2.4% increase over the amount adopted for FY 2025/26.

Property Tax Cost of Service per Residence

3-Year Comparison

	2024/25	2025/26	2026/27
Assessed Value	100,000	100,000	100,000
Rollback	46.3428	47.4316	44.5345
Taxable Value	46,343	47,432	44,535
Tax Rate per $1,000	10.09446	10.30432	10.27265
Calculated Tax	468	489	457
Public Safety:			
Law Enforcement	103	108	97
Fire Protection	61	64	62
Building Safety	1	2	2
Animal Control	5	7	7
Utilities:			
Stormwater Management	1	1	-
Resource Recovery	5	5	5
Transportation:			
Streets and Traffic	120	123	117
Transit (Transit Levy)	28	28	26
Airport	-	3	3
Culture and Recreation:			
Parks	18	18	18
Recreation	10	30	27
Library Services	76	60	55
Cemetery	-	-	1
Community Development:			
Planning Services	9	10	8
Economic Development	1	1	1
General Government:			
City Council/City Clerk	4	2	3
City Manager	5	6	5
Communications	3	3	3
Financial Services	5	5	5
Legal Services	5	5	5
Human Resources	4	4	4
Facilities	4	4	3
Total	468	489	457

All categories reflect their applicable amounts for debt service

Other Revenues

Other Taxes

State Replacement Tax

Beginning in FY 2014/15, the Iowa Legislature implemented a rollback, or limitation order, on commercial and industrial property valuations, reducing taxable valuations to 95% in FY 2014/15 and 90% in FY 2015/16. To offset the resulting loss in property tax revenue to local governments, the State established a standing appropriation to provide reimbursement, commonly referred to as the State Replacement Tax. This funding was fully provided by the State through FY 2021/22.

Legislation enacted in 2021 provided for the phased reduction and eventual elimination of State Replacement Tax payments, with the length of the phase-out determined by each city's taxable valuation growth. Communities experiencing valuation growth greater than 34.14% between FY 2013/14 and FY 2020/21 were assigned a five-year phase-out, while others were assigned an eight-year phase-out. The City of Ames experienced growth of 37.0597% during this period and was therefore subject to the five-year phase-out, totaling $976,583. FY 2025/26 represents the final year of this phase-out, with a reduction of $195,316 compared to FY 2024/25. Accordingly, the FY 2026/27 budget reflects the full elimination of this revenue source. The City has incorporated the impact of this phase-out into its long-range financial planning and annual budget development.

In addition, legislation adopted during the 2022 session (House File 2552) further modified the State's property tax system by replacing the Business Property Tax Credit with a permanent rollback on the first $150,000 of assessed valuation for commercial, industrial, and railroad properties. Beginning in FY 2023/24, this portion of valuation is taxed at the residential rollback rate, while the remaining valuation continues to be taxed at 90% of assessed value.

To partially offset the resulting revenue loss to local governments, the legislation includes a standing appropriation of $125 million. However, because this amount is insufficient to fully reimburse all jurisdictions, payments are prorated. For the City of Ames, this results in an estimated ongoing annual revenue shortfall of approximately $150,000.

Local Option Sales Tax

Beginning in January 1987, an additional 1% local option sales tax was applied to all goods and services delivered within the City of Ames, to which the State of Iowa sales tax already applies. The additional tax was approved by the voters in November of 1986. Of the total received, 60% of the funds is earmarked for property tax relief and 40% for community betterment projects.

The total Local Option Sales Tax (LOST) revenue collected within a county is distributed among participating jurisdictions using a two-part formula:

1. **Population-Based Allocation (75%)**: This portion is distributed based on each jurisdiction's share of the county's total population, as determined by the most recent certified federal census.

2. **Property Tax-Based Allocation (25%)**: This portion is allocated based on the amount of property taxes levied by each jurisdiction during the base years of 1982 to 1985. Each jurisdiction's share is calculated by dividing its property tax levy by the total property tax levied in the county during those years.

It's important to note that the distribution formula does not directly consider where the sales occurred within the county. Instead, it focuses on population and historical property tax data.

LOST revenue is based on current local economic trends and projections from the Iowa Department of Revenue, including anticipated revenue from online retail sales subject to the tax. The adjusted FY 2025/26 LOST revenue remains at the adopted level of $12,400,000, and FY 2026/27 revenue is projected at $12,700,000, a 2.5% increase over the FY 2025/26 adopted budget.

Other Revenues

Hotel/Motel Tax

Hotel/Motel tax revenue is collected in the General Fund and transferred to the Hotel/Motel Tax Fund. Of the 7 cents per dollar collected, 5 cents is passed through to Discover Ames, 1 cent is transferred to the Local Option Sales Tax Fund to replace the Local Option Sales Tax that is not collected on hotel stays, and the remaining 1 cent remains in the Hotel/Motel Tax Fund for economic development opportunities. Hotel/Motel Tax revenue is projected using information received from Discover Ames about upcoming events to be held in the city, along with the evaluation of current receipts and historical trends.

For FY 2026/27, Hotel/Motel Tax revenue is being projected at $3,210,000, a 15.8% increase over the FY 2025/26 adopted amount of $2,773,000. The amount of revenue projected in the adjusted FY 2025/26 budget has also been increased to $3,120,000 to better reflect actual revenues being received. Actual Hotel/Motel Tax revenues received in FY 2024/25 totaled $3,027,969. The City continues to maintain a strong balance in the Hotel/Motel Tax Fund, with a projected balance of $2,203,622 at the end of FY 2026/27.

Licenses and Permits

Fees from licenses and permits include cable TV franchise fees, beer and liquor licenses, cigarette permits, garbage hauling licenses, service connections, and building, electrical, mechanical, plumbing, sign, and sidewalk permits. Projected revenues in this category are estimated by the departments issuing the licenses and permits, based on trends in activities that generate license and permit revenue and any changes that have been made to fee schedules. For the last several years, building permit revenue has not been sufficient to cover the costs of the program. A 5% increase in building permits fees is therefore included in the FY 2026/27 budget, the first increase since 2013. Rental housing registration fees have also been increased; the percentage increase varies depending on the number of rental units in the property. Because of these fee increases, this revenue category is budgeted to increase by $34,665, or 2.2%, in FY 2026/27.

Intergovernmental Revenue

Road Use Tax

Road Use Tax (RUT) is collected by the State of Iowa on motor vehicle fuel sales and allocated to local governments on a per capita basis. Estimates are revised annually based on actual experience and reflect changes in fuel prices and general economic activity. After several years of significant growth in Road Use Tax revenue, receipts have levelled off. The City's allocation is projected to increase by only 1.1% to $9,600,000 for FY 2026/27, based on projections received from the Iowa Department of Transportation and an analysis of past and current receipts.

Federal and State Funding

Many state and federal grants are construction project related and thus significantly increase and decrease with the timing of projects. Grants from the federal government include Federal Transportation Assistance, Community Development Block Grant funds, Department of Transportation grants, and Federal Aviation Administration grants. This type of intergovernmental revenue is budgeted based on the grant funding awarded for each individual program or project. For FY 2026/27, federal funding is projected to be $28,524,677, a 25.8% increase from FY 2025/26. The large increase is primarily due to approximately $14,700,000 in federal funding projected for the reconstruction of Runway 1/19 at the Ames Municipal Airport. Federal funds will also continue to be received for the City's transit system, housing programs, and street and traffic projects.

State grant and other state revenues are projected to decrease in FY 2026/27, from $5,550,861 in FY 2025/26 to $3,663,461, a 34.0% decrease. The decrease is primarily due to approximately $1,100,000 in state grant funding for traffic improvement projects that was received in FY 2025/26, along with a $400,000 state grant for a stormwater erosion control project. Similar state grant funding is not projected for FY 2026/27.

Local Government Funding

Other intergovernmental revenue is received from Story County for library services, ISU Student Government and Iowa State University for transit services, Iowa State University for fire protection services, and Iowa State University, Story County, and several adjacent communities for a shared emergency communications system. These revenues are budgeted based on the amount of the departmental budget to be shared by the other governmental units participating in the shared services. For FY 2026/27, these revenue sources are projected to be $11,682,889, a $1,490,266, or 14.6%, increase compared to the FY 2025/26 adopted budget.

Charges for Services

Utility Charges

The largest revenue category for the City of Ames is metered charges for electricity, water, and sanitary sewer service. Revenues for these utilities are projected by the directors of the individual utilities and are based on factors such as service area growth, expected cost increases, and future capital improvements. Models are developed to project revenue and expense trends over five, ten, and twenty-year periods. These models are used to determine the best timing of rate increases and capital improvement projects. In FY 2026/27, rate increases are included for the Electric Utility (1.5%), the Water Utility (3.5%), and the Sewer Utility (5.5%). Despite these rate increases, utility charges for services are projected to increase by only $1,857,825 (1.9%) from $99,088,500 in FY 2025/26 to $100,946,325 in FY 2026/27.

Electric charges for services are the largest component of the Utility Charges category and are projected to increase by $3,273,665, or 4.7%, in FY 2026/27. The increase in charges includes a 1.5% rate increase, as well as projected increases in usage.

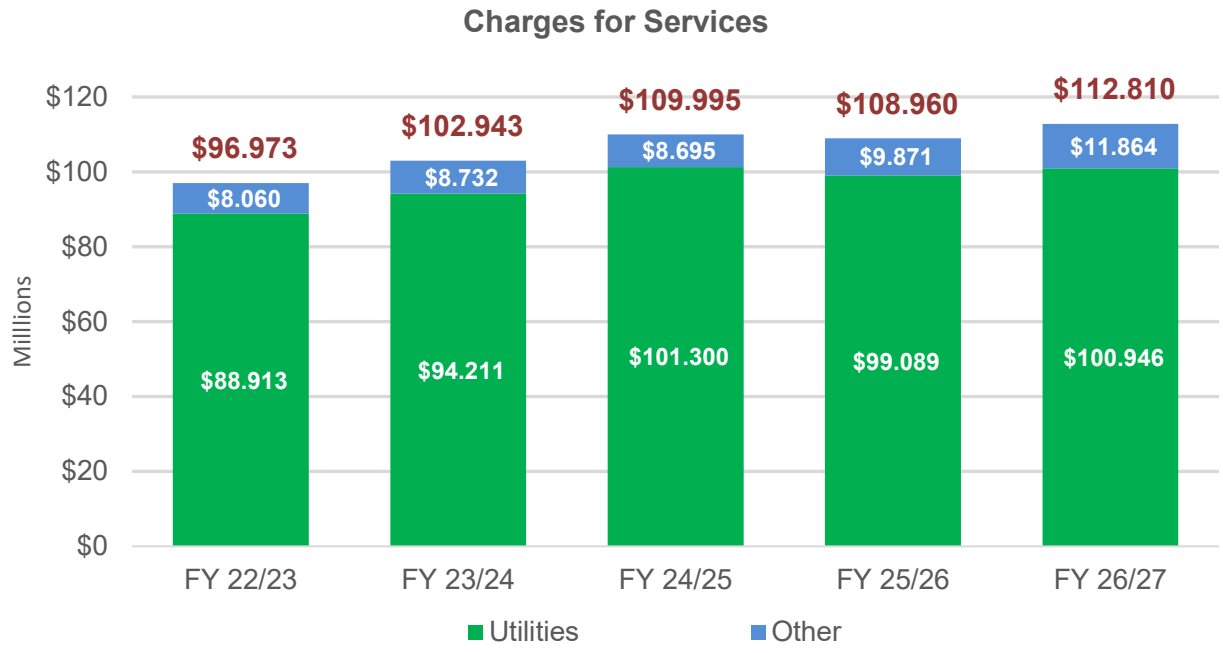
Charges for services in the Water Utility are projected to increase by 1.9%, or $275,400, in FY 2026/27. This increase is reflective of the 3.5% rate increase being implemented on July 1, 2026. Similar rate increases are anticipated annually for each of the next four years. These incremental increases will support essential operational needs and critical capital improvements planned in upcoming years. The increases will also be used to build the balance in the Water Utility Fund to a new goal of 25% of operating expenses. The rate increase of 3.5% is partially offset by an adjustment in water usage in FY 2026/27.

Despite a rate increase, Sewer Utility charges for services are projected to decrease by $1,159,640, or 9.3%, in FY 2026/27. The decrease is largely due to a projected reduction in contract sales to Iowa State University and the National Animal Disease Center. In addition to the 5.5% rate increase planned for July 1, 2026, projections indicate that rate increases will also be necessary in this utility in each of the next four years to finance the cost of operations and necessary capital improvements. The fund balance in the Sewer Utility fund is also being built up over time to a new goal of 25% of operating expenses.

The Utility Charges category also includes fees paid on customer utility bills for stormwater fees. The stormwater rate structure, which is based on impervious surface area, was last increased in FY 2022/23. Revenue from the fee is used to cover the City's stormwater permit program and storm sewer maintenance activities, as well as to help finance large stormwater capital improvement projects. No stormwater fee increase is included for FY 2026/27; revenue is projected to increase by only $7,000.

Other Revenues

Other Charges for Services
This category includes charges for other City services exclusive of utilities, such as transit services, parking fees, recreation facility and program fees, library services, rental housing fees, and charges at the Ames Municipal Cemetery. Revenue in this category is projected to increase by $1,992,763 or 20.2%. The largest component of this increase is that FY 2026/27 will include a full year of revenue for the Fitch Family Indoor Aquatic Center, which is projected to open in the spring of FY 2025/26. Fees have also been increased for other Parks and Recreation programs and facilities, the Ames/ISU Ice Arena, Homewood Golf Course, and the cemeteries.



Other Revenues

Fines, Forfeitures, and Penalties

Revenue included in this category is derived from fines and penalties such as municipal court fines, and overtime and illegal parking. No fine or penalty increases have been implemented for FY 2026/27. Revenue in this category, however, is still projected to increase by $42,100 or 6.6% due to increased fines for overtime parking and increased utility fines for late payments and insufficient funds.

Use of Money and Property

Interest Revenue

Interest is earned on investments and pooled cash accounts managed by the City Treasurer. Projections are computed using actual and projected cash and investment balances and current and expected interest rates. For FY 2026/27, interest projections have been increased by 9.3%, or $570,854, largely due to the projection of higher fund balances.

Other Uses of Money and Property

Rental of City-owned property, such as City facilities, farmland, and land leased for cell tower use, is accounted for in this revenue category. In FY 2026/27, revenue is expected to increase by $55,111, or 3.1%, due to the addition of a billboard lease on City property that will begin in FY 2026/27.

Miscellaneous Revenue

Bond Proceeds

Proceeds from the sale of general obligation bonds are used to fund large capital projects. A $23,587,686 general obligation bond issue to be repaid from the debt service levy is planned to fund projects included in the FY 2026/27 CIP ($22,997,961), as well as to cover Fire Station 2 expenses which will be incurred in the spring of FY 2025/26 ($589,725). The bond issue is 60.5%, or $8,887,686, higher than the issue for FY 2025/26. The increase is largely due to $7,270,680 in G.O. bond debt being issued for the relocation of Fire Station 2 from the Iowa State University Campustown area to a location on State Avenue. General obligation debt of $15,117,620 is also being issued for the construction of the new Resource Recovery and Recycling Center (R3C). Although this debt is being issued as general obligation debt, it will be abated by revenues from the Resource Recovery Fund. Electric revenue bond funding of $4,000,000 will also be utilized in FY 2026/27 for the New Thermal Generation capital improvement project.

State Revolving Fund Loan Program

Funds borrowed through Iowa's low-interest State Revolving Fund (SRF) loan program are used to finance various Water and Sewer Utility CIP projects. In FY 2026/27, funding of $7,250,000 is projected to be borrowed through this program. The SRF funding will be used to complete the first phase of the Nutrient Reduction Modifications project at the City's Water Pollution Control facility. The funding amount is an $18,990,000, or 72.4%, decrease from the amount projected to borrowed in FY 2025/26. In FY 2025/26, $26,240,000 was budgeted in SRF funding for the Nutrient Reduction project.

Other Miscellaneous Revenue

Other miscellaneous revenue includes revenues of a non-recurring nature which are not assigned to another specific revenue category. Examples include special assessments, donations, insurance reimbursements, damage claims, and the sale of capital assets. This revenue category is expected to decrease by $1,564,089, or 42.2%, in FY 2026/27, due almost entirely to the large number of donations received for the Animal Shelter Relocation project in FY 2025/26.

Other Revenues

Internal Services

Internal service revenue is earned by departments that operate as internal service funds and perform services for other City departments. These services include fleet maintenance, computer services, and risk and health insurance. Total internal service revenue is projected to be $27,114,880 for FY 2026/27, an 11.1% increase over the adopted budget for FY 2025/26. The increase is primarily due to an increase in the amount departments are contributing to their fleet replacement funding to cover the cost of new equipment and equipment upgrades. Computer services revenue is also higher in FY 2026/27 due to the merger of the Library's IT staff with the City's IT division. The Library will now pay for their IT services as an internal service charge instead of through personal service costs.

Transfers

Transfers between City funds are projected to be $28,193,165 in FY 2026/27, a $3,162,247, or 12.6%, increase compared to the FY 2025/26 adopted budget. The increase is primarily due to Sewer Utility fund transfers to their sinking fund, which increased by $1,655,455, as the debt service for the Nutrient Reduction project begins to be paid. Resource Recovery's transfer to the Debt Service Fund also increased by $656,234 for debt service payments associated with the Resource Recovery and Recycling Campus.

The FY 2026/27 transfer budget includes a $2,568,124 transfer from the Electric Utility to the General Fund as a payment in lieu of taxes. This payment is calculated annually by applying the current year's tax levy to the historical capital value of the Electric Utility as stated in the previous year's audited financial statements. The transfer projected for FY 2026/27 is a $115,417, or 4.5%, increase over the transfer included in the FY 2025/26 adopted budget.

Expenditure Discussion

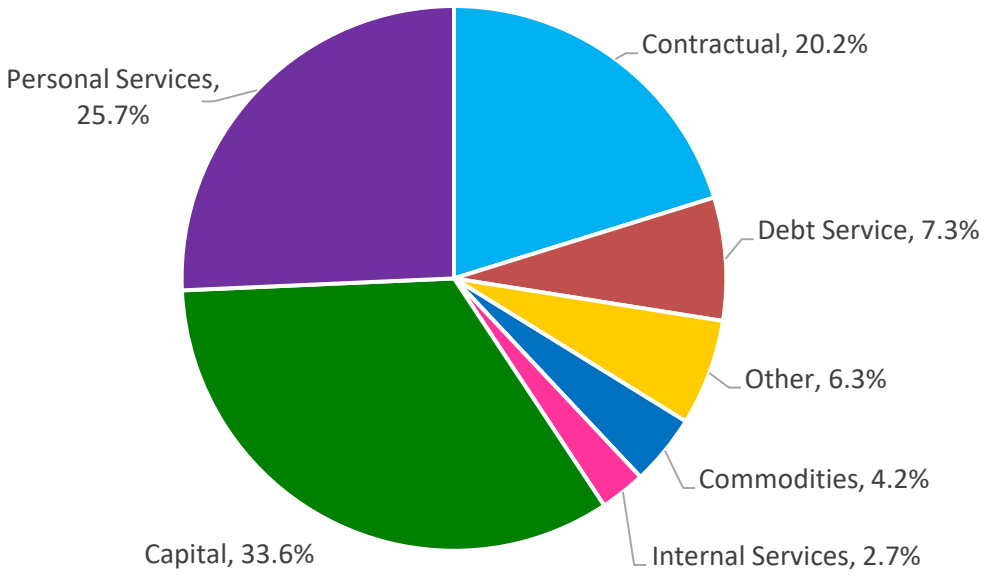
Expenditure are presented by program on pages 54 through 56 and by fund on page 57.

Expenditures by Category

The City of Ames FY 2026/27 consolidated budget reflects a total expenditure amount of $361,554,504. This is an increase of $29,033,984, or 8.7%, in expenditures from the FY 2025/26 budget, as summarized below.

	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	73,879,499	82,381,701	78,416,246	85,696,051	4.0%
Internal Services	10,331,550	8,399,229	9,109,873	8,854,643	5.4%
Contractual	66,820,621	62,097,711	69,192,876	67,407,522	8.6%
Commodities	12,657,447	14,164,388	14,602,195	13,905,570	-1.8%
Capital	64,822,826	101,736,847	216,761,144	112,246,647	10.3%
Debt	20,470,833	21,329,373	22,183,798	24,185,961	13.4%
Other (refunds, insurance claims, etc.)	20,648,935	17,380,353	20,894,209	21,064,945	21.2%
Total Expenditures Before Transfers	269,631,711	307,489,602	431,160,341	333,361,339	8.4%
Transfers	29,831,781	25,030,918	30,188,285	28,193,165	12.6%
Total Expenditures	299,463,492	332,520,520	461,348,626	361,554,504	8.7%

Breakdown by Major Expense Category
FY 2026/27 Adopted Budget*



*Excluding Transfers

Expenditure Discussion

Summary of Increases and Decreases

Personal Services: $3,314,350 (4.0%) increase

Personal Services includes salaries and benefits for full-time, permanent part-time, and temporary employees, including overtime, vacation, sick leave, and compensatory time. For FY 2026/27, a pay increase of 3.5% has been budgeted for salaried employees, and another 2% has been projected for merit increases. Health insurance contributions are budgeted to increase by 8% in 2026/27.

The only new budgeted position for FY 2026/27 is an additional Fire Fighter. Additionally, one Utility Customer Service position is being eliminated due to the implementation of the City's new AMI metering system. It is anticipated that two additional meter reader positions will be eliminated later in FY 2026/27. There were also several FTE changes in the adjusted FY 2025/26 budget. Two Library IT positions were transferred to the IT division of the Finance Department to consolidate the City's IT activities. As a result of the merger, one open position in the Finance IT division was eliminated.

Internal Services: $455,414 (5.4%) increase

Internal Service expenditures include payments for services performed internally by other City departments, such as fleet maintenance, technology services, legal services, messenger, and risk insurance charges. The projected increase in internal service costs in FY 2026/24 is largely due to increases in the amount of fleet replacement funding departments are transferring to Fleet Services for equipment replacements or upgrades. Computer services expenses are also higher as the Library transitions from paying for its IT services through personal services costs to paying through an internal service charge.

Contractual: $5,309,811 (8.6%) increase

Contractual expenditures include payments for services performed by outside vendors, such as consulting services, outside attorney services, and repairs and maintenance charges. This category also includes utility charges, paid either to the City for electricity, water, and sewer, or to outside utilities for gas and phone service. The largest increase in this category was for electric service, which increased from $20,233,230 in FY 2025/26 to $25,053,216 in FY 2026/27, a $4,819,986, or 23.8%, increase. The majority of this increase ($4,400,000) is for electricity that the City's Electric Utility is purchasing off the grid rather than producing it. The Electric Utility purchases power when the market price becomes lower than the cost of production.

Commodities: $258,818 (1.8%) decrease

Commodities include equipment and supplies that are noncapital in nature. This category includes such diverse items as office supplies, chemicals for the Electric, Water, and Sewer Utilities, fuel and vehicle parts for fleet equipment, tools, computers, and Library materials. After several years of significant increases in this category due to cost increases after COVID and supply chain issues, commodity increases are projected to be at a more normal level for FY 2026/27.

Capital: $10,509,800 (10.03%) increase

Capital expenditures include large capital projects, such as street and utility improvements, as well as specific capital equipment costing over $10,000, such as vehicles and large pieces of equipment. The 10.3% increase projected in this category for FY 2026/27 is due to an increased level of capital projects budgeted for Fire Safety ($3,139,050), Electric Services ($7,178,535), Resource Recovery ($16,583,620), and the Ames Municipal Airport ($6,020,000). The increases were partially offset by decreases in other programs such as Water Production/Treatment ($3,944,000) and Water Pollution Control ($17,219,000).

Expenditure Discussion

Debt: $2,856,588 (13.4%) increase
Debt includes principal and interest payments made on general obligation bonds and Electric revenue bonds, as well as payments made on loans received through the State's Revolving Loan Fund (SRF) program. Debt service expenditures are increasing in FY 2026/27. G.O. bond debt service is projected to increase $1,581,476, or 11.2%, in FY 2026/27, largely due to the additional debt being issued for the Fire Station 2 Relocation project.

Debt Service payments to the Iowa State Revolving Fund (SRF) program are projected to increase by $1,473,209, or 24.3%, as debt service payments begin to be made for Water Pollution Control's Nutrient Reduction project.

Other: $3,684,592 (21.2% increase)
Expenditures in this category include health and liability insurance claims, pass-through expenditures such as Hotel/Motel Tax proceeds to Discover Ames, energy efficiency rebates offered through City utilities, and grants awarded to human service agencies, arts programs, and civic and neighborhood associations. The large increase in this category is primarily due to an increase in projected insurance claims for FY 2026/27 ($2,917,171). The payment of Hotel/Motel Tax proceeds to Discover Ames is also projected to increase by $312,018 and a TIF payment for North Dayton Avenue will increase by $275,000.

Transfers: $3,162,247 (12.6% increase)
Transfers are the shifting of dollars between City funds. Most are routine in nature, such as the transferring of a percentage of local option tax receipts to the General Fund for property tax relief and the transfer of funds from the Electric Utility to the General Fund as an in-lieu of property tax payment.

The large increase in transfers in FY 2026/27 is primarily due to Sewer Utility fund transfers to their sinking fund, which increased by $1,655,455, as the debt service for the Nutrient Reduction project begins to be paid. Resource Recovery's transfer to the Debt Service Fund also increased by $656,234 for debt service payments associated with the Resource Recovery and Recycling Campus.

A complete listing of budgeted FY 2026/27 transfers is included on pages 371-372.

Authorized Employment Levels FTE

Full Time Equivalents (FTE)

	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Department				
City Manager/City Clerk	14.00	14.00	14.00	14.00
Legal Services	6.00	6.00	6.00	6.00
Human Resources	9.00	9.00	9.00	9.00
Planning & Housing	7.00	7.00	7.00	7.00
Administrative Services	5.00	5.00	5.00	5.00
Finance	39.00	39.00	40.00	39.00
Fleet Services/Facilities	9.00	9.00	9.00	9.00
Transit	89.25	89.25	89.25	89.25
Fire/Building Safety	75.00	76.00	76.00	77.00
Police/Animal Control	84.05	85.50	85.50	85.50
Library	38.50	38.50	36.50	36.50
Parks and Recreation	29.00	31.00	31.00	31.00
Water & Pollution Control	39.00	39.00	39.00	39.00
Electric Services	81.00	81.00	81.00	81.00
Public Works:				
Administration	2.00	2.00	2.00	2.00
Traffic	8.00	8.00	8.00	8.00
Streets	22.00	22.00	22.00	22.00
Engineering	14.75	14.75	14.75	14.75
Utility Maintenance	13.00	13.00	13.00	13.00
Resource Recovery	15.00	15.00	15.00	15.00
Parking	2.00	2.00	2.00	2.00
Public Works Total	76.75	76.75	76.75	76.75
Total	**601.55**	**606.00**	**605.00**	**605.00**

Changes in Employment Levels FTE

Full-Time Equivalents (FTE)

The staffing level changes for the City of Ames that are included in the 2025/26 adjusted budget and 2026/27 Manager recommended budget are as follows:

2025/26 Adjusted: 605.00 (1.00 decrease)

+2.00 The Finance Department FTEs have been increased by two due to the consolidation of the Library's IT staff with the Information Technology division in the Finance Department.

-1.00 As a result of the Library and Information Technology staffing consolidation, one open Information Technology FTE was eliminated.

-2.00 The Library FTEs have been reduced due to two Library IT employees being transferred to the Information Technology division of the Finance Department to consolidate the two areas.

2026/27 Manager Recommended: 605.00 (0.00 increase)

-1.00 A Finance Utility Customer Service position is being eliminated in anticipation of the implementation of the new AMI metering system, which will eliminate two additional meter reader positions later in FY 2026/27.

1.00 As additional Firefighter position is being added in anticipation of staffing needs for a fourth fire station.

Adjusted Budget for FY 2025/26
Compared the Adopted Budget for FY 2025/26

The adopted budget is typically amended in the fall to incorporate carryovers, uncompleted capital improvement projects or capital purchases from the prior fiscal year. A second amendment is approved in February to incorporate operating expense and revenue changes. The following table summarizes significant adjustments that were made to the FY 2025/26 budget as part of these two amendment processes.

2025/26 Adopted	2025/26 Adjusted	% Change	$ Change
332,520,520	461,348,626	38.7%	128,828,106
Operating Budget Carryovers and Adjustments:			
Reduction in Public Safety operations			(691,255)
Increase in Electric Services operations			2,543,292
Other changes in Utilities operations			(673,091)
Emerald Ash Borer program carryover			45,561
Increase in CyRide operating expenses			188,140
Other changes in Transportation operations			212,764
Increase in Parks and Recreation expenditures			(88,891)
Parks and Recreation Donations expenditure carryovers			153,001
Increase in Library Services expenditures			11,169
Public Art program carryover			57,022
Artwork for Downtown Plaza			150,000
Other Art Services expenditures			7,840
Cemetery increase in expenditures			11,000
Increase in Hotel/Motel Tax pass-through to Discover Ames			247,758
Ames History Museum allocation carryover			30,000
Carryover funding for sustainability programs			1,121,710
CDBG program carryover			1,290,907
HOME program carryover			991,110
Other changes in Community Development operations			337,665
City website upgrade carryover			25,038
Budgeting/Reporting System funding carryover			99,820
Human Resources funding carryover			67,685
City Hall space needs carryover			111,320
Increase in other General Government operations			4
Total Operating Budget Adjustments			6,249,569

Adjusted Budget for FY 2025/26
Compared the Adopted Budget for FY 2025/26

CIP Project Carryovers and Adjustments:	**$ Change**
Animal Shelter Relocation	3,051,503
Fire Station 2 Relocation	639,810
Other Public Safety CIP	219,686
Electric Services	16,106,444
Water Production/Treatment	6,043,422
Water Pollution Control	8,618,975
Water Distribution System	3,840,140
Sanitary Sewer System	12,136,182
Stormwater	6,142,208
Resource Recovery	6,365,273
Street Improvements	12,284,109
Shared Use Path System	2,166,319
Traffic Improvements	7,595,283
Street Rehabilitation	3,152,096
Transit System	11,230,810
Airport	2,702,229
Parks and Recreation	7,863,428
Other Culture and Recreation	94,356
Façade/Neighborhood Grants	264,248
City Facilities	1,115,664
Total CIP Project Adjustments	111,632,185
Debt Service Carryovers and Adjustments:	
Increase in SRF loan payments	733,026
Additional bond costs	121,399
Total Debt Service Adjustments	854,425
Internal Services Carryovers and Adjustments:	
Fleet equipment carryovers	1,156,700
Information Technology carryover	112,350
Decrease in Risk Management expenses	(267,480)
Increase in Health Insurance expenses	2,193,125
Increase in other Internal Service expenses	1,739,865
Total Internal Service Adjustments	4,934,560
Transfers Carryovers and Adjustments:	
Additional transfer from General Fund to P&R Scholarship Fund	167,523
Additional transfer from General Fund to Council Priorities Fund	759,546
Additional transfer from General Fund to Parking Operations Fund	50,000
Additional transfer from General Fund to Recycling Services Fund	150,000
Additional transfer from General Fund to Debt Service Fund	430,000
Increase in General Fund transfer to Hotel/Motel Tax Fund	347,000
Carryover of transfer from Parks & Rec Grants Fund to Park Development Fund	175,000
Transfer from G.O. Bond Funds to Debt Service to close bond funds	1,330,534
Transfer from Water Construction Fund to Water Utility Fund to close project	260,982
Transfer from Sewer Utility Fund to Sewer Improvements Fund to cover unreimbursed expenses	376,501
Increase in Sewer Utility transfer to Sewer Sinking Fund	795,406
Carryover of transfer from Sewer Improvements to Stormwater Improvements of SRF funding	300,000
Other transfer changes	14,875
Total Transfer Adjustments	5,157,367
Difference between FY 2025/26 Adopted and Adjusted Budgets	128,828,106

Capital Summary

The City's capital budget consists of both capital items included in departmental operating budgets and capital projects included in the City's five-year Capital Improvements Plan (CIP). The capital budget for FY 2025/26 of $101,736,847 is composed of the following operating capital and capital improvement projects:

Operating Capital	2,867,700
CIP (capital portion only)*	109,378,947
Total Capital	**112,246,647**

* The CIP totals $98,415,547 and includes $300,000 in non-capital items:

- Water Treatment Plant arc flash study ($25,000)
- Recreation Center conceptual plan ($100,000)
- Neighborhood Improvement Program ($50,000)
- Downtown and Campustown Facade Grant Programs ($125,000)

Operating Capital

Operating capital includes both purchases that occur each year and purchases that are more non-routine in nature. Funding for all operating capital is approved as part of each department's budget review with the Finance Department and the City Manager's Office. Departments submit requests for capital purchases and provide background information explaining the benefits of the capital acquisition and how it will improve the services delivered by the department. Final approval of capital purchases is by City Council as part of the budget review process.

Recurring Capital Purchases:	
Fleet Services vehicles/equipment	2,001,000
Electric transformers	550,000
Information Technology equipment	120,000
Public Art acquisitions	20,500
Traffic ATC cabinet test equipment	10,000
Total Recurring Capital	2,701,500

Non-Recurring Capital Purchases:	
Airport T-hangar doors	73,000
Power Plant electric heaters	36,000
W&PC conference room AV system	25,000
W&PC Lab dishwasher	18,200
Water Plant lime slaker pumps	14,000
Total Non-Recurring Capital	166,200

Total Operating Capital	2,867,700

Capital Improvements Plan (CIP)

Process

The City's five-year Capital Improvement Program (CIP), contained in a separate document, is used to plan for major additions and upgrades to the City's infrastructure system, as well as other major capital improvements or programs. Construction projects, equipment purchases, and certain studies that cost $15,000 or more will be included in the Capital Improvements Plan (CIP) while minor capital outlays of less than $15,000 will generally be included within program operating budgets. CIP projects are also infrequent in nature; operating and maintenance projects that exceed the $15,000 threshold but are routine in nature will not qualify as CIP projects.

The CIP process begins with departments evaluating the need for projects and submitting proposed project sheets in the fall of each year. Resources used to identify priority projects include plans such as the Ames 2040 Comprehensive Plan, the 2045 Metropolitan Transportation Plan, the Ames Bicycle-Pedestrian Master Plan (Walk Bike Roll Ames), as well as professional studies of facilities and utility needs. The City Manager and Assistant City Managers tour the projects and discuss them with the departments. In mid-November, after the operational budgets are submitted, fund projections are prepared to determine if funding is available for the proposed projects. A draft CIP is prepared by the end of December. In January, the City Council holds a CIP workshop followed a week later by a public hearing for citizen input. The CIP is typically approved in February with the operating budget.

The Capital Improvements Plan for FY 2026/27 through FY 2030/34 reflects expenditures of $431,453,099 over five years in the following areas to improve infrastructure and facilities for both citizens and visitors to the City of Ames.

Expenditures:	**Total**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**
Public Safety	13,139,245	6,680,955	4,329,750	1,331,544	796,996	-
Utilities	264,509,155	54,722,155	71,830,000	53,832,000	20,687,000	63,438,000
Transportation	144,096,759	44,812,337	20,862,170	25,641,587	28,379,691	24,400,974
Culture and Recreation	8,392,940	3,543,500	1,182,380	894,280	986,780	1,786,000
Community Development	875,000	175,000	175,000	175,000	175,000	175,000
General Government	440,000	90,000	125,000	75,000	75,000	75,000
Internal Services	-	-	-	-	-	-
Total Expenditures	431,453,099	110,023,947	98,504,300	81,949,411	51,100,467	89,874,974
Funding Sources:						
Debt	251,770,371	51,025,581	68,983,250	49,366,044	18,312,496	64,083,000
City	116,658,130	32,901,306	22,396,703	21,914,751	21,354,255	18,091,115
Other	63,024,598	26,097,060	7,124,347	10,668,616	11,433,716	7,700,859
Total Funding Sources	431,453,099	110,023,947	98,504,300	81,949,411	51,100,467	89,874,974

Funding for the five-year Capital Improvements Plan is from a combination of debt issuance, City revenues, and outside funding. Proposed debt issuance for the five-year plan includes $79,613,251 in general obligation bonds, $15,117,620 in general obligation bonds abated by Resource Recovery revenue, $1,660,000 available from previously issued bonds, $132,444,500 in Electric revenue bonds, and $22,935,000 in state revolving fund loans that will be used to finance water and sanitary sewer projects.

Reconciliation of Capital Programs for FY 2026/27 to the CIP Document

The FY 2026/27 approved capital projects are incorporated into the budget as capital programs. These programs are found at the end of each applicable program section.

Total 2026/27 CIP per Capital Improvements Plan		110,023,947
Public Safety CIP	Page 136	6,680,955
Utilities CIP	Page 192	54,722,155
Transportation CIP	Page 240	44,812,337
Culture and Recreation CIP	Page 287	3,543,500
Community Development CIP	Page 315	175,000
General Government CIP	Page 344	90,000
Internal Services CIP		-
Total CIP in Budget Document		110,023,947

The totals by program sometimes vary slightly between the budget document and the Capital Improvements Plan document. If a street project includes a water or sewer line replacement, for example, both components of the project may be shown as part of the street project in the Capital Improvements Plan document. The projects will, however, be shown in their separate program areas in the budget document. In FY 2026/27, there are no projects that overlap between programs. The totals by program are the same in both the Capital Improvements Plan document and the budget document.

Summary of Increases and Decreases

Below is a table summarizing the changes in CIP expenditures from FY 2025/26 to FY 2026/27.

CIP Program Expenditures	2025/26 Adopted	2026/27 Adopted	$ Change	% Change
Public Safety CIP	3,541,905	6,680,955	3,139,050	88.6%
Utilities CIP	49,973,000	54,722,155	4,749,155	9.5%
Transportation CIP	37,840,563	44,812,337	6,971,774	18.4%
Culture and Recreation CIP	6,810,079	3,543,500	(3,266,579)	-48.0%
Community Development CIP	175,000	175,000	-	0.0%
General Government CIP Projects	75,000	90,000	15,000	20.0%
Total CIP Change	98,415,547	110,023,947	11,608,400	11.8%

Public Safety CIP - $3,139,050 (88.6%) increase

The increase in the Public Safety CIP program is primarily due to the addition of the Fire Station 2 Relocation project, which is budgeted at $6,680,955 in FY 2026/27. The increase from the Fire Station project is partially offset by the completion of the Animal Shelter Relocation project, which was budgeted at $3,250,000 in FY 2025/26.

Utilities CIP - $4,749,155 (9.5%) increase

The increase in the Electric Services CIP program is $7,178,535 and is primarily due to several projects: the Ontario Substation project ($2,593,535), the New Thermal Generation project ($2,000,000), and the Coal Yard Reclamation project ($3,750,000).

The Water Production and Treatment CIP program is decreasing by $3,944,000 due to the completion of several projects that were included in the FY 2025/26 budget: the Technical Services Complex Renovation project ($1,680,000) and the Wellfield Standby Power project ($1,757,000).

The Water Pollution Control CIP is decreasing by $17,219,000. This is primarily due to lower funding for the Nutrient Reduction project in FY 2026/27. This project, which was budgeted at $26,240,000 in FY 2025/26, is budgeted at $7,250,000 in FY 2026/27.

In FY 2025/26, Sanitary Sewer System CIP projects were reduced in the CIP to allow Public Works to catch up on a backlog of projects. Stormwater funding returns to a more normal level in FY 2026/27, resulting in a $2,150,000 increase over FY 2025/26 funding.

A new Resource Recovery project, the Resource Recovery and Recycling Campus, was included in the CIP for the first time in FY 2025/26 at a cost of $880,000. The amount budgeted to complete the project in FY 2026/27 is $15,117,620. Funding of $2,340,000 has also been added to the budget to purchase the tractors and trailers needed for transfer operations at the new campus.

Transportation CIP - $6,971,774 (18.4%) increase

Street Improvement CIP projects were increased by $7,605,000 in FY 2025/26 due to the addition of two large street reconstruction projects. In the Arterial Street Pavement Improvements program, $4,140,000 is budgeted to reconstruct East Lincoln Way from Duff Avenue to the South Skunk River. In the CyRide Route Pavement Improvements program, $3,800,000 is allocated for the reconstruction of Lincoln Way in the Campustown area, from Hayward Avenue to Beach Avenue.

Funding in the Traffic Improvements CIP program is decreasing by $5,151,400 due to the completion of two large projects budgeted in FY 2025/26: the Intelligent Transportation System ($2,406,400 decrease) and the Traffic Capacity Improvements project for FY 2025/26 ($2,825,000 decrease).

The CIP program for the Transit system has decreased by $1,231,826, largely due to a $1,127,922 decrease in the Vehicle Replacement program. The CIP program for the Transit system is largely dependent on the availability of federal and state funding.

The Airport CIP program increased by $6,020,000 in FY 2026/27 due to an Airport Airside Improvements program project to complete the reconstruction of Runway 01/19. The 2026/27 portion of the project is budgeted at $16,015,000, a $5,805,000 increase over the amount budgeted for the project in FY 2025/26.

Culture and Recreation CIP - $3,266,579 (48.0%) decrease

The Parks and Recreation CIP program decreased by $3,191,579 in FY 2026/27. The decrease was caused by the completion of the Fitch Family Indoor Aquatic Center project, which was budgeted at $4,879,579 in FY 2025/26.

The decrease caused by the completion of the Fitch Family Indoor Aquatic Center was partially offset by funding for a new project, the development of Ontario Park. Funding of $1,300,000 is included in the budget for FY 2026/27 to begin the construction of some of the amenities that will be included in the new park.

General Government CIP - $15,000 (20.0%) increase

Funding in the Facilities program for the City Hall Improvements program is being increased from the normal annual amount of $75,000 to $90,000 in FY 2026/27. The additional funding will be used to hire an architectural firm to evaluate the current City Hall exterior doors and to develop an estimate and options for their replacement.

CIP Annual Operating Budget Impact

Many capital improvement projects have an impact on the City's operating budget by requiring additional personnel, increasing maintenance costs, or increasing debt service costs to fund the projects. Other projects reduce maintenance costs by improving systems or processes. Below is a summary of the effect of the FY 2026/27 Capital Improvements Plan on the City's operating budget.

Program:	2026/27 Capital Budget	Personal Services	Operational Capital	Other Operations	Debt Service	Revenue Increase	Total
Public Safety	6,680,955	-	-	-	434,350	-	7,115,305
Utilities	54,722,155	-	-	-	1,610,787	(438,305)	55,894,637
Transportation	44,812,337	-	-	2,767	1,394,112	-	46,209,216
Culture and Recreation	3,543,500	-	-	(2,000)	-	-	3,541,500
Community Development	175,000	-	-	-	-	-	175,000
General Government	90,000	-	-	-	-	-	90,000
Internal Services	-	-	-	-	-	-	-
Total Expenditures	**110,023,947**	**-**	**-**	**767**	**3,439,249**	**(438,305)**	**113,025,658**

A new project to relocate Fire Station 2 is included in the Capital Improvement Plan for the first time. Because the new facility will be approximately the same size with the same staffing as the current Fire Station 2, it is anticipated that operating costs will not increase compared to the current facility.

A new Resource Recovery and Recycling Campus (R3C) is also included in the Capital Improvement Plan. The new facility will be substantially larger than the current Resource Recovery Plant. As a result, operating costs are expected to increase by approximately $845,782. Because the facility is not scheduled to open until July 1, 2027, the additional operating costs were not included in the FY 2026/27 operating budget. Tipping fees for commercial haulers and the public, however, will increase from $75 to $85 per ton on July 1, 2026, in anticipation of the increased operating costs for the new facility. The increase for FY 2026/27 is projected to generate an additional $438,305 in revenue. The tipping fee is anticipated to increase again in FY 2027/28, from $85 to $95.11 per ton.

The new Resource Recovery and Recycling Center is located on Freel Drive on the eastern edge of the City. To develop the site and construct the project, Freel Drive will need to be paved from 600 feet south of East Lincoln Way to the intersection with Southeast Fifth Street. Additional operating expenses to maintain the newly paved road are approximately $1,957 per year.

Two sections of shared use path will be added to the City's network in FY 2026/27. A section will be constructed along Mortensen Road from Dickinson Road to South Dakota Avenue. A second section will be constructed along Duff Avenue from South Third Street to South Fifth Street. These two additional sections to the shared use path system will add approximately 0.32

miles of paved trail, adding approximately $810 to the Public Works operating budget for shared use path maintenance and snow and ice removal.

Funding to begin the development of the new Ontario community park is included in the capital improvement plan for FY 2026/27. Although the plan has not been completed to determine the amenities that will be included in the development, it is estimated that an additional $25,000 in operating costs will be necessary to maintain the new park.

City Council has approved the installation of solar panels on two newly constructed Parks and Recreation facilities to help reduce carbon emissions and operating costs. Solar panels installed at the new Fitch Family Indoor Aquatic Center are expected to produce 346,061 kilowatt hours of electricity annually, which will reduce electrical costs at the Center by approximately $23,000 per year. Solar panels will also be installed on the building in the new Downtown Plaza. These panels are expected to produce 37,428 kilowatt hours of electricity annually, reducing electrical costs by approximately $4,000 per year.

Debt service costs are related to General Obligation bond funding for Public Safety, Transportation, and Culture and Recreation capital projects. The Utilities program debt service includes costs related to State Revolving Fund debt issued for the Water Pollution Control Nutrient Reduction project ($860,787) and General Obligation bond funding for the Resource Recovery and Recycling Campus ($750,000). The debt for the Utility program will be abated by revenues in each utility.

Program Operation by Fund

The following table summarizes the relationship between the City's programs presented in the budget document and the City's fund structure.

Funds:	Public Safety	Utilities	Transpo-tation	Culture & Recreation	Community Development	General Government	Total
***General Fund **	25,269,155	-	1,263,127	12,122,598	1,168,597	3,841,380	43,664,857
Special Revenue Funds:							
Local Option Sales Tax	-	-	-	343,946	2,481,460	6,420	2,831,826
Hotel/Motel Tax	-	-	-	-	2,485,940	-	2,485,940
Road Use Tax	-	-	8,459,420	-	-	-	8,459,420
Public Safety Special Revenues	139,000	-	-	-	-	-	139,000
City-Wide Housing Program	-	-	-	-	29,916	-	29,916
CDBG	-	-	-	-	1,102,657	-	1,102,657
HOME Program	-	-	-	-	278,382	-	278,382
HOME American Rescue Plan	-		-	-	631,705	-	631,705
Parks and Rec Donations/Grants	-	-	-	12,000	-	-	12,000
Parks and Rec Scholarship Fund	-	-	-	-	-	-	-
Library Donations/Grants	-	-	-	482,046	-	-	482,046
Utility Assistance	-	17,500	-	-	-	-	17,500
Miscellaneous Donations	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-
TIF Funds	-	-	-	-	800,000	-	800,000
Total Special Revenue Funds	139,000	17,500	8,459,420	837,992	7,810,060	6,420	17,270,392
***Capital Projects Fund **	-	-	-	-	-	-	-
Permanent Funds:							
Furman Aquatic Center Trust	-	-	-	-	-	-	-
Enterprise Funds:							
Airport	-	-	258,813	-	-	-	258,813
Water Utility *	-	9,221,132	-	-	-	-	9,221,132
Sewer Utility *	-	7,045,303	-	-	-	-	7,045,303
Electric Utility *	-	68,069,896	-	-	-	-	68,069,896
Parking	-	-	1,013,750	-	-	-	1,013,750
Transit	-	-	16,400,727	-	-	-	16,400,727
Stormwater Utility	-	1,064,580	-	-	-	-	1,064,580
Ames/ISU Ice Arena	-	-	-	661,906	-	-	661,906
Homewood Golf Course	-	-	-	440,868	-	-	440,868
Resource Recovery	-	5,153,402	-	-	-	-	5,153,402
Recycling Services	-	1,512,000	-	-	-	-	1,512,000
Total Enterprise Funds	-	92,066,313	17,673,290	1,102,774	-	-	110,842,377
Total Operations	25,408,155	92,083,813	27,395,837	14,063,364	8,978,657	3,847,800	171,777,626

* Indicates a major fund or fund group

Summary of Changes in Fund Balance

Fund Balance is defined as the net assets of a fund calculated on a budgetary basis and used as a measure of the financial resources available in the fund. The following is an overview of the changes in the City's fund balances based on the adopted FY 2026/27 budget. Explanations of changes in fund balances greater than 10% are summarized on the following pages.

	FY 2026/27 Adopted Beginning Fund Balance	FY 2026/27 Adopted Ending Fund Balance	Change In Fund Balance	% Change	Comment
General Fund *	**11,074,767**	**11,074,767**	**-**	**0.0%**	
Special Revenue Funds:					
Local Option Sales Tax	5,451,689	5,604,975	153,286	2.8%	
Hotel/Motel Tax	1,955,092	2,203,622	248,530	12.7%	A
Road Use Tax	2,647,605	1,801,396	(846,209)	-32.0%	B
Police Forfeiture	165,301	163,301	(2,000)	-1.2%	
Public Safety Donations/Grants	963	963	-	0.0%	
Animal Shelter Donations	179,950	188,950	9,000	5.0%	
New Animal Shelter Donations	1,292	1,292	-	0.0%	
City-Wide Housing Program	348,661	319,245	(29,416)	-8.4%	
CDBG Program	-	-	-		
HOME Program	-	-	-		
HOME American Rescue Plan	-	-	-		
Parks and Rec Donations/Grants	26,148	31,148	5,000	19.1%	C
Parks and Rec Scholarship Fund	701,640	720,640	19,000	2.7%	
American Rescue Plan	2,748,750	2,748,750	-	0.0%	
Library Donations/Grants	424,943	371,947	(52,996)	-12.5%	D
Utility Assistance	22,932	27,432	4,500	19.6%	E
Miscellaneous Donations	32	32	-	0.0%	
Developer Projects	250,481	252,481	2,000	0.8%	
Economic Development	547,166	547,166	-	0.0%	
TIF Funds	969,457	661,707	(307,750)	-31.7%	F
Total Special Revenue Funds	16,442,102	15,645,047	(797,055)	-4.8%	
Capital Project Funds: *					
Special Assessments	(441,975)	(304,031)	137,944	-31.2%	G
Street Construction	294,326	294,326	-	0.0%	
Park Development	689,028	805,028	116,000	16.8%	H
Winakor Donation Fund	2,063,130	1,017,130	(1,046,000)	-50.7%	I
Indoor Aquatic Center Donations	583,189	583,189	-	0.0%	
Council Priorities Capital Fund	5,997,500	6,000,000	2,500	0.0%	
General Obligation Bonds	4,808,400	4,378,125	(430,275)	-8.9%	
Total Capital Project Funds	13,993,598	12,773,767	(1,219,831)	-8.7%	

* Indicates a major fund or fund group

Summary of Changes in Fund Balance

	FY 2026/27 Adopted Beginning Fund Balance	FY 2026/27 Adopted Ending Fund Balance	Change In Fund Balance	% Change	Comment
Permanent Funds:					
Cemetery Perpetual Care	1,157,315	1,183,565	26,250	2.3%	
Furman Aquatic Center Trust	1,185,220	1,220,220	35,000	3.0%	
Total Permanent Funds	2,342,535	2,403,785	61,250	2.6%	
Enterprise Funds:					
Airport	3,130,068	3,103,296	(26,772)	-0.9%	
Water Utility *	16,720,133	16,295,791	(424,342)	-2.5%	
Sewer Utility *	26,384,240	23,232,242	(3,151,998)	-11.9%	J
Electric Utility *	43,702,452	31,714,997	(11,987,455)	-27.4%	K
Parking	1,426,528	1,479,578	53,050	3.7%	
Transit	19,882,871	18,409,676	(1,473,195)	-7.4%	
Stormwater Utility	2,302,354	1,385,274	(917,080)	-39.8%	L
Ames/ISU Ice Arena	544,260	583,935	39,675	7.3%	
Homewood Golf Course	1,057,068	930,501	(126,567)	-12.0%	M
Resource Recovery	1,411,359	799,390	(611,969)	-43.4%	N
Recycling Services	150,000	160,500	10,500	7.0%	
Total Enterprise Funds	116,711,333	98,095,180	(18,616,153)	-16.0%	
Debt Service Fund *	4,887,798	4,596,800	(290,998)	-6.0%	
Internal Service Funds:					
Fleet Services	13,027,653	13,974,342	946,689	7.3%	
Information Technology	4,146,672	4,183,008	36,336	0.9%	
Risk Management	4,231,053	4,406,580	175,527	4.1%	
Health Insurance	7,423,561	7,156,671	(266,890)	-3.6%	
Total Internal Service Funds	28,828,939	29,720,601	891,662	3.1%	
Totals	194,281,072	174,309,947	(19,971,125)	-10.3%	

* Indicates a major fund or fund group

Some funds, such as the Utility funds, Transit, Parking, and Fleet Services, contain separate sinking or reserve funds. The funds are shown in aggregate in this table; the separate components making up each fund are shown in the Fund Summaries section beginning on page 375.

The Special Assessments fund has a negative fund balance because the fund begins to pay debt service immediately on the bonds issued for projects that will be abated through special assessments. The special assessments that are collected over time are then used to repay the negative balance caused by the debt service.

Summary of Changes in Fund Balance

Explanation of Changes in Fund Balance Greater than 10%:

A) Hotel/Motel Tax Fund: Hotel/Motel revenue is projected to increase by 15.8% in FY 2026/27. Although five cents of the seven cents per dollar tax collected is passed through to Discover Ames, and one cent replaces the Local Option Sales tax not collected, the remaining one cent remains in the Hotel/Motel Tax Fund for economic development. In the FY 2026/27 budget, revenue was increased, but no accompanying expenditures for economic development were identified, resulting in a 12.7% increase in the fund balance.

B) Road Use Tax Fund: Road Use Tax Fund expenses for FY 2026/27 include capital projects approved out of the unreserved fund balance, resulting in a 32.0% drawdown of the fund balance.

C) Parks and Recreation Donations/Grants Fund: The balance in Parks and Recreation's Donations and Grants fund will increase by 19.1% in FY 2026/27 as expenses have not yet been budgeted for all projected donations.

D) Library Donations/Grants Fund: The balance in the Library's Donations and Grants fund will decrease by 12.5% in FY 2026/27 as donations received in prior fiscal years are used for Library programming and materials.

E) Utility Assistance Fund: The Utility Assistance Fund is used to account for donations received through the payment of customer's utility bills to assist other customers who may have difficulty making their payments. In FY 2026/27, the revenue in this program is projected to increase based on recent trends. The use of the available donations, however, has not increased as much, resulting in a 19.6% increase in the fund balance.

F) Tax Increment Financing (TIF) Fund: Property tax revenue on several TIF districts has been completely received and is now being used to pay the debt service associated with the projects, reducing the TIF Fund's balance by 31.7%.

G) Special Assessments Fund: The negative balance in the Special Assessments Fund is projected to decrease by 31.2% as assessment revenue continues to be received while debt service payments begin to decrease.

H) Park Development Fund: Funding is transferred each year to the Park Development Fund from local option sales tax proceeds to use for larger park development or park improvement projects. In FY 2026/27, the funding will be transferred as normal, but no park projects have been identified, creating a 16.8% increase in the Park Development fund balance.

I) Winakor Donation Fund: This fund accounts for a bequest received from Geitel Winakor to be used for a future Parks and Recreation capital project. In FY 2026/27, this bequest will be used to provide $1,100,000 in funding for the development of Ontario Park, drawing down the fund balance by 50.7%.

J) Sewer Utility Fund: The Sewer Utility fund balance is projected to decrease by 11.9% in FY 2026/27 due to the beginning of debt service payments for the $62,517,000 Nutrient Reduction project at the Water Pollution Control facility.

K) Electric Utility Fund: The Electric Utility fund balance is projected to decrease by 27.4% in FY 2026/27. This is largely due to accumulated funds being used to finance capital projects such as the 69 kV Transmission Reconstruction program ($4,700,000), the Ontario Substation

project ($2,593,535), and the Coal Yard Reclamation project ($4,000,000).

L) Stormwater Utility Fund: The Stormwater Utility fund balance is projected to decrease by 39.8% in FY 2026/27 due to the planned use of the fund balance for stormwater capital projects.

M) Homewood Golf Course Fund: A portion of the accumulated fund balance in the Homewood Golf Course Fund is being used to finance a capital project to reconstruct the parking lot at the golf course. The use of $300,000 of the balance to finance the project will result in a 12.0% decrease in Homewood Golf Course's fund balance.

N) Resource Recovery Fund: Revenue abated general obligation debt is being used to provide funding to construct the new Resource Recovery and Recycling Center (R3C). The Resource Recovery Fund's balance is projected to decrease by 43.4% as the debt service for these bonds begins to be paid.

Long Range Financial Planning

In addition to the Budget and the Capital Improvements Plan, the City, as part of its budget process, prepares long-range plans for City-owned utilities, debt service, and several of the special revenue funds. These plans are used to forecast projected necessary rate increases, to level debt and necessary tax increases, and to schedule large capital projects. These plans are revised annually in response to the strategic goals set by the City Council at its annual goal-setting session.

General Fund

	Adjusted 2025/26	Adopted 2026/27	2027/28	2028/29	2029/30	2030/31
Revenues:						
Property Taxes	25,626,507	26,579,920	27,643,117	28,748,842	29,898,796	31,094,748
Hotel/Motel Tax	3,120,000	3,210,000	3,274,200	3,339,684	3,406,478	3,474,608
Licenses/Permits/Fines	1,519,860	1,573,966	1,605,445	1,637,554	1,670,305	1,703,711
Intergovernmental Revenue	3,224,686	3,278,213	2,731,713	2,812,289	2,895,704	2,982,065
Charges for Services	2,613,651	3,431,360	3,517,144	3,605,073	3,695,200	3,787,580
Interest/Miscellaneous	1,122,835	1,228,668	750,000	750,000	750,000	750,000
Transfers	10,167,403	10,470,542	10,784,658	11,108,198	11,441,444	11,784,687
Total Revenues	47,394,942	49,772,669	50,306,277	52,001,640	53,757,927	55,577,399
Expenses:						
Law Enforcement	11,830,904	12,645,386	13,024,748	13,415,490	13,817,955	14,232,494
Fire/Building Safety	10,872,820	11,722,456	12,074,130	12,436,354	12,809,445	13,193,728
Parks and Recreation	5,281,704	5,966,261	6,145,249	6,329,606	6,519,494	6,715,079
Library Services	5,604,967	5,868,662	6,044,722	6,226,064	6,412,846	6,605,231
Other Operating Expenses	7,739,699	7,462,092	7,685,955	7,916,534	8,154,030	8,398,651
Capital Improvements	1,930,603	-	-	-	-	-
Transfers	7,496,923	6,107,812	6,291,046	6,479,777	6,674,170	6,874,395
Total Expenses	50,757,620	49,772,669	51,265,850	52,803,825	54,387,940	56,019,578
Net Increase/(Decrease)	(3,362,678)	-	(959,573)	(802,185)	(630,013)	(442,179)
Beginning Balance	14,437,445	11,074,767	11,074,767	10,115,194	9,313,009	8,682,996
Ending Balance	11,074,767	11,074,767	10,115,194	9,313,009	8,682,996	8,240,817

Assumptions:
Property tax revenue increases 4% each year based on expected property value increases. Other revenues are projected separately. Operating expenses are projected to increase 3% each year. CIP projects are typically budgeted using General Fund funding only in the adjusted current year budget when savings are available. The General Fund is budgeted to be balanced each year.

Analysis:
The General Fund will be greatly affected in the next several years by changes in state legislation affecting property taxes and property values. The General Fund will need to be closely monitored to continue to develop a balanced budget.

Long Range Financial Planning

Local Option Sales Tax Fund	Adjusted 2025/26	Adopted 2026/27	2027/28	2028/29	2029/30	2030/31
Revenues:						
Local Option Sales Tax	12,400,000	12,700,000	13,017,500	13,342,938	13,676,511	14,018,424
Hotel/Motel Tax Transfer	178,464	183,612	185,448	187,302	189,175	191,067
Total Revenues	12,578,464	12,883,612	13,202,948	13,530,240	13,865,686	14,209,491
Expenses:						
Property Tax Relief	7,440,000	7,620,000	7,810,500	8,005,763	8,205,907	8,411,054
Additional Transfers	140,000	140,000	140,000	140,000	140,000	140,000
Other Program Expenses	2,782,323	2,831,826	2,930,940	3,033,523	3,139,696	3,249,585
Capital Improvements	6,594,477	2,138,500	2,219,380	2,194,280	2,386,780	2,486,000
Total Expenses	16,956,800	12,730,326	13,100,820	13,373,566	13,872,383	14,286,639
Net Increase/(Decrease)	(4,378,336)	153,286	102,128	156,674	(6,697)	(77,148)
Beginning Balance	9,830,025	5,451,689	5,604,975	5,707,103	5,863,777	5,857,080
Ending Balance	5,451,689	5,604,975	5,707,103	5,863,777	5,857,080	5,779,932

Assumptions:
Local Option Sales Tax increases 2.5% each year and Hotel/Motel Tax transfer increases 1% each year. Property tax relief increases 2.5% each year and other program expenses increases vary by expense. CIP project expenses are based on the adopted 2026-2031 Capital Improvements Plan.

Analysis:
Local Option Tax has shown indications of increased growth and improved stability from online retailers collecting and remitting state and local sales tax. Forecasts indicate that adequate funding will be available for planned CIP projects with additional fund balance available to meet contingencies.

Long Range Financial Planning

Hotel/Motel Tax Fund	Adjusted 2025/26	Adopted 2026/27	2027/28	2028/29	2029/30	2030/31
Revenues:						
Hotel/Motel Tax	3,120,000	3,210,000	3,242,100	3,274,521	3,307,266	3,340,339
Expenses:						
Discover Ames Pass Through	2,227,680	2,291,940	2,314,859	2,338,008	2,361,388	2,385,002
Property Tax Relief Transfer	267,696	275,418	278,172	280,954	283,764	286,602
Community Betterment Transfer	178,464	183,612	185,448	187,302	189,175	191,067
Other Program Expenses	324,163	210,500	210,500	210,500	210,500	210,500
Capital Improvements	12,888	-	-	-	-	-
Total Expenses	3,010,891	2,961,470	2,988,979	3,016,764	3,044,827	3,073,171
Net Increase/(Decrease)	109,109	248,530	253,121	257,757	262,439	267,168
Beginning Balance	1,845,983	1,955,092	2,203,622	2,456,743	2,714,500	2,976,939
Ending Balance	1,955,092	2,203,622	2,456,743	2,714,500	2,976,939	3,244,107

Assumptions:
Hotel/Motel Tax revenue increases 1% each year; the pass through to Ames Convention and Visitors Bureau (Discover Ames) and the transfers for property tax relief and community betterment also increase 1% each year. Other program expenses remain unchanged each year.

Analysis:
Hotel/Motel revenues are highly dependent on events and activities that attract people to the Ames area for overnight stays. Significant events including Iowa State University athletic events, large concerts or performing arts performances, and large conferences have a material effect on the annual collections. Ending balances provide flexibility for the City to participate in economic development related projects that are unattainable without City participation.

Road Use Tax	Adjusted 2025/26	Adopted 2026/27	2027/28	2028/29	2029/30	2030/31
Revenues:						
Road Use Tax	9,562,721	9,604,055	9,963,727	10,336,869	10,723,985	11,125,598
Expenses:						
Operating Expenses	8,454,686	8,459,420	8,692,054	8,931,085	9,176,690	9,429,049
Capital Improvements	8,373,200	1,990,844	1,935,000	1,610,000	1,385,000	2,160,000
Total Expenses	16,827,886	10,450,264	10,627,054	10,541,085	10,561,690	11,589,049
Net Increase/(Decrease)	(7,265,165)	(846,209)	(663,327)	(204,216)	162,295	(463,451)
Beginning Balance	9,912,770	2,647,605	1,801,396	1,138,069	933,853	1,096,148
Ending Balance	2,647,605	1,801,396	1,138,069	933,853	1,096,148	632,697

Assumptions:
Road Use Tax revenue increases approximately 4% each year. Operating expenses vary by the type of expense. CIP project expenses are based on the adopted 2026-2031 Capital Improvements Plan.

Analysis:
This tax is allocated to local governments on a per capita basis and is expected to gradually increase in the coming year based on the Iowa Department of Transportation projections.

Long Range Financial Planning

Water Utility Fund						
	Adjusted 2025/26	*3.5% Rate Increase* Adopted 2026/27	*3.5% Rate Increase* 2027/28	*3.5% Rate Increase* 2028/29	*3.5% Rate Increase* 2029/30	*3.5% Rate Increase* 2030/31
Revenues:						
Water Utility Revenues	19,866,024	16,888,114	17,446,250	18,076,422	18,301,454	18,824,233
Total Revenues	19,866,024	16,888,114	17,446,250	18,076,422	18,301,454	18,824,233
Expenses:						
Operating Expenses	8,865,332	9,221,132	9,543,872	9,877,908	10,223,635	10,581,462
Debt Service	4,707,694	4,699,736	4,693,027	4,685,552	5,510,445	5,501,290
Capital Improvements	11,606,866	3,391,000	5,162,000	5,810,000	3,339,000	2,877,000
Total Expenses	25,179,892	17,311,868	19,398,899	20,373,460	19,073,080	18,959,752
Net Increase/(Decrease)	(5,313,868)	(423,754)	(1,952,649)	(2,297,038)	(771,626)	(135,519)
Beginning Balance	21,768,679	16,454,811	16,031,057	14,078,408	11,781,370	11,009,744
Ending Balance	16,454,811	16,031,057	14,078,408	11,781,370	11,009,744	10,874,225

Assumptions:
Charges for services include projected rate increases. Iowa State University contract payments fluctuate with projected capital payments, interest revenue varies with the projected fund balance, and operating expenses increase by a percentage based on the 6-year trend. CIP project expenses, grant revenue, and debt service are based on the adopted 2026-2031 Capital Improvements Plan.

Analysis:
The Water Fund reflects the stable operation of the water treatment plant and is expected to meet water treatment demand into the foreseeable future. Rate increases are planned to maintain debt service coverage requirements and fund capital improvements in the water supply and distribution systems.

Long Range Financial Planning

Sewer Utility Fund						
		5.5% Rate Increase	*5.5% Rate Increase*	*5.5% Rate Increase*	*5.5% Rate Increase*	*5.5% Rate Increase*
	Adjusted 2025/26	**Adopted 2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**
Revenues:						
Sewer Utility Revenues	14,153,424	12,415,860	14,223,231	14,583,540	15,124,828	16,142,054
Total Revenues	14,153,424	12,415,860	14,223,231	14,583,540	15,124,828	16,142,054
Expenses:						
Operating Expenses	6,557,904	7,045,303	7,291,889	7,547,105	7,811,254	8,084,648
Debt Service	2,924,161	3,407,709	5,564,333	6,113,496	6,679,292	6,678,997
Capital Improvements	4,586,672	5,290,000	4,293,000	3,611,000	3,050,000	5,183,000
Total Expenses	14,068,737	15,743,012	17,149,222	17,271,601	17,540,546	19,946,645
Net Increase/(Decrease)	84,687	(3,327,152)	(2,925,991)	(2,688,061)	(2,415,718)	(3,804,591)
Beginning Balance	26,119,251	26,203,938	22,876,786	19,950,795	17,262,734	14,847,016
Ending Balance	26,203,938	22,876,786	19,950,795	17,262,734	14,847,016	11,042,425

Assumptions:
Charges for services include projected rate increases. Iowa State University revenue varies with contract terms, and interest revenue varies with the projected fund balance. Operating expense increases reflect the 6-year trend calculation. CIP project expenses, grant revenue, and debt service are based on the adopted 2026-2031 Capital Improvements Plan.

Analysis:
The Sewer Fund includes a series of rate increases to fund the CIP with improvements both to the treatment plant and the collection system. The fund balance is expected to decrease by the end of the five-year capital improvement plan with the planned drawdown of the fund. This indicates the future rate increases will likely be needed.

Long Range Financial Planning

Electric Utility Fund						
	Adjusted 2025/26	*1.5% Rate Increase* Adopted 2026/27	*1.5% Rate Increase* 2027/28	*1.5% Rate Increase* 2028/29	*1.5% Rate Increase* 2029/30	*1.5% Rate Increase* 2030/31
Revenues:						
Electric Utility Revenues	74,866,895	76,703,815	77,854,372	79,022,188	80,207,521	81,410,634
Bond Proceeds	6,116,500	4,000,000	53,444,500	25,000,000	-	50,000,000
Grant Revenue	-	50,000	50,000	50,000		-
Total Revenues	80,983,395	80,753,815	131,348,872	104,072,188	80,207,521	131,410,634
Expenses:						
Operating Expenses	67,529,997	67,932,896	66,970,883	63,980,009	62,899,409	64,786,391
In-Lieu-of-Tax Payment	2,452,707	2,568,124	2,593,805	2,619,743	2,645,940	2,672,399
Debt Service	984,543	905,035	4,571,301	6,710,582	6,710,272	6,709,962
Capital Improvements	27,896,444	21,308,535	60,335,000	31,010,000	9,350,000	53,500,000
Total Expenses	98,863,691	92,714,590	134,470,989	104,320,334	81,605,621	127,668,752
Net Increase/(Decrease)	(17,880,296)	(11,960,775)	(3,122,117)	(248,146)	(1,398,100)	3,741,882
Beginning Balance	58,022,424	40,142,128	28,181,353	25,059,236	24,811,090	23,412,990
Ending Balance	40,142,128	28,181,353	25,059,236	24,811,090	23,412,990	27,154,872

Assumptions:
Charges for services include projected rate increases. Growth in demand is estimated at 1% annually. Interest revenue varies with the fund balance and other revenues are projected individually. Operating expenses increase 3% each year. However, some of these increases will be offset with anticipated savings associated with the discontinuation of burning refuse derived fuel in the Power Plant boilers. The in-lieu-of-tax payment to the General Fund is estimated to increase 1% each year. CIP project expenses and related bond issuances are based on the adopted 2026-2031 Capital Improvements Plan.

Analysis:
The Electric Utility Fund includes a series of rate increases to fund the CIP. There is some planned spend down in the fund. As the City moves away from refuse derived fuel and considers incorporating renewable energy sources into its portfolio, power costs are projected to create a need for gradually increasing rates to accommodate the associated debt service.

Long Range Financial Planning

Stormwater Utility Fund						
	Adjusted 2025/26	**Adopted 2026/27**	*20% Rate Increase* **2027/28**	*20% Rate Increase* **2028/29**	**2029/30**	**2030/31**
Revenues:						
Stormwater Utility Revenues	2,216,500	2,247,500	2,439,385	2,884,829	2,867,721	2,870,489
Total Revenue	2,216,500	2,247,500	2,439,385	2,884,829	2,867,721	2,870,489
Expenses:						
Operating Expenses	984,976	1,064,580	1,104,502	1,145,921	1,188,893	1,233,476
Capital Improvements	7,682,198	2,100,000	1,650,000	2,200,000	1,610,000	1,530,000
Total Expenses	8,667,174	3,164,580	2,754,502	3,345,921	2,798,893	2,763,476
Net Increase/(Decrease)	(6,450,674)	(917,080)	(315,117)	(461,092)	68,828	107,013
Beginning Balance	8,753,028	2,302,354	1,385,274	1,070,157	609,065	677,893
Ending Balance	2,302,354	1,385,274	1,070,157	609,065	677,893	784,906

Assumptions:
Charges for services are projected to remain level and interest revenue varies with the fund balance. Operating expense increases reflect the 6-year trend calculation. CIP project expenses are based on the adopted 2026-2031 Capital Improvements Plan.

Analysis:
The Stormwater Utility Fund balance and the capital project budget have grown substantially due to delays in completing capital projects. The fund balance is expected to decrease by the end of the five-year Capital Improvements Plan with the planned drawdown of the fund.

Long Range Financial Planning

Resource Recovery Fund						
		Tipping Fee Increase	*Tipping Fee Increase*	*Tipping Fee Increase*	*Tipping Fee Increase*	*Tipping Fee Increase*
	Adjusted 2025/26	**Adopted 2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**
Revenues:						
Charges for Services	4,396,678	4,843,983	6,570,880	6,921,259	7,296,909	7,800,911
Per Capita Support	912,450	912,450	912,450	912,450	912,450	912,450
Total Revenues	5,309,128	5,756,433	7,483,330	7,833,709	8,209,359	8,713,361
Expenses:						
Operating Expenses	4,908,102	5,153,402	6,021,537	6,175,086	6,332,551	7,014,031
Debt Service	-	750,000	1,428,768	1,428,768	1,428,768	1,428,768
Capital Improvements	815,163	465,000	125,000	125,000	125,000	125,000
Total Expenses	5,723,265	6,368,402	7,575,305	7,728,854	7,886,319	8,567,799
Net Increase/(Decrease)	(414,137)	(611,969)	(91,975)	104,855	323,040	145,562
Beginning Balance	1,825,496	1,411,359	799,390	707,415	812,270	1,135,310
Ending Balance	1,411,359	799,390	707,415	812,270	1,135,310	1,280,872

Assumptions:
Charges for services include projected rate increases and per capita support remains flat. Operating expenses increase 2.5% each year, with a large increase anticipated upon open of the new Resource Recovery and Recycling Campus. CIP project expenses and debt service are based on the adopted 2026-2031 Capital Improvements Plan.

Analysis:
Changes in federal regulations are expected to make burning refuse-derived fuel at the Power Plant infeasible in the later years of the 2026–2031 Capital Improvements Plan. The City is in the process of transitioning from a waste-to-energy model to a transfer station model, including development of a new facility anticipated to be operational by July 1, 2027. During this transition, the fund will continue to be closely monitored. Adjustments to tipping fees or per capita support may be implemented as needed to maintain financial stability.

Health Insurance Fund	*8% Rate Increase* **Adjusted 2025/26**	*8% Rate Increase* **Adopted 2026/27**	*7% Rate Increase* **2027/28**	*7% Rate Increase* **2028/29**	*7% Rate Increase* **2029/30**	*7% Rate Increase* **2030/31**
Revenues:						
Employer Contributions	11,618,999	12,526,134	13,402,963	14,341,170	15,345,052	16,419,206
Employee Contributions	954,008	1,027,557	1,099,486	1,176,450	1,258,802	1,346,918
Other Revenue	1,673,034	1,810,448	1,937,179	2,072,782	2,217,877	2,373,128
Total Revenues	14,246,041	15,364,139	16,439,628	17,590,402	18,821,731	20,139,252
Expenses:						
Health Insurance	14,409,145	15,284,254	16,048,467	16,850,890	17,693,435	18,578,107
Health Promotion Program	332,592	346,775	367,582	389,637	413,015	437,796
Total Expenses	14,741,737	15,631,029	16,416,049	17,240,527	18,106,450	19,015,903
Net Increase/(Decrease)	(495,696)	(266,890)	23,579	349,875	715,281	1,123,349
Beginning Balance	7,919,257	7,423,561	7,156,671	7,180,250	7,530,125	8,245,406
Ending Balance	**7,423,561**	**7,156,671**	**7,180,250**	**7,530,125**	**8,245,406**	**9,368,755**

Assumptions:
Health insurance premiums charged to departments and employees are expected to increase 7% each year; other revenues are estimated individually. Health insurance operating expenses are projected to increase 5% each year. The Health Promotion Program's cost is expected to increase 6% each year. Since the City is self-insured, the projected fund balance is evaluated annually to make sure premium increases are sufficient to maintain the desired fund balance.

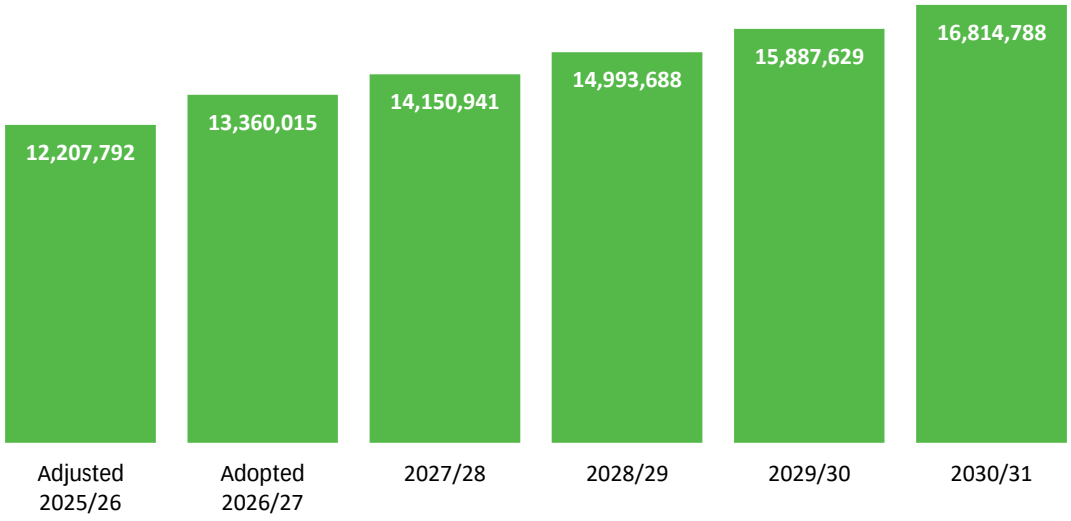
Analysis:
The Health Insurance Fund is evaluated annually both to determine rates charged for the self-funded health plans and to determine the fund balance necessary to cover unsubmitted claims and claim fluctuations. The evaluation and opinion by independent actuaries indicate that the fund balance is more than adequate and the City can absorb a period of unfavorable claims without significantly increasing rates.

Debt Service Fund	Adjusted 2025/26	Adopted 2026/27	2027/28	2028/29	2029/30	2030/31
Debt Service Issues:						
Current	13,006,549	12,189,872	11,431,191	10,563,135	9,866,503	9,088,910
Proposed 2026/27	-	1,828,463	2,438,450	2,439,950	2,442,950	2,442,200
Proposed 2027/28	-	-	1,469,620	1,469,620	1,469,620	1,469,620
Proposed 2028/29	-	-	-	1,359,303	1,359,303	1,359,303
Proposed 2029/30	-	-	-	-	1,587,573	1,587,573
Proposed 2030/31	-	-	-	-	-	1,455,502
Total Debt Service	13,006,549	14,018,335	15,339,261	15,832,008	16,725,949	17,403,108
Less:						
State Replacement Tax	198,757	138,320	138,320	138,320	138,320	138,320
Use of Debt Svc Fund Balance	600,000	520,000	1,050,000	700,000	700,000	450,000
Net Debt Service	12,207,792	13,360,015	14,150,941	14,993,688	15,887,629	16,814,788
Debt Service Levy	**3.31766**	**3.42120**	**3.51820**	**3.61914**	**3.72322**	**3.82573**

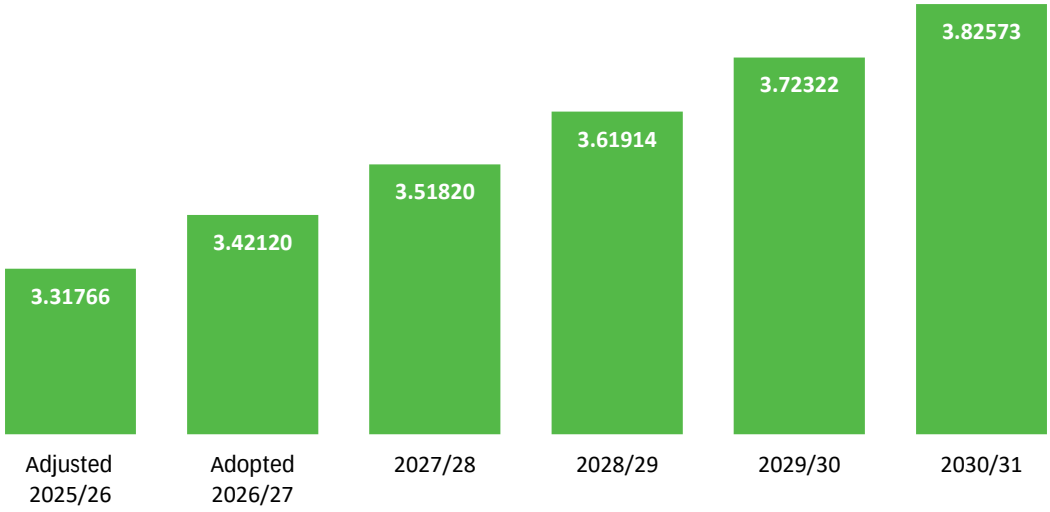
Assumptions:
Assumes 3% annual growth in taxable value. Debt service amounts are based on the adopted 2026-2031 Capital Improvements Plan. Future debt service is estimated using a term of 20 years for debt related to the relocation of Fire Station #2 and 12 years for all other debt issuances. The estimate utilizes a conservative interest rate of 5%. Only tax supported debt is included in the projection; abated debt is excluded.

Analysis:
The Debt Service Fund has accumulated a balance due to savings due to refunding, favorable bond sales, and the close-out of unused bond proceeds when projects are completed. The Debt Service Fund balance is considered as part of long-term debt planning and is used to reduce variation in the debt service property tax levy.

Net Debt Service



Debt Service Levy



PUBLIC SAFETY







CITY OF ames™

Public Safety Program

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Public Safety Summary

Description:

The Public Safety program includes activities to protect the lives, safety, and property of residents and visitors to the City of Ames. The ***Law Enforcement*** activity includes the Police Department's patrol and emergency response teams, specialized criminal investigations, traffic enforcement, juvenile services, emergency communications, and Police administration and records. ***Fire Safety*** includes Fire Department administration and educational programs for the prevention of fires and other hazards, as well as the actual suppression of fires and response to other emergencies. ***Building Safety*** is responsible for the enforcement of the City's structural, rental housing, electrical, plumbing, and mechanical codes. ***Animal Sheltering and Control*** operates the City's animal shelter, which provides shelter and services for domestic animals found within the City, as well as urban wildlife. The ***Other Public Safety*** activity includes expenditures for the City's Emergency Operations Center and for maintenance of the City's storm warning system. ***Public Safety CIP*** includes capital improvements that support Public Safety activities.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Law Enforcement	10,848,042	12,269,884	11,894,904	12,709,386	3.6%
Fire Safety	8,893,907	9,250,301	8,951,494	9,606,138	3.9%
Building Safety	1,901,328	1,994,042	1,958,197	2,116,318	6.1%
Animal Sheltering and Control	913,294	908,763	923,188	963,369	6.0%
Other Public Safety	8,308	15,559	19,511	12,944	-16.8%
Total Operations	22,564,879	24,438,549	23,747,294	25,408,155	4.0%
Public Safety CIP	1,590,818	3,541,905	7,452,904	6,680,955	88.6%
Total Expenditures	24,155,697	27,980,454	31,200,198	32,089,110	14.7%
Authorized FTEs	157.65	160.10	160.10	161.10	

Public Safety Summary

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	19,430,141	21,494,263	20,220,175	22,389,565	4.2%
Internal Services	1,634,234	1,700,421	1,746,038	1,735,487	2.1%
Contractual	988,509	946,859	1,088,784	967,027	2.1%
Commodities	476,618	297,006	550,314	316,076	6.4%
Capital	31,718	-	141,983	-	
Other Expenditures	3,659	-	-	-	
Total Operations	22,564,879	24,438,549	23,747,294	25,408,155	4.0%
Public Safety CIP	1,590,818	3,541,905	7,452,904	6,680,955	88.6%
Total Expenditures	24,155,697	27,980,454	31,200,198	32,089,110	14.7%
Funding Sources:					
Program Revenues	3,933,830	4,307,820	4,238,145	4,489,291	4.2%
General Fund	18,424,230	19,990,229	19,333,278	20,779,864	4.0%
Forfeiture/Donations/Grants	206,819	140,500	175,871	139,000	-1.1%
Total Operations Funding	22,564,879	24,438,549	23,747,294	25,408,155	4.0%
Public Safety CIP Funding:					
G.O. Bonds	368,541	211,905	801,630	6,680,955	3052.8%
General Fund	144,215	80,000	374,336	-	-100.0%
New Animal Shelter Donations	1,078,062	1,500,000	4,500,000	-	-100.0%
Council Priorities Fund	-	1,750,000	1,776,938	-	-100.0%
Total CIP Funding	1,590,818	3,541,905	7,452,904	6,680,955	88.6%
Total Funding Sources	24,155,697	27,980,454	31,200,198	32,089,110	14.7%

Law Enforcement

Description:

Law Enforcement activities comprise four areas: ***Administration and Records*** includes departmental supervision, finance, and records systems. ***Crime Prevention and Police Services*** includes the uniformed patrol sub-activity, which is responsible for emergency response, the Safe Neighborhoods Team, traffic enforcement, and the Mental Health Advocate. Crime Prevention and Police Services also includes Investigations, which is responsible for investigating crimes against persons and property, vice, narcotics, fraud, and the School Resource Officer and Juvenile Investigator. ***Emergency Communications*** is responsible for all emergency telephone communications, radio contact with emergency responders, implementation of the emergency medical dispatch program, and the initial documentation associated with fire, law enforcement, and emergency services. ***Police Forfeiture*** activities are the result of forfeited property and seized assets directly related to criminal activities as well as grants to the Police Department. (Animal Sheltering and Control reports to the Police Department but is described in a separate Public Safety activity.)

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Administration/Records	1,190,196	1,276,952	1,250,792	1,316,824	3.1%
Police Services	8,295,972	9,429,223	9,158,020	9,744,528	3.3%
Emergency Communications	1,361,874	1,563,709	1,486,092	1,648,034	5.4%
Total Expenditures	10,848,042	12,269,884	11,894,904	12,709,386	3.6%
Authorized FTEs	77.60	77.60	77.60	77.60	

Law Enforcement

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	9,224,073	10,622,120	10,006,937	11,038,119	3.9%
Internal Services	833,891	909,051	958,296	936,680	3.0%
Contractual	539,802	548,314	608,907	529,090	-3.5%
Commodities	226,396	190,399	218,424	205,497	7.9%
Capital	20,636	-	102,340	-	
Other Expenditures	3,244	-	-	-	
Total Expenditures	10,848,042	12,269,884	11,894,904	12,709,386	3.6%
Funding Sources:					
Police Revenues:					
Municipal Fines/Fees	26,850	26,000	26,000	26,000	0.0%
Charges for Services	104,542	96,000	101,000	104,000	8.3%
Police Forfeiture	31,272	12,000	12,000	12,000	0.0%
Police Grants	48,531	48,000	48,000	48,000	0.0%
Police Donations	107	-	4,000	4,000	
Miscellaneous Revenue	2,292	5,000	5,000	5,000	0.0%
Total Revenues	213,594	187,000	196,000	199,000	6.4%
General Fund Support	10,634,448	12,082,884	11,698,904	12,510,386	3.5%
Total Funding Sources	10,848,042	12,269,884	11,894,904	12,709,386	3.6%

Police Administration and Records

Description:

Police Administration provides leadership and direction for the Police Department through strategic planning, crime analysis, prioritization, and budgeting. This activity serves as the supervisory and administrative backbone of the department. Police Administration also coordinates departmental improvement through policy development and review, leadership and supervisory development, employee professional development and education, and community relations activities.

Police Records is responsible for developing and maintaining records of criminal and civil activities including investigative reports, recordings, accident reports, and crime statistics. These records are used by departmental staff, as well as the court system, other law enforcement agencies, insurance companies, and the public.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	978,499	1,042,046	1,031,540	1,094,284	5.0%
Internal Services	104,277	108,412	107,298	109,704	1.2%
Contractual	91,097	116,394	102,354	104,536	-10.2%
Commodities	16,323	10,100	9,600	8,300	-17.8%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,190,196	1,276,952	1,250,792	1,316,824	3.1%
Funding Sources:					
General Fund	1,190,196	1,276,952	1,250,792	1,316,824	3.1%
Total Funding Sources	1,190,196	1,276,952	1,250,792	1,316,824	3.1%
Authorized FTEs	7.30	7.30	7.30	7.30	

Police Administration and Records

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide a professional, community-focused, efficient, and effective police force	Sworn officers	56	56	56	56
		Cases created	4,974	4,772	4,512	4,600
		Record checks processed	1,489	1,324	1,350	1,350
	Provide timely, accurate reports and public information	Attorney requests for information	1,631	1,559	1,339	1,400
		Public records requests	272	228	300	300
	Build trust within the community	Citizens very or somewhat satisfied with police services	90.8%	90.0%	90.0%	90.0%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Annual software maintenance costs have increased in most areas such as Lexipol, the department's policy and procedure software increased about 5% ($1,150). However the department will be joining the rest of the City in the new time and attendance software program which cut a significant cost to the department ($12,800) as In-Time will no longer be used. This one-time change resulted in a decrease in contractual services that is not expected to continue as other services continue to increase.
- Supply chain issues have improved, but still present issues in getting equipment in a timely manner.

FY 2025/26 Activities

- With a change in State law, the Ames Resident Police Advisory Committee (ARPAC) was disbanded. Staff have continued their relationship with the previous members to continue to engage with the public. The group will no longer look at police conduct; rather, they will provide feedback to the department on current events and community concerns.
- The department has continued engagement efforts in several areas including outreach events and transparency in data, including publishing the monthly activity report.
- Administrative staff has spent a considerable amount of time engaging with consultants and architects to oversee the design for the new animal shelter facility.

FY 2026/27 Activities

- Administrative staff will be addressing the Police Department web pages, forms, and social media accounts to ensure information is more available to end users and to be compliant with new ADA requirements that take effect April 2026.
- Administrative staff will continue to be challenged with the recruitment and retention of Police Officers, Public Safety Dispatchers, Animal Control staff, and Community Safety Officers. While there has been an overall improvement in staffing and the job market, vacancies still exist and will likely continue.

Police Services

Description:

The Police Services activity is the core of the Law Enforcement program. This activity encompasses the Patrol division, which is the largest area of operations within the Police Department. Officers respond to calls for both routine and emergency services, assist neighborhood residents, and provide preventive patrol. The initial response and preliminary investigation of all incidents related to law enforcement, motor vehicle accident investigation, preventive patrol, and home and business security are performed within the Patrol division. This unit also includes the Mental Health Advocate.

The other component of the Police Services activity is General Investigations. This sub-activity is responsible for the development and implementation of the most current investigative techniques in an effort to apprehend, detain, and successfully prosecute persons engaged in criminal activity. This area is also responsible for juvenile investigations, arson investigations, the Drug Task Force Officer, sexual assault response, forensic analysis, and evidence management.

Chapter 809 of the Code of Iowa provides court procedures for the forfeiture of assets which are directly related to criminal activities. The use of forfeiture funds is also governed by State law. Authorized uses include law enforcement activities or items which are not currently budgeted. This activity also oversees grant programs and donations that support law enforcement activities.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Patrol	6,837,823	7,925,929	7,601,103	8,092,409	2.1%
Investigations	1,458,149	1,503,294	1,556,917	1,652,119	9.9%
Total Expenditures	8,295,972	9,429,223	9,158,020	9,744,528	3.3%
Expenditures by Category:					
Personal Services	7,167,892	8,259,176	7,742,390	8,570,345	3.8%
Internal Services	577,438	641,260	689,395	655,017	2.2%
Contractual	322,409	354,888	426,399	331,169	-6.7%
Commodities	204,353	173,899	197,496	187,997	8.1%
Capital	20,636	-	102,340	-	
Other Expenditures	3,244	-	-	-	
Total Expenditures	8,295,972	9,429,223	9,158,020	9,744,528	3.3%
Funding Sources:					
Police Forfeiture Funds	31,272	12,000	12,000	12,000	0.0%
Police Grant Funds	48,531	48,000	48,000	48,000	0.0%
Police Donations	107	-	4,000	4,000	
Total Revenues	79,910	60,000	64,000	64,000	6.7%
General Fund Support	8,216,062	9,369,223	9,094,020	9,680,528	3.3%
Total Funding Sources	8,295,972	9,429,223	9,158,020	9,744,528	3.3%
Authorized FTEs	57.30	57.30	57.30	57.30	

Police Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide a highly competent on-street presence Enhance trust within the community by building relationships and communicating effectively	Homicide cases	0	1	1	1
		Assault cases	370	404	300	325
		Theft cases	668	661	659	670
		Sexual assaults	67	65	67	66
		Domestic calls for service	188	207	157	165
		OWI, public intoxication, and other liquor arrests	346	346	270	280
		Noise complaints	704	629	736	700
		Mental health contacts (APD contacts)	2,786	2,113	2,100	2,000
		Incidents recorded	31,075	31,349	31,000	31,000
		Incidents per sworn position	555	560	553	550
		Public education/outreach events	42	45	160	150

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The adjusted FY 2025/26 budget includes Fleet funding of $50,000 (internal services) to address funding shortfalls for replacement of the transport van.
- Prolonged vacancies in the Patrol Division have reduced the personal services budget in the FY 2025/26 adjusted budget.
- Increased personnel costs for Investigations are due to union contract negotiated wage increases.
- Contractual services expenses increased in the adjusted budget to cover the cost of the Iowa Law Enforcement Academy for new recruits.
- Utilizing salary savings from FY 2024/2025, approximately $73,000, the department is transitioning to a new duty handgun for all officers. The previous handgun had reached end-of-life and the replacements should last from 7-10 years with proper maintenance.
- Mental health related calls continue to represent a significant portion of total call volume. Staff is working with the Alternative Response for Community Health (ARCH), a service of Mary Greeley Medical Center, to ensure that individuals in crisis are connected with appropriate service providers rather than relying solely on a police officer response.

  Funding for one-half of the estimated personnel cost for the ARCH program ($130,000) has been included in the FY 2026/27 budget. ARCH currently handles approximately 500–600 calls for service annually, with roughly half of those calls resolved through an ARCH-only approach. However, ARCH does not operate 24/7, resulting in an estimated 200–250 calls per year that cannot be served by the program during off-hours.

  In addition, the Homeless Outreach Support Team (HOST) has been utilized to provide direct services to the homeless population. The HOST team works with ARCH and other service providers to stabilize housing for this population.



Police Services

FY 2025/26 Activities

- Calls for service involving homeless individuals have increased over the last year, and it is anticipated that this will continue. The department has begun tracking homeless calls for service. From July 2025 to December 2025 staff responded to an average of 115 calls for service per month.
- To provide excellent customer service when responding to traumatic calls, the department is utilizing a new Crisis K9 program. The Crisis K9 is specifically trained to respond to traumatic incidents and provide comfort and care to victims, witnesses, and first responders. Most of the costs associated with the program have been covered through donations.





- The department has a strong social media presence utilizing Facebook, Instagram, and X to engage with the public, provide timely information about current events, and another tool for the public to contact us for non-emergencies. The department has over 60,000 followers across platforms.
- The department continues to take advantage of grant opportunities with the Governor's Traffic Safety Bureau for increased traffic enforcement, the Byrne Justice Assistance Grant for equipment and training, and the Bulletproof Vest Program for vest replacement.
- With the bar owners and managers' cooperation, the department sees fewer high-quality fake IDs and a return to using someone else's ID to gain entry, although some are still ordering fake IDs online. The department has stepped up efforts to train bar staff and provide educational resources, along with increased enforcement efforts. The department continues to do compliance checks on all businesses with liquor licenses to ensure they are following best practices. The department is the first agency in the State of Iowa to pilot a new all online reporting system to better track compliance with liquor laws across Iowa.
- Federal forfeiture money was utilized to purchase several drones with different capabilities to assist in overwatch, searches, disaster response and situational awareness. Other City departments will also have access to the drones. The drones have now been used several times to locate missing people and provide safety for first responders in high risk calls for service.

Police Services

FY 2025/26 Activities, continued

- Outreach efforts have continued in FY 2025/26 with programming such as Coffee with Cops, Donuts in the Park, and a presence at the Downtown Farmers Market. These outreach efforts provide an opportunity for more personal interactions between officers and the public they serve. These efforts are in addition to more visible programs such as National Night Out, Carving with Cops, and Shop with a Cop, among others. National Night Out has grown for several years since moving to Ames Middle School. Each year, the event brings more attendees. It is estimated that up to 3,000 attended this year's event. National Night Out partnered with the Blast Back event and transitioned from backpacks and school supplies to providing over 1,200 free pairs of shoes, bike helmets, and several bikes. In 2025, the department continued its partnership with the National Guard to provide a Blackhawk helicopter for tours and a climbing wall.



FY 2026/27 Activities

- As staffing improves, the department will return the Community Resource Officer and Administrative Sergeant to their primary assignments.
- As staffing levels improve in FY 2026/27, an additional investigator will be selected to aid the patrol division in more complex investigations involving frauds, scams, and other investigations that require additional staff time.

Emergency Communications

Description:

Emergency Communications is responsible for the operation of the 911 Center and the initial dispatch of emergency responders. Staff in this activity also provide advance medical information through the emergency medical dispatch program, receive 911 calls and text messages, receive non-emergency calls, manage radio communication, coordinate with state and federal agencies, manage criminal information services, and aid Police Department walk-in customers. The Center handles all wireless 911 calls and emergency medical dispatch calls from anywhere in the City, including the ISU campus.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	1,077,682	1,320,898	1,233,007	1,373,490	4.0%
Internal Services	152,176	159,379	161,603	171,959	7.9%
Contractual	126,296	77,032	80,154	93,385	21.2%
Commodities	5,720	6,400	11,328	9,200	43.8%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,361,874	1,563,709	1,486,092	1,648,034	5.4%
Funding Sources:					
General Fund	1,361,874	1,563,709	1,486,092	1,648,034	5.4%
Total Funding Sources	1,361,874	1,563,709	1,486,092	1,648,034	5.4%
Authorized FTEs	13.00	13.00	13.00	13.00	

Emergency Communications

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide prompt and accurate emergency communications services for police, fire, and emergency medical services	Emergency 911 calls	n/a*	16,972	17,000	17,000
		Non-emergency calls	n/a*	44,571	45,000	45,000
		Emergency medical dispatch calls	n/a*	4,202	4,350	4,350

*Actual data not available for FY 2023/24 due to a change in software and record management.

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Through December 2025, the Emergency Communications division was down one FTE, compared to three and four vacancies in 2023 and 2024. However, due to training time for the new FTE, Public Safety Dispatchers have continued to work a substantial amount of overtime to cover shifts.
- In FY 2025/26, a part-time (less than 20 hours per week) position has been utilized to supplement vacancies until staffing improves.
- The 7.9% cost increase in internal services is largely due to hardware and software costs associated with the Police department's participation in the area's Shared Communications System. The cost of this system is allocated to the Ames Police department, Iowa State University, Story County, and the E911 Board, as well as some smaller local cities and agencies.
- The contractual service budget for FY 2026/27 increased by 14.7%. Most of which was for PROQUA software, $11,107, an emergency medical dispatch software.

FY 2025/26 Activities

- Recruitments for Public Safety Dispatchers are ongoing with the inclusion of a hiring and referral incentive to assist in generating more interest in the positions. As of January 2026, three new Public Safety Dispatchers have received the hiring incentive.
- The statewide DOGE report is recommending consolidation of Public Safety Answering Points (PSAPs) to as few as 10 regional centers. The Story County 911 Board is in early discussions about the future of 911.

FY 2026/27 Activities

- The Communication Center workstations are over ten years old and require repairs and maintenance to keep them in working order. In FY 2026/27, staff will begin the process of planning for potential replacement or consolidation of some services as 911 funding remains flat and the state pushes for regional consolidation.
- The Multi-Agency Public Safety Group (MAPSG) has started very preliminary discussions about the shared Records Management System and Computer Aided Dispatch. At this point, the group is working on a Request for Information to frame the discussion of replacement in the future. The system is aging and while still being supported, at some point replacement will be necessary.

Fire Safety

Description:

The ***Fire Administration*** activity supports and directs seven activities. The Fire Safety sub-program is based upon the premise that citizens and property should be free from loss and damage due to fires and similar emergencies. To approach this goal, an impressive and highly effective array of services is provided to the community. Extensive efforts are made in fire prevention, fire safety education, and fire inspection. These efforts are mainly recorded under the ***Fire Prevention and Safety Education*** activity. When a "preventive failure" takes place and a fire or other emergency occurs, the ***Fire Suppression and Emergency Action*** activity is pressed into action. These include minimizing loss of life and property from fire, controlling hazardous situations, performing rescue, and providing first-response medical assistance. Also included under this activity are various non-emergency services, such as maintaining apparatus and facilities, testing hydrants, testing water flow, and establishing pre-fire plans.

The City of Ames also provides Fire Protection to Iowa State University, which reimburses the City by paying 25% of the Fire Department's operating costs as well as contributing to the debt service costs associated with fire apparatus replacement.

The success of the City's Fire Safety sub-program is reflected in economic terms (e.g., insurance fire class rating), as well as in the more important areas of the safety of property, health, and life.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Administration/Support	1,403,214	1,433,729	1,489,815	1,520,940	6.1%
Suppression/Emergency Action	7,304,202	7,632,403	7,270,128	7,894,065	3.4%
Prevention/Safety Education	186,491	184,169	191,551	191,133	3.8%
Total Expenditures	8,893,907	9,250,301	8,951,494	9,606,138	3.9%
Authorized FTEs	62.70	63.70	63.70	64.70	

Fire Safety

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	8,077,981	8,577,569	7,966,444	8,901,136	3.8%
Internal Services	424,070	428,253	426,499	426,729	-0.4%
Contractual	234,548	200,772	263,773	228,844	14.0%
Commodities	146,226	43,707	255,135	49,429	13.1%
Capital	11,082	-	39,643	-	
Other Expenditures	-	-	-	-	
Total Expenditures	8,893,907	9,250,301	8,951,494	9,606,138	3.9%
Funding Sources:					
Fire Revenues:					
Iowa State University	2,206,355	2,302,575	2,218,656	2,391,534	3.9%
MGMC	40,867	40,000	40,000	40,000	0.0%
Grants/Donations	5,952	-	36,871	-	
Miscellaneous Revenue	3,451	-	-	-	
Total Revenues	2,256,625	2,342,575	2,295,527	2,431,534	3.8%
General Fund Support	6,637,282	6,907,726	6,655,967	7,174,604	3.9%
Total Funding Sources	8,893,907	9,250,301	8,951,494	9,606,138	3.9%

Fire Administration and Support

Description:

The major role of Fire Administration and Support is to direct and reinforce the operations of all Fire Department activities (e.g., Fire Suppression, Emergency Action, Fire Prevention and Safety Education, Structural Code Enforcement, etc.). This includes maintaining necessary records and documentation and providing overall direction and oversight functions. This activity is also responsible for providing various training opportunities and programs for all firefighters.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	1,157,156	1,222,708	1,218,905	1,283,201	5.0%
Internal Services	136,114	140,202	141,266	150,675	7.5%
Contractual	105,328	68,619	112,460	85,564	24.7%
Commodities	4,616	2,200	17,184	1,500	-31.8%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,403,214	1,433,729	1,489,815	1,520,940	6.1%
Funding Sources:					
General Fund	1,048,959	1,075,297	1,117,361	1,140,705	6.1%
Iowa State University	350,804	358,432	372,454	380,235	6.1%
Miscellaneous Revenue	3,451	-	-	-	
Total Funding Sources	1,403,214	1,433,729	1,489,815	1,520,940	6.1%
Authorized FTEs	6.70	6.70	6.70	6.70	

Fire Administration and Support

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide a professional, community-focused, efficient, and effective fire department	Citizen satisfaction survey results (very/somewhat satisfied)	98.6%	99%	100%	100%
		ISO rating*	3/3Y	3/3Y	3/3Y	3/3Y
		Fire's Facebook page followers	9,406	9,878	10,321	10,623
		Fire service cost per capita	$130	$132	$133	$142
	Provide an efficient, effective emergency response to reduce risk to the public and firefighters.	Geographical area served (square miles)	28.50	28.75	29.05	29.15
		Emergent responses within 5 minutes (within city limits)	76.9%	71.6%	68.0%	65.0%

*3Y denotes areas of the City served by Xenia Water which do not meet the same standards as City of Ames Water

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Internal Services are projected to be up 7.5% in the FY 2026/27 requested budget. This is attributed largely to a 21% increase in computer services costs.
- Contractual expenses are projected to increase 24.7% in the FY 2026/27 requested budget, primarily due to resuming annual service and maintenance costs for the new fire station alerting system. Annual service and maintenance costs for the previous alerting system were significantly reduced over the last three years after parts of the system malfunctioned and could not be repaired.
- Contractual expenses in the adjusted FY 2025/26 budget increased by 53% due to costs associated with legal assistance for union negotiations, the replacement of a garage door at Station #3, repairs to the Station #1 roof, and advancing expenditures from FY 2026/27 to reduce that year's budget obligations.
- Commodities are projected to be up by $5,270 in the adjusted FY 2025/26 budget for office furniture and new computer security authentication keys, which will reduce the FY 2026/27 budget obligation.

FY 2025/26 Activities

- The Fire Department continues to play a key role in leading the City's incident command response efforts, including upfitting of the City's new Mobile Command Trailer with office supplies, emergency response equipment, and improved internet connectivity. Working with the City's IT Division, the trailer's internet connectivity has been reinforced with a Starlink satellite connection to ensure internet connectivity throughout any disaster.
- On November 4, 2025, the citizens of Ames voted to approve a bond referendum in an amount not to exceed $10.5 million to relocate Fire Station #2 to 601 State Avenue. Prior to the vote, staff worked with the City's Communications Team to share information about the project, reaching 69,846 possible voters through a multitude of outreach tools. Next steps include the creation of building plans in 2026.

FY 2026/27 Activities

- Construction of new Fire Station #2 is expected to start in Fall 2026 and estimated to take 12 months to complete. Staff anticipates moving over $172,000 worth of fixtures, furnishings, and equipment from the current station to help reduce the overall cost of the project.
- The City Council has a goal that the Fire Department respond to 85% of emergent incident calls within five minutes. As part of the Ames 2040 Plan and growing response time challenges, staff continues to explore alternative building sites and building types for a fourth fire station.

Fire Suppression and Emergency Action

Description:

The goal of the Suppression and Emergency Action activity is to protect people and property from loss and danger due to fires or other life-threatening situations. To achieve this goal, extensive efforts are made in the areas of prevention, safety regulations, and through public safety education, which enables citizens to recognize hazards and unsafe practices. An important responsibility of the activity is the development and continual update of pre-fire action plans. The suppression and emergency action team responds to all incidents according to well-defined procedures. Various non-emergency services are also provided, such as performing maintenance of apparatus, testing hydrants, conducting water flow tests, and inspecting buildings.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	6,760,014	7,186,864	6,579,669	7,443,588	3.6%
Internal Services	276,951	279,421	275,381	266,233	-4.7%
Contractual	123,305	125,961	145,749	137,665	9.3%
Commodities	132,850	40,157	229,686	46,579	16.0%
Capital	11,082	-	39,643	-	
Other Expenditures	-	-	-	-	
Total Expenditures	7,304,202	7,632,403	7,270,128	7,894,065	3.4%
Funding Sources:					
General Fund	5,448,455	5,694,302	5,394,943	5,890,549	3.5%
Iowa State University	1,808,928	1,898,101	1,798,314	1,963,516	3.5%
MGMC	40,867	40,000	40,000	40,000	0.0%
Grants/Donations	5,952	-	36,871	-	
Total Funding Sources	7,304,202	7,632,403	7,270,128	7,894,065	3.4%
Authorized FTEs	55.00	56.00	56.00	57.00	

Fire Suppression and Emergency Action

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide a professional, community-focused, all-hazards fire department	Total dispatched incidents	5,982	6,197	6,510	6,865
		Structure fires	51	57	52	52
		Emergency medical incidents	3,552	3,700	4,003	4,203
		Percent of emergent responses (vs. non-emergent responses)	42.3%	44.1%	46.0%	44.5%
	Provide an efficient, effective emergency response to reduce risk to the public and firefighters.	Average turnout time non-medical (Goal: 80 seconds)	79 sec	72 sec	68 sec	65 sec
		Average turnout time medical (Goal: 60 seconds)	67 sec	54 sec	50 sec	48 sec
		Fireground effectiveness (fire loss to pre-incident value %)	99.51%	98.40%	99.50%	99.50%
	Provide training for firefighters and work with businesses on inspections and pre-planning to reduce risk and improve responder performance	Average training hours per firefighter	110.0	179.5	186.8	190.0
		Business pre-plan inspections conducted	198	237	270	270

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- A new firefighter position has been added to the FY 2026/27 budget at a cost of $104,954, to increase staffing in preparation for a fourth fire station. This brings total staffing for future Station #4 to 12 firefighters.
- Repair and maintenance contractual costs for the department's Self-Contained Breathing Apparatus (SCBA) continue to rise due to aging equipment and expiring partial warranties. Full replacement of the SCBA and associated breathing air systems remains in the City's FY 2029/30 CIP.
- The department completed a comprehensive firefighter protective clothing evaluation, resulting in the selection of a new vendor and turn-out gear manufacturer. This transition is affecting the adjusted FY 2025/26 commodities budget, accounting for 85% of the $152,658 increase, as deferred orders from the evaluation period are fulfilled.
- Capital funding of $39,643 has been added to the adjusted FY 2025/26 budget to purchase a respirator fit tester ($13,884), technical rescue equipment ($15,759), and replacement workout equipment ($10,000).

FY 2025/26 Activities

- Two new light-duty rescue vehicles have been placed in service, replacing larger diesel-powered chassis with gasoline pickup trucks. This downsizing enhances operational efficiency, reduces maintenance costs, and supports the department's long-term fleet optimization goals.
- The department was awarded several grants totaling more than $40,000 to complete the special operations reconfiguration project. This initiative consolidates equipment from multiple trailers into a single, more responsive vehicle platform, improving efficiency and readiness for specialized incidents.
- The department placed a new Saturn inflatable rescue boat and motor into service for enhanced response on the Skunk River and Ioway Creek. In turn, a smaller inflatable boat was relocated to Station #2, which will improve water rescue response capability across the city.
- A department-wide awareness and measurement campaign reduced medical call turnout times by 25% and all other emergency call times by more than 10%.

FY 2026/27 Activities

- The department will work with Pierce Manufacturing to finalize the design for a future Engine 4. This effort will emphasize consistency in operations, controls, and configurations among all frontline fire engines to improve training, safety, and efficiency. With new fire apparatus lead times extending to four years or more, early planning and design helps to ensure timely delivery and maintain reliable fleet readiness to meet the community's growing service demands.

Fire Prevention and Safety Education

Description:

The function of this activity is to assist with the administration and enforcement of City ordinances pertaining to the prevention of fires. This includes the use of explosives, flammable and toxic materials, and other hazardous materials. In coordination with other fire department personnel, this activity conducts public safety educational programs and events, such as annual open houses, fire extinguisher training, and fire drills. This activity also assists in the investigation of the cause and origin of fires.

Staff reviews all new construction and remodeling plans for code compliance and conducts inspections on the installation, maintenance, and regulation of all fire escape exits for adequacy in the event of a fire to establish a reasonable level of safety and property protection from the hazards of fire, explosions, or other dangerous conditions.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	160,811	167,997	167,870	174,347	3.8%
Internal Services	11,005	8,630	9,852	9,821	13.8%
Contractual	5,915	6,192	5,564	5,615	-9.3%
Commodities	8,760	1,350	8,265	1,350	0.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	186,491	184,169	191,551	191,133	3.8%
Funding Sources:					
General Fund	139,868	138,127	143,663	143,350	3.8%
Iowa State University	46,623	46,042	47,888	47,783	3.8%
Grants/Donations	-	-	-	-	
Total Funding Sources	186,491	184,169	191,551	191,133	3.8%
Authorized FTEs	1.00	1.00	1.00	1.00	

Fire Prevention and Safety Education

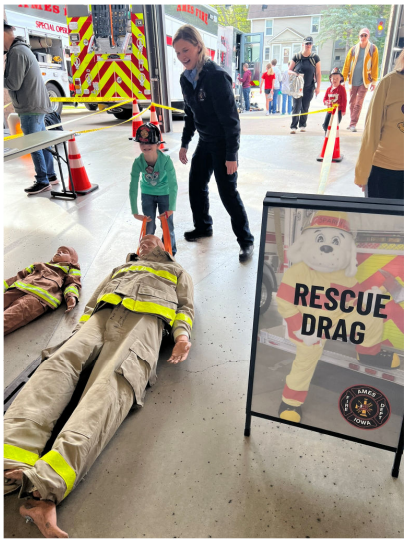
City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Ensure that fire protection systems are installed, updated, and maintained according to recognized code standards	Commercial inspections	354	523	428	500
		Residential inspections	49	69	68	68
		Educational inspections	20	20	16	16
		Plan reviews	90	109	152	120
		Fire inspection deficiencies found and corrected	138	163	260	200
		Knox Box key installations	45	61	46	50
	Perform public outreach about fire safety and prevention	Fire safety presentation hours	293	294	331	300
		Adults attending presentations	4,205	4,035	4,261	4,200
		Children attending presentations	4,302	4,070	4,005	4,200
		People trained to use a fire extinguisher	698	1,175	1,472	1,172
		People trained how to do a fire drill	166	448	544	500

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Fire Department Open House draws about 1,200 participants each year and continues to grow in popularity. Layout improvements and five new interactive stations have improved flow and reduced lines. Highlights included a dedicated “Freddie the Fire Truck” station, a rescue drag activity, an ARCH information booth, and the first-ever automobile extrication demonstrations, which received excellent feedback. To enhance future extrication demonstrations, the Department plans to add live narration using a microphone and sound system. An additional $6,835 is included in the FY 2025/26 adjusted commodities budget to support these upgrades.







Fire Prevention and Safety Education

FY 2025/26 Activities

- In FY 2024/25, ISU fraternities and sororities requested a total of thirteen fire drills. That number more than doubled from the prior year. The Fire Department will continue to seek out partnership with the University's Greek community to promote fire safety and preparedness in student housing.
- The number of individuals trained to use fire extinguishers increased in FY 2025/26. Although extinguisher training was introduced at the 2024 Open House, those participants were not recorded separately. This year's total reflects the addition of that data, providing a more accurate count of community members who received extinguisher training.
- The Fire Prevention Team has added standardized educational programs to the department's website, making them easily accessible to the community. Residents can use an education request form to schedule fire safety talks, fire extinguisher training, Stop the Bleed sessions, or other customized programs. The team will continue to prioritize high-risk and underserved populations, promote program awareness, and track participation, feedback, and outcomes to refine outreach strategies, ensuring maximum impact on reducing fire risks and enhancing community safety.
- The community programs page on the Department website allows residents to easily schedule time with firefighters, including station visits, school visits, and community events. The event request form supports requests for block parties, fire safety events, parades, festivals, and drive-bys, which are routed to Shift Commanders for scheduling. This streamlined process has simplified access for the public and enhanced the department's ability to deliver community outreach programs effectively.
- A new Services page was added to the website, providing a wide range of options for community members. Offerings include scheduling a Knox Box key installation, requesting copies of incident reports, and applying for planned burn permits, which are displayed on an interactive map. The page also allows submission of Tier II reports and requests for smoke alarm assistance, including battery replacement, alarm installation, and guidance on proper placement. In addition, users can apply for fire alarm and fire sprinkler permits directly through the site. This addition has greatly improved efficiency by reducing phone and email inquiries, streamlining the intake process for permit and service requests, and ensuring requests are routed directly to the appropriate staff for faster response. It has also enhanced customer service by making information and forms easily accessible to the public at any time, strengthening communication and engagement between the department and the community.

Fire Prevention and Safety Education





FY 2026/27 Activities

- The Fire Department is developing a Residential Knox Box Program to enhance emergency response and support independent living for residents who are at higher risk for medical incidents. Through this program, the Department will loan residential Knox Boxes to eligible individuals who continue to live independently in their homes. The Knox Box provides secure access for emergency responders, allowing them to enter a residence quickly and without damage in the event of an emergency. The program is designed to operate as a loan system, with boxes returned to the Department when the individual no longer resides in the home. Returned units will be reissued to other qualifying residents. Requests for participation will be available through the Services section of the Fire Department website, streamlining the process for residents and allowing staff to efficiently review and coordinate installations.
- The Fire Department plans to establish a Residential Fire Extinguisher Disposal Program to provide residents with a safe and convenient way to dispose of outdated or non-functioning fire extinguishers. Many residents are unaware of how to properly discard extinguishers that are expired, damaged, or have lost pressure. Through this program, residents could drop off extinguishers at specific collection events or by appointment throughout the year. The collected extinguishers would then be safely disposed of through appropriate waste management channels.
- The Fire Department is developing a structured outreach plan to connect with local organizations, community groups, and senior living facilities to deliver targeted safety education programs. This new initiative will establish presentations built around a prepared curriculum designed to address seasonal risks and community needs. By offering standardized lessons, the Department can deliver consistent, high-quality education while reaching multiple groups with the same topic. This proactive approach will allow the department to deliver consistent fire and life safety education across the community, strengthen partnerships with local organizations, and reduce preventable emergencies through education and outreach.

Building Safety

Description:

Building Safety issues building permits, inspects building construction and renovations, and enforces building, electrical, mechanical, and plumbing codes. Construction plans are reviewed for code compliance prior to permits being issued, and inspections are conducted on-site to determine that codes are being followed during the construction process.

This activity also issues Letters of Compliance for rental units, performs periodic inspections of all rental units, and investigates potential rental code violations.

Building permit revenue is collected to cover the cost of the building safety activity. Rental housing annual fees are set to offset the cost of the rental inspection activity based on the projected budget. The neighborhood liaison program is funded through the General Fund and not offset by user fees.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Structural Code Enforcement	1,256,619	1,307,291	1,271,277	1,393,364	6.6%
Rental Housing Program	487,792	534,300	533,066	564,334	5.6%
Community Codes Liaison	156,917	152,451	153,854	158,620	4.1%
Total Expenditures	1,901,328	1,994,042	1,958,197	2,116,318	6.1%
Expenditures by Category:					
Personal Services	1,483,293	1,583,904	1,549,893	1,697,502	7.2%
Internal Services	338,085	317,505	316,730	326,198	2.7%
Contractual	78,215	89,533	89,184	90,368	0.9%
Commodities	1,735	3,100	2,390	2,250	-27.4%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,901,328	1,994,042	1,958,197	2,116,318	6.1%
Funding Sources:					
Inspections Revenue:					
Building Permits	675,436	934,319	934,319	971,985	4.0%
Electrical Permits	92,900	115,575	115,575	121,354	5.0%
Mechanical Permits	98,437	89,878	98,437	103,359	15.0%
Plumbing Permits	105,092	114,785	114,785	120,524	5.0%
Sign Permits	9,609	13,144	13,144	13,144	0.0%
Rental Housing Fees	523,066	537,083	537,083	557,612	3.8%
Miscellaneous Revenue	4,963	1,961	2,646	2,779	41.7%
Total Revenues	1,509,503	1,806,745	1,815,989	1,890,757	4.7%
General Fund Support	391,825	187,297	142,208	225,561	20.4%
Total Funding Sources	1,901,328	1,994,042	1,958,197	2,116,318	6.1%
Authorized FTEs	12.30	12.30	12.30	12.30	

Building Safety

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Assist customers in completing code compliant projects by issuing permits and conducting inspections	Building/trade permits issued	3,818	4,194	3,500	3,500
		Building/trade inspections performed	5,993	6,179	5,600	5,600
		Inspections per building/trade inspector	1,199	1,236	1,120	1,120
	Assist customers in maintaining safe dwellings through periodic rental inspections	Rental housing units registered	15,647	15,667	15,667	15,800
		Rental housing inspections	2,077	3,041	3,000	3,000
		Rental housing inspections per inspector	692	1,014	1,000	1,000
	Promote safe and attractive neighborhoods	Neighborhood complaints	942	1,115	1,500	1,500
		Neighborhood inspections	991	1,243	2,000	2,300
Promote economic development	Promote partnerships and encourage successful construction projects	New construction valuation commercial*	$147.2	$90.0	$110.0	$90.0
		New construction valuation residential*	$32.5	$44.5	$30.0	$30.0

*In millions

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Revenue from trade and building permits has declined over multiple years and is no longer sufficient to cover rising operational expenditures. To address this gap and ensure continued service delivery, the City will implement a 5% increase in building and trade permit fees for FY 2026/27, the first such adjustment since 2013.
- An increase in health insurance costs and a salary step increase resulted in higher Personal Services cost for the Rental Housing Program in FY 2026/27. To cover the increase, rental housing fees will be increased anywhere from a $1.44 per unit for an apartment building with 21 or more units, to $2.89 for a single-family rental unit. Rental housing fees have not been raised since FY 2022/23.

FY 2025/26 Activities

- The Fire Chief and Building Official have worked with the Inspection staff to develop ‘We Will’ commitments, reinforcing their mission to work in unison with customers to help development occur in accordance with adopted codes, regulations, and plans.
- The number of neighborhood inspections continues to increase. Staff works hard to ensure all complaints are promptly addressed and continue to focus on education. Only 2.5% of the reported cases in FY 2024/25 resulted in a citation, creating a 97.5% effective rate for educational compliance.
- The “Ames on the Go” mobile app continues to account for almost half of all neighborhood complaints (48% in FY 2024/25). Fifteen percent of all complaints are found to be unfounded, leading to no enforcement action.
- The State of Iowa updated building and trade codes effective September 10, 2025. Staff is reviewing the adopted codes and is planning community outreach for an anticipated Code adoption in Spring 2026.

FY 2026/27 Activities

- Staff is researching alternative software programs that will help increase efficiencies across departments and expedite the permitting process. New software will assist staff in creating metrics to better assess permit approval and code compliance timelines.
- Staff is researching alternative fee schedules and permitting processes in an effort to improve the permitting process for customers.

Animal Sheltering and Control

Description:

The Animal Sheltering and Control activity provides impoundment and sheltering for domestic animals found within the City. Animals are also accepted from pet owners who wish to terminate their ownership without euthanasia or abandonment. Adoption services place shelter animals with people seeking pets. This activity is also responsible for enforcing municipal ordinances and state laws related to animals, logging and tracking animal bites, investigating suspected cases of animal neglect and rabies, and dealing with urban wildlife conservation and relocation.

The Animal Sheltering and Control activity also provides programming and tours for adults and children. An active volunteer group provides supplemental staffing at the shelter, which is open to the public 30 hours/week or by appointment. Donations received from the public provide additional funding for animal services, special programs, and projects at the shelter.

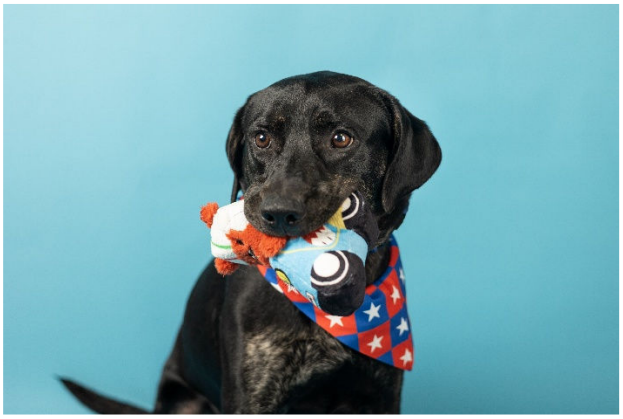
Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	644,567	706,670	692,901	748,808	6.0%
Internal Services	35,368	43,653	43,722	45,396	4.0%
Contractual	134,680	104,640	123,565	115,265	10.2%
Commodities	98,264	53,800	63,000	53,900	0.2%
Capital	-	-	-	-	
Other Expenditures	415	-	-	-	
Total Expenditures	913,294	908,763	923,188	963,369	6.0%
Funding Sources:					
Charges for Services	39,970	31,500	31,500	32,000	1.6%
Total Revenues	39,970	31,500	31,500	32,000	1.6%
General Fund Support	752,367	796,763	816,688	856,369	7.5%
Animal Shelter Donations	120,957	80,500	75,000	75,000	-6.8%
Total Funding Sources	913,294	908,763	923,188	963,369	6.0%
Authorized FTEs	5.05	6.50	6.50	6.50	

Animal Sheltering and Control

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide safe and humane sheltering facilities and adoption and re-home services	Live animals through facility	1,074	1,052	1,100	1,200
		Cat/dog live release rate	98.4%	98.7%	98.0%	98.0%
		Calls for field activity services	2,620	2,640	2,700	2,800
	Assist citizens in responding to animal control issues	Rescue calls – animals left in vehicles	88	89	75	80
		Deceased animals picked up	311	482	400	375
	Promote quality of life improvements for animals in the community	Community outreach talks/tours	11	12	15	18
		Volunteer service hours (shelter)	5,320	9,518	10,800	12,800
		Volunteer service hours (foster)	2,365	2,921	3,500	4,000

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The new animal shelter is anticipated to open in January 2027. Therefore, the requested FY 2026/27 budget includes six months of expenditures related to the current animal shelter and six months in the new animal shelter.
- Funding was added to the adopted FY 2025/26 budget for an additional Animal Control Attendant to meet current shelter needs and prepare for staffing requirements at a larger future facility. The increase in personal services costs in FY 2026/27 reflects the formal classification and full-year cost of that position.
- In FY 2025/26, the Shelter had a total of 17,678 days of care for animals in the building (sum of the total days each animal was in our care).
- Animal hoarding cases continue to present significant challenges for the Ames Animal Shelter. In FY 2025/26, staff responded to several incidents involving large numbers of animals. Limited shelter space makes it difficult to accommodate these situations, which require substantial staff time and resources, including food, cleaning, and veterinary care. These cases also disrupt normal shelter operations and reduce the shelter's ability to remain open to the public for routine services.
- An increase in animal neglect and abuse cases has resulted in extended length of stays for animals in the shelter.
- A continuing concern at the existing shelter is the risk of infectious disease outbreaks. In FY 2025/26, the shelter experienced an outbreak of Feline Panleukopenia Virus, a highly contagious feline disease, which required the closure of all cat housing areas for more than four weeks. Similar to animal hoarding cases, these outbreaks impose significant costs on the City and disrupt shelter operations. The new shelter will provide improved disease control through the inclusion of dedicated isolation and treatment spaces.



Animal Sheltering and Control

FY 2025/26 Activities

- Volunteer involvement remains essential to shelter operations. Volunteer activities outside of the shelter can include fundraisers, outreach opportunities, adoption events, transporting animals to veterinary appointments, and more. Volunteers represent approximately 12,400 hours annually, the equivalent to 5.9 FTEs, with an estimated value $372,670 based on U.S. Department of Labor Statistics. The Junior Volunteer Program, which allows volunteers as young as 10 years old to volunteer with a guardian, continues to be a popular addition to the operations.



- Foster families provide care to animals in their own homes. This allows animals who are stressed or medically fragile, such as newborn kittens, to be out of the shelter where they are more likely to become critically ill. This saves staff time and City costs by reducing the number of animals requiring complex care in the shelter.
- Due to increasing costs of pet ownership, staff have found that pet owners need additional assistance to help them to keep their pets during periods of financial crisis. The shelter has kept a small stock of various pet foods (typically donated by the community) to provide to owners in need. The new shelter building, when complete, will have a larger food pantry for the public to provide food.

Animal Sheltering and Control



FY 2026/27 Activities

- Many activities in FY 2026/27 will be centered around the transition from the old facility to the new facility.
- Staff will continue to promote low- to no-cost microchip and vaccination clinics, in partnership with volunteer veterinarians, to help protect the animals in the community and in the shelter.
- Staff continue to explore a pet licensing program that is common practice in other cities across Iowa. Concerns have been raised, so staff are working on providing additional information to the public before a final decision is made by the City Council.

Other Public Safety

Description:

The Other Public Safety activity accounts for the operation of the City's Emergency Operations Center and the City's storm warning system. The Emergency Operations Center is located at the City's Water Treatment Plant and is activated during emergency situations such as floods and windstorms. The Center may also be used to coordinate Public Safety and other departments during large community events.

The Storm Warning System sub-activity accounts for the operation of the City's storm warning system. This includes computer and software costs to operate the system, as well as maintenance performed by Electric Distribution crews on the City's storm warning sirens.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Emergency Operations	4,847	2,481	7,890	1,260	-49.2%
Storm Warning System	3,461	13,078	11,621	11,684	-10.7%
Total Expenditures	8,308	15,559	19,511	12,944	-16.8%
Expenditures by Category:					
Personal Services	227	4,000	4,000	4,000	0.0%
Internal Services	2,820	1,959	791	484	-75.3%
Contractual	1,264	3,600	3,355	3,460	-3.9%
Commodities	3,997	6,000	11,365	5,000	-16.7%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	8,308	15,559	19,511	12,944	-16.8%
Funding Sources:					
General Fund	8,308	15,559	19,511	12,944	-16.8%
Total Funding Sources	8,308	15,559	19,511	12,944	-16.8%
Authorized FTEs	0.00	0.00	0.00	0.00	

Other Public Safety

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide a reliable storm warning system for public safety	City sirens	18	18	18	18
		Iowa State University sirens	5	5	5	5
	Provide citywide command, coordination and communication during natural disasters or emergencies	City siren tests per year	12	12	12	12
		Incident Command Center trainings/exercises	3	2	2	2

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Funding of $6,890 is included in the FY 2025/26 adjusted budget to purchase additional software and equipment needed for the Mobile Command Trailer to connect to Starlink and the City's network.
- The City's Mobile Command Trailer will be response ready at all times by maintaining an internet connection through a monthly subscription. The annual amount to maintain internet connectivity and the ability to access the City's network is $1,260 and is included in the FY 2026/27 requested budget.

FY 2025/26 Activities

- The City's Incident Command Team alongside the IT Department have been evaluating internet connectivity solutions that will allow the Mobile Incident Command Trailer to maintain a reliable internet connection during a disaster where cellular networks may not be available.

FY 2026/27 Activities

- Staff from the City's Incident Command Team will be working alongside the Story County Emergency Manager and Iowa State University's Emergency Management Team to evaluate the effectiveness of utilizing Microsoft Teams as a communications and resource requesting platform during disasters. Microsoft Teams is currently used by all three agencies independently from each other.

Public Safety CIP

Description:

This is a summary of the Public Safety program capital improvements which are detailed in the City of Ames five-year Capital Improvements Plan.

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Fire Safety:					
Engine 1 Replacement	384,558	-	-	-	
Fire Station Improvements	6,770	-	154,581	-	
Apartment Training Prop	4,317	-	22,811	-	
Station 2 Relocation	41,676	-	639,810	6,680,955	
Station Alerting System	-	291,905	291,905	-	
Second Story Training Prop	-	-	42,294	-	
Total Fire Safety CIP	437,321	291,905	1,151,401	6,680,955	2188.7%
Animal Sheltering and Control:					
Animal Shelter Relocation	1,153,497	3,250,000	6,301,503	-	-100.0%
Storm Warning System:					
Outdoor Storm Warning System	-	-	-	-	
Total Public Safety CIP	1,590,818	3,541,905	7,452,904	6,680,955	88.6%

Fire Safety ($6,680,955)

The ***Fire Station 2 Relocation*** project provides funding to move Fire Station 2 from its current location on Welch Avenue in Campustown to a new location on land provided by Iowa State University on State Avenue. The relocation will improve pedestrian safety in Campustown, as well as enhance response times to areas near the City's expanding boundaries.

Funding for the project will span multiple years, with the total cost projected at $10,561,139. Preliminary costs of $105,011 were incurred over the past several years as the plan for the new station and location were determined. Final design and construction costs are estimated to be $10,456,128. Of this total, $589,725 will be expended in FY 2025/26 for architectural/engineering services, with the $9,866,403 project balance projected for FY 2026/27 ($6,680,955) and FY 2027/28 ($3,185,448).

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UTILITIES







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Utilities Summary

Description:

The Utilities program provides the Ames community with dependable electricity, drinking water, sewage disposal, stormwater management, and trash and garbage disposal. An effective rate structure for each activity is established to recover the cost of the utilities through customer charges. ***Electric Services*** provides citizens with electric production, electric distribution, electric meter services, and programs to reduce electrical demand. ***Water and Pollution Control*** provides the community with clean, fresh water and oversees the treatment of wastewater in compliance with federal and state regulations to ensure public health. The ***Water Distribution System Maintenance*** and ***Sanitary Sewer System Maintenance*** activities are responsible for the maintenance of water distribution and sanitary sewer collection lines throughout the community. ***The Stormwater Management*** activity includes the administration of the City's stormwater permit program and the maintenance of the storm sewer system***. Resource Recovery*** provides citizens with a safe and cost-effective method for disposing of trash and garbage***. Utility Customer Service*** is responsible for the billing and collection of utility charges to utility customers. Utility capital improvements are included in the ***Utilities CIP*** activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Electric Services	60,190,047	64,408,013	66,951,305	67,267,091	4.4%
Water and Pollution Control	10,221,638	11,956,279	11,652,627	12,143,211	1.6%
Water Distribution System	1,841,059	1,975,698	1,895,743	2,120,447	7.3%
Sanitary Sewer System	1,056,298	1,038,011	962,829	1,124,487	8.3%
Stormwater Management	748,396	980,255	977,976	1,057,580	7.9%
Resource Recovery	4,487,044	5,024,867	4,908,102	5,153,402	2.6%
Recycling Services	-	-	-	1,512,000	
Utility Customer Service	1,906,597	1,892,349	1,797,091	1,705,595	-9.9%
Total Operations	80,451,079	87,275,472	89,145,673	92,083,813	5.5%
Utilities CIP	34,382,787	49,973,000	109,225,644	54,722,155	9.5%
Total Expenditures	114,833,866	137,248,472	198,371,317	146,805,968	7.0%
Authorized FTEs	162.61	162.61	162.61	161.61	

Utilities Summary

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	19,804,015	23,140,062	21,381,837	23,738,703	2.6%
Internal Services	7,984,516	8,304,186	8,084,369	8,669,768	4.4%
Contractual	45,326,772	46,543,085	50,525,782	50,587,894	8.7%
Commodities	5,866,300	7,454,109	7,277,278	7,407,548	-0.6%
Capital	817,744	741,500	749,793	643,200	-13.3%
Other Expenditures	651,732	1,092,530	1,126,614	1,036,700	-5.1%
Total Operations	80,451,079	87,275,472	89,145,673	92,083,813	5.5%
Utilities CIP	34,382,787	49,973,000	109,225,644	54,722,155	9.5%
Total Expenditures	114,833,866	137,248,472	198,371,317	146,805,968	7.0%
Funding Sources:					
Electric Utility Fund	60,923,533	65,131,681	67,626,997	67,879,896	4.2%
SunSmart Fund	189,638	185,602	186,862	190,000	2.4%
Water Utility Fund	7,952,418	9,171,939	8,865,332	9,221,132	0.5%
Sewer Utility Fund	6,127,947	6,758,628	6,557,904	7,045,303	4.2%
Stormwater Utility Fund	751,224	987,255	984,976	1,064,580	7.8%
Resource Recovery Fund	4,487,044	5,024,867	4,908,102	5,153,402	2.6%
Recycling Program Fund	-	-	-	1,512,000	
Project Share Donations	19,275	15,500	15,500	17,500	12.9%
Total Operations Funding	80,451,079	87,275,472	89,145,673	92,083,813	5.5%
Utilities CIP Funding:					
Electric Revenue Bonds	-	6,250,000	6,550,000	4,000,000	-36.0%
G.O. Bonds	65,587	880,000	6,889,110	15,117,620	1617.9%
Water SRF Loan Program	1,099,010	-	4,457,757	-	
Sewer SRF Loan Program	18,632,233	26,240,000	44,633,785	7,250,000	-72.4%
American Rescue Plan	2,748,345	-	454,212	-	
Electric Utility Fund	6,233,913	5,540,000	21,346,444	17,308,535	212.4%
Water Utility Fund	2,025,667	6,017,000	11,235,805	3,316,000	-44.9%
Sewer Utility Fund	2,328,336	2,087,000	4,201,160	5,215,000	149.9%
Stormwater Utility Fund	877,940	2,100,000	7,382,208	2,050,000	-2.4%
Stormwater Grant Funding	40,000	400,000	1,260,000	-	-100.0%
Resource Recovery Fund	331,756	459,000	815,163	465,000	1.3%
Total CIP Funding	34,382,787	49,973,000	109,225,644	54,722,155	9.5%
Total Funding Sources	114,833,866	137,248,472	198,371,317	146,805,968	7.0%

Electric Services

Description:

Electric Services provides the community with sufficient electric power for current and projected needs. Electric power is provided for industrial, commercial, and residential users, according to a rate structure adopted by ordinance. Through the City Council, the community exercises control over the Utility and its policies. ***Electric Administration*** is responsible for directing the daily operations of the Utility and for providing the Electric Utility Operations Review and Advisory Board (EUORAB) with information so it can make informed recommendations to the City Council. ***Demand Side Management*** includes programs designed to reduce peak consumption and use energy more wisely. ***Electric Production*** is responsible for producing electrical energy and maintaining the associated equipment. Electrical energy is produced in the power plant by burning natural gas and Refuse-Derived Fuel (RDF) in the plant's boilers, which generate steam for the steam-driven turbine generators. Peaking and emergency electric energy is produced by combustion turbine generators (jet engines whose thrust drives the associated electrical generators***). Fuel and Purchased Power*** provides funding for purchasing natural gas and RDF burned in the boilers, fuel oil burned in the combustion turbines, and electrical energy purchased from other utilities through the Midcontinent Independent System Operator (MISO) energy market. ***Electric Distribution*** is responsible for maintaining and extending the electric transmission and distribution systems that deliver electricity to the community, substation equipment, street lighting installation and maintenance, and emergency weather notification system maintenance. ***Electric Technical Services*** is responsible for installing and maintaining the electric meters used for billing the Utility's customers, and solving system power quality issues. ***Electric Engineering*** is responsible for engineering and planning related to and for supervision of the operation of the Utility's transmission and distribution system, substations, and street lighting.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Electric Administration	2,954,729	3,173,497	3,314,122	3,390,662	6.8%
Demand-Side Management	582,636	907,079	943,920	841,580	-7.2%
Electric Production	12,196,223	14,420,090	14,290,939	13,966,931	-3.1%
Fuel/Purchased Power	36,167,780	36,822,533	39,929,931	39,904,688	8.4%
Distribution/Operations	5,876,941	6,364,959	6,733,712	7,430,654	16.7%
Electric Technical Services	1,566,459	1,675,585	849,730	731,919	-56.3%
Electric Engineering	845,279	1,044,270	888,951	1,000,657	-4.2%
Total Expenditures	60,190,047	64,408,013	66,951,305	67,267,091	4.4%
Authorized FTEs	81.00	81.00	81.00	81.00	

Electric Services

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	10,894,746	12,743,243	11,642,075	13,205,807	3.6%
Internal Services	3,668,947	3,887,406	3,786,325	3,946,703	1.5%
Contractual	40,714,068	41,478,737	45,443,137	44,124,742	6.4%
Commodities	3,721,892	4,674,527	4,474,908	4,544,739	-2.8%
Capital	571,108	700,000	651,000	586,000	-16.3%
Other Expenditures	619,286	924,100	953,860	859,100	-7.0%
Total Expenditures	60,190,047	64,408,013	66,951,305	67,267,091	4.4%
Funding Sources:					
Electric Utility Fund	60,000,409	64,222,411	66,764,443	67,077,091	4.4%
SunSmart Fund	189,638	185,602	186,862	190,000	2.4%
Total Funding Sources	60,190,047	64,408,013	66,951,305	67,267,091	4.4%

Electric Administration

Description:

Electric Administration is responsible for coordinating the work of electric generation, transmission, distribution, engineering, and technical services to ensure that the City of Ames continues to meet the needs of its electric customers under all conditions. Other responsibilities of this activity include developing the Electric Utility Capital Improvements Plan (CIP), overseeing the Utility's relationship with State and Federal agencies, working with the Electric Utility Operations Review and Advisory Board (EUORAB) in long-range planning for the Utility, and ensuring the financial stability of the Electric Utility Fund.

The Electric Administration activity also includes Energy Services, which develops, coordinates, and conducts programs promoting wise, sustainable, and efficient use of electrical resources.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Electric Administration	2,824,681	2,969,523	3,145,022	3,206,690	8.0%
Electric Relations / Promotions	130,048	203,974	169,100	183,972	-9.8%
Total Expenditures	2,954,729	3,173,497	3,314,122	3,390,662	6.8%
Expenditures by Category:					
Personal Services	850,078	960,408	917,121	970,207	1.0%
Internal Services	1,667,301	1,835,699	1,835,366	1,923,016	4.8%
Contractual	399,347	338,890	516,385	444,189	31.1%
Commodities	20,677	19,400	26,150	34,150	76.0%
Capital	-	-	-	-	
Other Expenditures	17,326	19,100	19,100	19,100	0.0%
Total Expenditures	2,954,729	3,173,497	3,314,122	3,390,662	6.8%
Funding Sources:					
Electric Utility Fund	2,954,729	3,173,497	3,314,122	3,390,662	6.8%
Total Funding Sources	2,954,729	3,173,497	3,314,122	3,390,662	6.8%
Authorized FTEs	5.00	5.00	5.00	5.00	

Electric Administration

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable, low-cost energy for customers	Residential rates compared to other utilities in Ames	-23%	-28%	-26%	-25%
		Commercial rates compared to other utilities in Ames	-16%	-20%	-18%	-15%
		Industrial rates compared to other utilities in Ames	1%	1%	3%	5%
		Customers very / somewhat satisfied with electric service	95%	95%	95%	97%
	Maintain peak demand below 138 MW	Peak demand (in MW)	138.0	134.3	127.4	134.7
		Energy usage (in MWh)	607,587	616,110	626,708	629,233
	Maintain a contingency reserve fund > 33% of operational expenses	Reserve fund balance maintained	Yes	Yes	Yes	Yes
Environmental sustainability	Increase participation in community solar program	Power packs sold	8,617	8,640	8,680	8,830
			75.4%	75.6%	76.0%	77.3%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Beginning November 1, 2025 a 1.5% rate increase was approved by City Council. Both FY 2025/26 and FY 2026/27 reflect the increased revenue to maintain an adequate fund balance.
- Funding of $100,000 is included in FY 2026/27 to perform a new rate study following the conclusion of waste-to-energy.

FY 2025/26 Activities

- Major changes at the federal level regarding tax incentives for renewable energy projects have negatively impacted the ability to acquire low cost, renewable generation resources.
- Renewable energy generation is currently very much a “seller’s market.” It has become difficult to use traditional Request-for-Proposal methods to secure future projects.
- Staff is working directly with a developer to undertake a renewable energy project on behalf of the utility through an annual Purchase Power Agreement payment.
- Electric, Water and Pollution Control, and Finance are updating the utility’s current metering system to an Advanced Metering Infrastructure (AMI) platform. This new system will bring many advantages, including feeder study information, outage notifications, A/C control, remote disconnect/reconnect, remote reading, and tamper notifications.

FY 2026/27 Activities

- With an end to the 50-year waste-to-energy program, Electric Services is working closely with Resource Recovery to smoothly manage the transition. In addition, plans are underway to replace the capacity provided by Unit #7, which will be retired shortly thereafter.
- Electric Services staff is closely monitoring extremely high voltage transmission planning projects in the MISO footprint and considering options to limit large increases to transmission rates over the next decade.

Demand Side Management

Description:

The goal of Demand Side Management is to promote wise, sustainable, and efficient use of the City's electrical resources. This activity includes load management programs, such as Prime Time Power, which control energy consumption using mechanical or electronic devices. Other ongoing programs include lighting, appliance, and high efficiency air conditioner rebates, solar installation rebates, and commercial and residential energy audits. Controlling the City's peak demand will delay the need for new generation capacity and keep electricity rates lower.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
DSM Administration	37,059	37,079	31,342	31,580	-14.8%
Prime Time Power	258,562	315,000	331,000	340,000	7.9%
Energy Audits	50,566	55,000	59,000	55,000	0.0%
Rebate Program	240,499	500,000	507,500	400,000	-20.0%
Green Iowa AmeriCorps	-	-	15,078	15,000	
Geothermal Pilot Program	(4,050)	-	-	-	
Total Expenditures	582,636	907,079	943,920	841,580	-7.2%
Expenditures by Category:					
Personal Services	29,237	18,533	21,256	21,256	14.7%
Internal Services	679	1,546	1,546	2,324	50.3%
Contractual	58,486	76,500	81,639	77,500	1.3%
Commodities	555	500	5,979	5,500	1000.0%
Capital	(4,050)	-	-	-	
Other Expenditures	497,729	810,000	833,500	735,000	-9.3%
Total Expenditures	582,636	907,079	943,920	841,580	-7.2%
Funding Sources:					
Electric Utility Fund	582,636	907,079	943,920	841,580	-7.2%
Total Funding Sources	582,636	907,079	943,920	841,580	-7.2%
Authorized FTEs	0.00	0.00	0.00	0.00	

Demand Side Management

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Environmental Sustainability	Energy efficiency and conservation	Appliance rebates	391	396	275	250
		Air conditioner rebates	289	199	160	100
		Heat pump rebates	85	110	130	175
		Water heater rebates	4	11	15	20
		EV charger rebates	20	29	30	35
		Residential and commercial solar rebates	13	11	30	40
		Thermostat rebates	29	46	35	40
		Total rebates	831	781	675	660
		Residential energy audits performed	26*	42	50	55
		Commercial energy audits performed	3	3	4	4

*Actual audits performed during Q1 and Q2 of calendar year 2024 were skewed due to onboarding of a new audit company.

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- An increase in the number of customers participating in the interruptible rate program (Prime Time Power) has required an increase in the interruptible rate incentive by 41.7%.
- Several rebate programs have been adjusted to better reflect customer participation and account for the increasing availability and lowering costs of efficient equipment. Others, such as the Commercial Customer program and some of the appliance programs, have been discontinued because it is no longer serving a useful purpose.
- Electric Services is utilizing Green Iowa Americorps interns to perform energy audits to improve weatherization in low-income homes.
- Personal Services is increasing 14.7% to cover additional intern hours needed to support rebate programs and AMI communications.

FY 2025/26 Activities

- Energy Services has resumed planning for a new version of the Smart Business Challenge. A new platform will result in better user experience for all commercial customers. The utility sees a lot of potential to maximize energy and demand savings among the largest customer class.
- Staff is exploring an on-bill tariff program that allows customers to install energy-efficient upgrades without the large up-front costs. By eliminating up-front investments, the program can better reach the Ames population.
- The rollout of Advanced Metering Infrastructure brings the opportunity to deploy a dynamic rate structure available to all rate classes. A time-of-use rate structure encourages off-peak energy usage resulting in a reduction of summer and winter peaks.

FY 2026/27 Activities

- The utility's air conditioning control program, Prime Time Power, has reached its end of life. A replacement program will be explored with the rollout of a new Advanced Metering Infrastructure system in FY 2026/27. The new program will replace outdated demand control units with innovative load control systems.

Electric Production

Description:

Electric Production is responsible for the operation of the City's Power Plant, which includes the operation and maintenance of the boilers, turbines, fuel handling systems (natural gas and Refuse-Derived Fuel), the remotely operated combustion turbines, and Supervisory Control and Data Acquisition (SCADA) control equipment in the power plant and substations. The generation production fleet consists of four units:

Name	In-Service	Fuel	Capacity
Unit #7	1967	Gas/RDF	38 MW
Unit #8	1982	Gas/RDF	70 MW
Combustion Turbine #1	1972	Diesel	18 MW summer/22 MW winter
Combustion Turbine #2	2005	Diesel	27 MW summer/29 MW winter

Electrical operations are continuous and monitored 24 hours per day. The Electric Production activity functions as the dispatch center outside of normal working hours to respond to transmission, distribution, and customer outages. When notified of an electrical outage, Power Plant personnel contact on-call distribution and substation crews to respond and restore power.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	5,832,919	6,997,490	6,301,869	7,083,364	1.2%
Internal Services	1,084,482	1,218,700	1,124,714	1,207,667	-0.9%
Contractual	3,706,021	4,275,900	4,920,302	3,759,400	-12.1%
Commodities	1,562,678	1,928,000	1,860,054	1,880,500	-2.5%
Capital	6,371	-	84,000	36,000	
Other Expenditures	3,752	-	-	-	
Total Expenditures	12,196,223	14,420,090	14,290,939	13,966,931	-3.1%
Funding Sources:					
Electric Utility Fund	12,196,223	14,420,090	14,290,939	13,966,931	-3.1%
Total Funding Sources	12,196,223	14,420,090	14,290,939	13,966,931	-3.1%
Authorized FTEs	44.00	44.00	44.00	44.00	

Electric Production

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable, low-cost energy delivery for our customers in a safe and efficient manner	Annual peak load (MW)	138.0	134.3	127.4	134.7
		Annual net system load (MWh)	607,587	616,110	626,056	629,232
		Annual net generation (MWh)	327,600	304,198	246,103	305,000
		Reportable accidents	1	2	0	0
		Lost time accidents	1	1	0	0
		Unit 7 forced outages	2	4	2	3
		Unit 8 forced outages	12	2	1	1
		Unit 7 reliability factor	93.4%	93.2%	95.0%	90.0%
		Unit 8 reliability factor	89.0%	88.9%	95.0%	95.0%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Public Works is developing a curbside recycling program to be rolled out in FY 2026/27. This program is expected to reduce waste amounts enough to burn RDF only in Unit 7. This will reduce the Production budget by $905,000.
- In FY 2025/26, a major accounting reorganization took place to consolidate accounts and move expenses into more appropriate sub-accounts. These changes improve organization, transparency, and tracking operational spending.
- Four projects planned for FY 2026/27 include:
    - Implementing a digital operating rounds system for an estimated $100,000. This system will increase communication between shifts and provide better historical tracking of equipment.
    - Purchasing $38,000 of additional spare equipment for Unit 8, helping to increase reliability.
    - Performing an updated Arc Flash study for $150,000. This will identify new electrical hazards and calculate current incident energy levels. It ensures proper labeling, safe work practices, and correct selection of personal protective equipment to prevent serious injuries or fatalities.
    - Replacing the batteries at Combustion Turbine 1 for $50,000. The current batteries have reached the end of the expected service life. Maintaining the batteries is critical for reliable startup and overall system resilience.

FY 2025/26 Activities

- A significant amount of cleaning and preventive maintenance has been performed in the Unit 8 boiler to increase its reliability and have it available to operate as a reliable, “ahead of the meter” unit, ensuring it is creditable towards the Utility fulfilling its capacity requirements.
- The Combustion Turbine 1 and 2 controls update capital project will continue through FY 2025/26 and into FY 2026/27. The modernized equipment will provide state-of-the-art controls, system monitoring, and easier troubleshooting for Power Plant operations, improving the reliability of both CT1 and CT2.
- Unit 8 DC batteries are being replaced to ensure critical control equipment is powered during unexpected power outages.
- Power Plant staff will work with Human Resources throughout FY 2025/26 to fill positions recently modified through a staff reorganization effort.

FY 2026/27 Activities

- Electric Services and Resource Recovery plan to discontinue Waste-to-Energy operations at the end of FY 2026/27. Because Unit 7 is aging and in poor condition, it has become increasingly expensive to maintain, especially when burning refuse derived fuel (RDF), which is harmful to both Unit 7 and Unit 8.

Fuel and Purchased Power

Description:

The Fuel and Purchased Power activity is the largest expense in the Electric Services budget. The total cost of this program can vary greatly from year to year, as it is dependent on both the amount of electricity being used by customers and the market prices of fuel and electricity. When fuel and outside power purchases increase due to demand, revenues from electric customers will increase as well.

The principal types of fuel purchased are natural gas, Refuse-Derived Fuel (RDF) from the Resource Recovery Plant, and fuel oil. Power (energy) is also purchased from a NextEra-owned wind farm under a 20-year power purchase agreement, from a Forefront-owned solar farm under a 25-year power purchase agreement, and from Midcontinent Independent System Operator (MISO) when the cost of outside power is more economical than self-produced energy. Energy purchased for Iowa State University is a pass-through expense, with offsetting revenue received from the University for the energy purchases.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Transmission/MISO	544,807	951,500	951,500	951,500	0.0%
Wind	5,764,482	6,300,000	6,000,000	6,000,000	-4.8%
Fuel (natural gas, RDF, oil)	18,425,905	18,901,688	18,901,688	17,251,688	-8.7%
Purchased Power	8,372,977	7,623,743	10,377,881	11,999,500	57.4%
Solar Energy	189,638	185,602	186,862	190,000	2.4%
ISU/Energy	1,524,922	1,500,000	2,000,000	2,000,000	33.3%
ISU/Wind	1,152,896	1,200,000	1,200,000	1,200,000	0.0%
ISU/Transmission	192,153	160,000	312,000	312,000	95.0%
Total Expenditures	36,167,780	36,822,533	39,929,931	39,904,688	8.4%
Expenditures by Category:					
Personal Services	233,879	279,448	268,586	284,525	1.8%
Internal Services	6,055	6,545	6,545	7,225	10.4%
Contractual	34,661,451	35,239,852	38,351,852	38,306,250	8.7%
Commodities	1,165,916	1,201,688	1,201,688	1,201,688	0.0%
Capital	-	-	-	-	
Other Expenditures	100,479	95,000	101,260	105,000	10.5%
Total Expenditures	36,167,780	36,822,533	39,929,931	39,904,688	8.4%
Funding Sources:					
Electric Utility Fund	35,978,142	36,636,931	39,743,069	39,714,688	8.4%
SunSmart Fund	189,638	185,602	186,862	190,000	2.4%
Total Funding Sources	36,167,780	36,822,533	39,929,931	39,904,688	8.4%
Authorized FTEs	2.00	2.00	2.00	2.00	

Fuel and Purchased Power

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable, low-cost energy delivery for our customers in a safe and efficient manner	Natural gas consumed (dekatherms)	3,675,363	3,098,369	2,883,868	2,765,666
		Market energy purchased (MWh)	277,770	336,981	365,000	391,502
		Fuel cost per MWh of energy produced	$47.70	$53.82	$66.71	$67.25
		Average purchased power cost ($/MWh)	$29.32	$32.02	$34.75	$34.92
Environmental sustainability	Maintain a diversified generation portfolio that contains renewable energy resources	Retail solar energy purchased (MWh)	743	772	922	1,095
		SunSmart Solar (MWh)	756	767	687	644
		Wind renewable energy (MWh)	70,640	66,799	73,479	72,419
		RDF consumed (tons)	28,684	25,376	23,576	23,000
		Percent of energy provided by renewables	14.4%	14.1%	14.6%	14.3%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The cost of natural gas remains a critical cost factor. In calendar year 2026, the natural gas unit price is estimated to increase by 30% from calendar year 2025. In response, the utility has decreased the gas purchase contract length in an effort to keep costs within the FY 2025/26 budget. The budget for natural gas has been increased by one million dollars to cover higher expected gas prices in FY 2026/27.
- With energy being increasingly sourced from the grid rather than produced by the Power Plant, greater energy demands, and estimated higher market energy costs, the FY 2026/27 Purchased Power budget has been increased by roughly three million dollars.
- The price of fuel and the cost of purchased power are reflected in the Energy Cost Adjustment (ECA). The ECA is expected to remain positive (an expense to customers) from January 2026 through the end of FY 2026/27 due to the increased budgeted amounts of purchase power and fuel.
- Gas transport contracts have been renewed for 2026 and beyond. In order to reduce the impact of higher rates, firm gas delivery was reduced from 12,000 to 8,000 MMBtu per day. Even with this change, gas transportation costs on the Northern Natural Gas pipeline, doubled at the end of 2025.

FY 2025/26 Activities

- Staff continues to explore opportunities to increase renewable energy from wind and solar resources. However, with existing tax credits going away in July 2026, financial modeling is challenging. Electric Services is pursuing large-scale projects but will also pursue smaller solar projects due to their ease of permitting and installation timing.

FY 2026/27 Activities

- Natural gas prices for an entire calendar year are higher than in the past two years. To keep costs lower, future gas contracts will be shorter in duration to better match up with the end of waste-to-energy and take advantage of cheaper prices in the daily market.

Electric Distribution

Description:

Electric Distribution is responsible for the construction and maintenance of the system that brings electric power to Electric Utility customers. The Electric Distribution division maintains both the overhead and underground systems, with voltages ranging from 120 volts to 161,000 volts. In addition to the distribution system, this activity is responsible for the maintenance of the transmission system that delivers reliable power to the substations. The transmission system makes up the backbone of the Ames power system and connects the City to the power grid.

Electric Distribution is also responsible for improvements including overhead and underground line extensions, line relocations, lighting improvements, communication line improvements and storm siren maintenance. Additionally, this division maintains all substation equipment used to distribute power throughout the City's electric utility system. This includes testing, troubleshooting, performing maintenance, and tracking data on power transformers, circuit breakers, and switches on 4 kV though 161 kV class equipment.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Distribution Operations	4,142,295	3,924,358	4,834,831	5,157,203	31.4%
Extensions/Improvements	1,734,646	2,440,601	1,898,881	2,273,451	-6.9%
Total Expenditures	5,876,941	6,364,959	6,733,712	7,430,654	16.7%
Expenditures by Category:					
Personal Services	2,244,232	2,702,988	2,978,296	3,535,752	30.8%
Internal Services	667,434	571,288	577,929	612,121	7.2%
Contractual	1,645,802	1,180,031	1,440,987	1,427,680	21.0%
Commodities	857,447	1,310,652	1,226,500	1,305,101	-0.4%
Capital	462,026	600,000	510,000	550,000	-8.3%
Other Expenditures	-	-	-	-	
Total Expenditures	5,876,941	6,364,959	6,733,712	7,430,654	16.7%
Funding Sources:					
Electric Utility Fund	5,876,941	6,364,959	6,733,712	7,430,654	16.7%
Total Funding Sources	5,876,941	6,364,959	6,733,712	7,430,654	16.7%
Authorized FTEs	18.00	18.00	22.00	22.00	

Electric Distribution

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable, low-cost energy delivery for our customers in a safe and efficient manner	New Electric Utility customers	63	76	28	70
		Service interruptions per year	220	176	195	185
		Average minutes of system out/interruption (SAIDI*)	16.87	19.99	17.00	18.00
		Wood poles installed/replaced	142	87	140	125
		Streetlight poles installed/replaced	62	44	90	55
		Miles of primary line installed/ replaced	10.3	11.7	10.1	10.0
Environmental sustainability	Convert streetlights to LED	LED streetlights installed	418	391	400	200
		Streetlights converted to LED	76%	82%	85%	88%

SAIDI (System Average Interruption Duration Index): the ratio of the annual duration of interruptions (sustained) to the number of consumers. Electric's SAIDI performance number does not consider major events. By the Iowa Utility Board standard, a major event is not typical of average performance. The regional average for West North Central United States in 2024 was 94.3 minutes.

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Until FY 2025/26, the Substation budget was included in the Technical Services division. In the FY 2025/26 adjusted budget, Substation has been moved to Distribution to improve efficiency within Electric Services. The entire substation maintenance budget was removed from Technical Services and added to Distribution, causing a large increase ($898,223) when compared to the FY 2025/26 adopted amount.
- Due to the unusually wet summer, vegetation growth and overgrowth were challenging to manage throughout the season. The increased vegetation workload requires significant effort to maintain right-of-way clearances. The primary vegetation management contractor will continue to provide line clearance trimming services under a renewed contract. The renewal includes a 10% increase.
- In FY 2024/25, a new backyard machine was purchased to replace the failed existing unit. Although the full replacement cost had not yet been accrued in the internal services escrow account, the purchase was necessary to maintain operational efficiency and field productivity.
- Due to necessary rapid need repairs for transformer DA6T4, the adjusted FY 2025/26 budget was increased $250,000 to continue with transformer maintenance schedules.

FY 2025/26 Activities

- Multiple development and infrastructure projects advanced across the service area, requiring coordinated utility support. New construction included a furniture store, an industrial facility on South Loop Drive, a Kwik Star on South Dakota Avenue, an Olive Garden, and New Hope Church.
- The City and state completed roadway upgrades on Hyland Avenue, Welch Avenue, and South 16th Street, each involving associated utility adjustments. The North River Valley Water Well Project was also completed, boosting water system capacity and long-term reliability.

FY 2026/27 Activities

- Upcoming budget cycles will include several key projects to support growth and improve system reliability. Priorities include the Linc Development Project, construction of a new storage facility for Substation and Distribution, and utility planning for the Discovery Place development. Utility upgrades for CyTown are also scheduled.
- The Ames Plant Substation–Top O Hollow transmission line will be fully replaced to strengthen system capacity, and utilities will be installed for a new Kwik Star on South Grand Avenue. Together, these efforts reflect proactive, long-range infrastructure planning to meet future community needs.

Electric Technical Services

Description:

Electric Technical Services is responsible for Electric Meter Service. Electric Meter Service is responsible for the measurement of energy consumed by the City's Electric Utility customers. This includes the specification, installation, maintenance, and testing of all meters and monitors in the system. The staff in this activity is also responsible for the testing of all substation and plant relays. Beginning in FY 2025/26 Substation Maintenance was moved out of this subprogram.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Substation Maintenance	915,236	817,150	-	-	-100.0%
Electric Meter Service	651,223	858,435	849,730	731,919	-14.7%
Total Expenditures	1,566,459	1,675,585	849,730	731,919	-56.3%
Expenditures by Category:					
Personal Services	1,025,241	963,351	469,661	493,296	-48.8%
Internal Services	154,402	155,579	147,232	102,023	-34.4%
Contractual	165,480	244,368	22,000	19,500	-92.0%
Commodities	114,575	212,287	153,837	117,100	-44.8%
Capital	106,761	100,000	57,000	-	-100.0%
Other Expenditures	-	-	-	-	
Total Expenditures	1,566,459	1,675,585	849,730	731,919	-56.3%
Funding Sources:					
Electric Utility Fund	1,566,459	1,675,585	849,730	731,919	-56.3%
Total Funding Sources	1,566,459	1,675,585	849,730	731,919	-56.3%
Authorized FTEs	7.00	7.00	3.00	3.00	

Electric Technical Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable, low-cost energy delivery for our customers in a safe and efficient manner	Electric meters in service	27,909	27,985	28,013	28,061
		Meters tested per year	4,011	11,613	18,016	4,209
		Meters tested (goal is 10% tested annually)	14.37%	41.50%	64.31%	15.00%
		Cost of meter operating budget per meter	$23.18	$23.27	$30.58	$26.12

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Until FY 2025/26, Technical Services included Metering, Relaying, and Substation. In the FY 2025/26 adjusted budget, the substation division has been moved under Distribution to improve efficiency within the department. The entire substation maintenance budget was removed from Technical Services and added to Distribution, causing a large decrease when compared to the FY 2025/26 adopted amount.
- A large portion (30%) of the decrease seen between the FY 2025/26 adopted budget and the FY 2026/27 requested budget is because of a Fleet Funds Shortfall for $50,000 that occurred in FY 2025/26. This one-time expense funded the purchase of a truck equipped with a larger chassis, capable of withstanding the heavier loads that are often required by the technicians.
- The amount planned for the meter spare parts account has significantly decreased in FY 2026/27 because all customer meters are being replaced within FY 2026/27 as the Advanced Metering Infrastructure (AMI) capital project is performed. As meters are exchanged, the electrical service connections will be inspected. Staff anticipates needing to address issues such as damaged sockets, loose connections, access barriers, and mismatched service sizes in approximately 4–8% of cases.

FY 2025/26 Activities

- The AMI pilot launched in Fall 2025, installing over 1,100 meters, 17 Data Collection Units, and associated software. A System Acceptance Test with 27 benchmarks was completed, and crews are now working to replace all customer meters.
- The Advanced Metering Infrastructure (AMI) capital project will dominate the remaining FY 2025/26 budget cycle and the majority of FY 2026/27 budget cycle.

FY 2026/27 Activities

- AMI will reduce the need for staff to physically read meters or troubleshoot issues. It will also allow remote updates when tenants move in or out. Customers will be able to see their energy use, helping them make smarter choices and join Time-of-Use programs that reduce peak demand. AMI will also provide the City with better information for planning and managing resources.

Electric Engineering

Description:

Electric Engineering is responsible for developing plans and construction packages for electric service to residential, commercial, and industrial customers, as well as the planning and design of electric system improvements to support load growth, maintain/improve reliability, and support maintenance and relocation work. Other support functions include the development of material specifications and construction standards, contract administration for inspection, design, construction, and testing services, and the review and approval of interconnection agreements for renewable energy generation.

Electric Engineering provides Geographic Information System (GIS) services and support and maintains the Outage Management System and other electronic data records for Electric Services. Electric Engineering also participates in a portion of the Public Works GIS system.

Administration and engineering activities must comply with Iowa Utility Commission safety requirements and North American Electric Reliability Corporation (NERC) standards in addition to good utility practices. Midwest Reliability Organization and NERC standards have increasingly required additional engineering staff time to review and communicate NERC standards and facilitate the alignment of practices across the utility to comply with audit requirements.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	679,160	821,025	685,286	817,407	-0.4%
Internal Services	47,752	43,475	43,787	40,973	-5.8%
Contractual	77,481	123,196	109,972	90,223	-26.8%
Commodities	44	2,000	700	700	-65.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Expenditures Subtotal	804,437	989,696	839,745	949,303	-4.1%
Plus: Expenditures allocated from another program/activity:					
Public Works GIS	40,842	54,574	49,206	51,354	-5.9%
Total Expenditures	845,279	1,044,270	888,951	1,000,657	-4.2%
Funding Sources:					
Electric Utility Fund	845,279	1,044,270	888,951	1,000,657	-4.2%
Total Funding Sources	845,279	1,044,270	888,951	1,000,657	-4.2%
Authorized FTEs	5.00	5.00	5.00	5.00	

Electric Engineering

City Mission/ Council Goal	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable, low-cost energy for customers	Job orders prepared	126	162	126	130
		Line inspections (poles)	524	526	672	600
		New overhead distribution line*	0.4	0.4	0.4	0.4
		Overhead distribution line replaced*	0.5	0.5	0.5	0.5
		New underground distribution line*	3.3	3.2	3.5	3.5
		Replaced underground line*	0.8	1.0	0.8	0.8
		New, replaced, or relocated overhead transmission line*	0.8	0.6	1.8	3.0
		Interconnection applicants (customer owned solar systems)	26	20	15	15

*In miles

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The budget for personal services has a decrease of 0.4% in FY 2026/27 due to the filling of a vacancy in the division. The position was open when the budget was adopted for FY 2025/26. Open positions are normally budgeted at the salary mid-point for the position and with the most expensive family insurance plan offered by the City. The actual cost of the filled position often comes in lower, resulting in salary savings from the adopted budget.
- The FY 2025/26 adopted and adjusted budgets include $25,000 for an arc flash study. This is not an annual expense and accounts for the majority of the 26.8% decrease in contractual services in the FY 2026/27 requested budget.

FY 2025/26 Activities

- ITC is planning a new 161 kV interconnection to connect its future Prairie View Industrial Complex Substation with Ames' existing 161 kV transmission line between Ames and Northeast Ankeny. City staff will review the design and work with ITC on the interconnection agreement. The utility will also be upgrading its metering, protection, and communications accordingly to support this effort. A portion of the substation will be owned by the City.
- Overhead reliability improvements continue, including retrofitting with animal guarding, replacing outdated lightning arrestors and switches, and upgrading poles and conductors.
- Staff has engaged DeWild Grant and Reckert for design of the 69 kV transmission circuit reconstruction. The first segment between Vet Med and Mortensen Road substations was completed in FY 2025/26. The second segment is under design.
- The relocation of the 161 kV line along Interstate 35 north of Ankeny has been completed to support the Iowa Department of Transportation's (IDOT) expansion efforts. The only remaining temporary structures are at the Northeast 142nd Avenue bridge, which will be restored in 2026.
- Service will be installed for EV charging stations at the Lincoln Center Hy-Vee (Level 3 chargers) and north of City Hall at the new parking lot (Level 2 chargers).
- Replacement of deteriorating streetlights continues along University Boulevard between Lincoln Way and US 30 as well as portions of North Grand Avenue.
- Staff has engaged DeWild Grant and Reckert for design of substation improvements at Ontario Road and Mortensen Road Substation. Initial design efforts will be on the Ontario Road Substation Improvement with bid specifications and bidding of the Mortensen Road Substation Transformer, which is a long lead-time item.

FY 2026/27 Activities

- The second segment of the 69 kV transmission reconstruction effort, between Ames Power Plant and Top O' Hollow substations, will be bid for construction in FY 2026/27.
- A short segment of 161 kV transmission line will be relocated to accommodate IDOT improvements at 290th Avenue in Story County.
- Construction is planned for the Ontario Road substation improvements.

Water and Pollution Control

Description:

This activity involves all operations of the water and sewer utilities, except for the collection and distribution systems and customer services/billing functions. It includes the five functional divisions of the department.

- ***Administration*** provides the overall management of the two utilities, as well as related engineering functions, the industrial pretreatment program, and the management of the flood warning system.
- ***Water Treatment*** includes the procurement of untreated groundwater, treatment of that water to make it suitable for human consumption, pumping of the water into the distribution system, and the management of the residual solids generated by the treatment process. It also includes the Smart Water Conservation Program.
- ***WPC Operations*** includes the operation and maintenance of the Water Pollution Control Facility, including lift stations and management of the residual solids generated by the treatment process. It also includes the maintenance of the flood warning program.
- ***Laboratory Services*** provides the majority of the regulatory compliance monitoring for both the drinking water and wastewater utilities.
- ***Metering and Cross-Connection Control*** serves as the cash register for both utilities, providing the basis for billing the majority of all water and sewer services provided by the City.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
W & PC Administration	954,235	1,245,198	1,270,076	1,398,082	12.3%
Water Plant Operations	4,300,387	5,080,922	4,872,576	4,925,579	-3.1%
WPC Facility Operations	3,242,507	3,628,868	3,511,006	3,755,956	3.5%
W & PC Laboratory	685,140	741,878	764,778	798,013	7.6%
W & PC Metering Services	1,039,369	1,259,413	1,234,191	1,265,581	0.5%
Total Expenditures	10,221,638	11,956,279	11,652,627	12,143,211	1.6%
Authorized FTEs	39.00	39.00	39.00	39.00	

Water and Pollution Control

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	4,506,806	5,238,090	4,956,464	5,497,893	5.0%
Internal Services	1,791,735	1,950,934	1,891,034	1,998,637	2.5%
Contractual	2,299,923	2,622,413	2,562,065	2,536,446	-3.3%
Commodities	1,544,085	2,112,912	2,124,517	2,031,935	-3.8%
Capital	62,937	16,500	98,793	57,200	246.7%
Other Expenditures	16,152	15,430	19,754	21,100	36.8%
Total Expenditures	10,221,638	11,956,279	11,652,627	12,143,211	1.6%
Funding Sources:					
Water Utility Fund	5,632,197	6,701,877	6,500,086	6,648,411	-0.8%
Sewer Utility Fund	4,589,441	5,254,402	5,152,541	5,494,800	4.6%
Total Funding Sources	10,221,638	11,956,279	11,652,627	12,143,211	1.6%

W&PC Administration

Description:

This activity involves the overall management of the Water and Sewer Utilities (except for the distribution/collection systems and customer service/billing functions), including the development and implementation of all plans, policies, and procedures necessary for the efficient functioning of the utilities. Tasks undertaken as part of this activity include budgeting and rate setting, legislative and regulatory coordination and compliance, in-house engineering design services and project management activities, managing the industrial pretreatment and Fats, Oils, and Grease (FOG) programs, and cross-departmental coordination with other City work groups.

The cost of Water and Pollution Control Administration is split evenly between the Water Utility Fund and the Sewer Utility Fund.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	751,497	1,060,055	911,368	1,185,698	11.9%
Internal Services	73,100	68,924	73,865	71,269	3.4%
Contractual	120,425	106,369	187,200	106,315	-0.1%
Commodities	8,674	9,850	15,850	9,800	-0.5%
Capital	-	-	81,793	25,000	
Other Expenditures	539	-	-	-	
Total Expenditures	954,235	1,245,198	1,270,076	1,398,082	12.3%
Funding Sources:					
Water Utility Fund	477,117	622,598	635,038	699,041	12.3%
Sewer Utility Fund	477,118	622,600	635,038	699,041	12.3%
Total Funding Sources	954,235	1,245,198	1,270,076	1,398,082	12.3%
Authorized FTEs	7.00	7.00	7.00	7.00	

W&PC Administration

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide safe, good tasting water to Ames residents at a reasonable price	Typical monthly water/sewer bill:				
		Iowa – median residential (600 cf/month)	$78.45	$82.45	$86.36*	$90.21*
		Ames residential	$61.70	$63.87	$66.76	69.79
		Iowa – median commercial (10,000 cf/month)	$936.40	$967.39	$1,010.99*	$1,056.61*
		Ames commercial	$694.64	$709.49	$741.24	774.48
		Residents very/ somewhat satisfied with water service	93%	94%	>90%	>90%
		Residents very/ somewhat satisfied with sewer service	96%	96%	>90%	>90%
	Meet fund balance designations and reserves	Water Utility Fund	Yes	Yes	Yes	Yes
		Sewer Utility Fund	Yes	Yes	Yes	Yes

* - Statewide rates are estimates pending completion of 2025 rate survey

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Multiple positions in the Administration division are vacant, resulting in personal service savings in the FY 2025/26 adjusted budget. For the FY 2026/27 requested budget, personal service costs are projected to increase as these positions are assumed to be filled at the midpoint of their respective salary ranges and with the most expensive health insurance option. Often the actual cost when a position is filled is lower than what is projected.
- There was a $47,000 increase in contractual expenses in the FY 2025/26 adjusted budget related to recruitment for open positions, and $40,560 for temporary staffing services for the Principal Clerk.
- Carryover funds are included in capital expenditures in the FY 2025/26 adjusted budget to install two EV chargers at the Water Plant.
- Capital funding is included in the adjusted FY 2025/26 and FY 2026/27 budgets to replace failed components of the audio/visual system in the Water Plant conference rooms.

FY 2025/26 Activities

- Capital construction projects consume a considerable amount of staff time. Administering the North River Valley Well Field project and the WPC Nutrient Modifications Phase 1 project requires a full-time staff member. Other capital projects underway include: the addition of new emergency standby generators at the State and Mortensen (SAM) booster pump station and the Youth Sports Complex well field; modifications to the lime lagoons; renovation of the Technical Services Complex, equipment replacements for the fluoride feed system, and the watershed-based nutrient reduction activities.
- Considerable staff time is being spent evaluating a request from a potential new industrial customer interested in locating in the Prairie View Industrial Center.
- The Industrial Pretreatment Program managed by the Administration Division protects the Water Pollution Control Facility from industrial pollutants that could interfere with the performance of the facility and pass through the facility untreated into the South Skunk River. The Administration Division also administers the Fats, Oils, and Grease (FOG) program which helps limit grease blockages in the sanitary sewer system.

FY 2026/27 Activities

- Several new capital projects will begin in FY 2026/27, including the addition of a third lime slaker at the water plant, the design of a new receiving station for FOG and other high strength wastes at WPC, and the construction of a split treatment system at the Water Plant. Utilizing split treatment is expected to help reduce chemical costs.

Water Treatment Plant Operations

Description:

This activity involves the pumping of untreated water from wells, treatment of the well water to potable standards for human consumption, and the pumping of the treated water from the plant site to the water distribution system. It also includes the management of booster pump stations and elevated tanks, and the recycling of softening residuals as an agricultural lime material.

The Smart Water Program, which uses various marketing approaches to encourage water conservation, is also included in this activity.

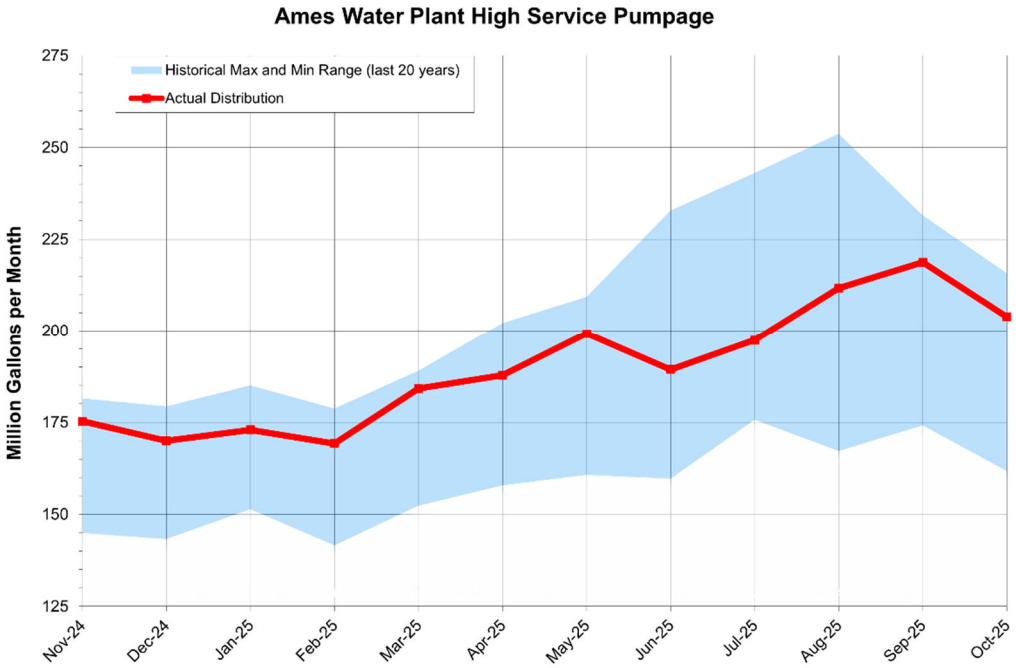
Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Water Plant Administration	908,224	995,527	926,287	997,622	0.2%
Water Conservation/Marketing	10,685	49,688	32,247	56,227	13.2%
Water Production	489,551	592,417	567,605	560,506	-5.4%
Water Treatment	2,049,114	2,544,282	2,487,909	2,449,030	-3.7%
Lime Sludge Disposal	508,150	411,127	411,127	411,231	0.0%
Water Pumping	334,663	487,881	447,401	450,963	-7.6%
Total Expenditures	4,300,387	5,080,922	4,872,576	4,925,579	-3.1%
Expenditures by Category:					
Personal Services	1,105,355	1,301,402	1,206,232	1,329,013	2.1%
Internal Services	789,635	874,446	840,048	888,122	1.6%
Contractual	1,412,683	1,569,739	1,497,680	1,459,704	-7.0%
Commodities	977,500	1,330,905	1,321,200	1,227,140	-7.8%
Capital	9,379	-	-	14,000	
Other Expenditures	5,835	4,430	7,416	7,600	71.6%
Total Expenditures	4,300,387	5,080,922	4,872,576	4,925,579	-3.1%
Funding Sources:					
Water Utility Fund	4,300,387	5,080,922	4,872,576	4,925,579	-3.1%
Total Funding Sources	4,300,387	5,080,922	4,872,576	4,925,579	-3.1%
Authorized FTEs	9.00	9.00	9.00	9.00	

Water Treatment Plant Operations

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Maintain a treatment plant capacity capable of meeting the peak three-day average demand	Billions of gallons per year pumped from wells	2.25	2.17	2.24	2.24
		Average day pumpage to system, MGD (15MGD capacity)	6.58	6.38	6.55	6.55
		Peak day pumpage to system, MGD	9.49	9.06	9.26	9.26
		Cost per MG pumped	$1,515	$1,982	$2,181	$2,199
	Provide drinking water that meets all Federal and State standards	Months in compliance with water quality standards	12	12	12	12
		Months in compliance with reporting standards	12	12	11	12
	Rehabilitate wells on a regular schedule to maintain capacity	Number of wells rehabilitated per total number of wells	4/22	4/22	4/22	4/22
Environmental sustainability	Maximize energy efficiency throughout the operation	Overall energy efficiency (kW-hr/MG treated)	3,028	2,541	2,605	2,670
	Sustainably recycle lime solids	Wet tons/year recycled	13,099	33,576	26,000	26,000

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Abnormally dry conditions over the last fiscal year improved due to an increase in precipitation between January and August of 2025. This increase in precipitation led to a drop in demand for water for irrigation and other purposes over the last 12 months. The graph below shows the range of monthly high and low demands over the past 20 years, with the red trend line showing the past 12 months.



- Groundwater levels are closely tied to precipitation. During drier periods, water must be pumped from a lower elevation. At the same time, some of the wells may need to be "throttled" so that the pumping does not exceed the rate of recharge in the immediate vicinity of the wells. Both factors combine to result in a decrease in energy efficiency in drier weather and a corresponding improvement in wetter periods. Much of the decrease in Contractual Services is from refining the anticipated expenses for utilities.
- The Public Outreach Coordinator position will be filled in the second half of FY 2025/26 for the first time in three years. The increased budget request for FY 2026/27 in the Water Conservation/Marketing activity reflects the purchase of additional classroom materials.
- Preventive and predictive maintenance needs in the FY 2025/26 budget include: upgrading Ada Hayden gate controls (carryover from FY 2024/25); rehabilitation of four wells; replacement of flow meters, spools, and couplings at four wells; replacement of failing check and gate valves; replacement of a variable frequency drive on a backwash pump; and repairs to plant heating and cooling systems.
- In recent years, the price and availability of water treatment chemicals have been highly volatile. Those costs appear to be moderating, and the budgeted costs for commodities are lower; especially for lime, which is down $103,500 from FY 2025/26 adopted to FY 2026/27 requested.

FY 2025/26 Activities

- The August 10, 2020 Derecho demonstrated the necessity to have dedicated emergency standby power available for key infrastructure. Projects are underway to provide emergency power to the Hunziker Youth Sports Complex Well Field, and the North River Valley Well Field. The addition of these generators will increase the cost for diesel fuel and for periodic routine maintenance on the engines.
    - The Hunziker Youth Sports Complex Well Field Project will be funded in part by a Hazard Mitigation Grant. Of the total estimated $1.757 million cost, 85% will be covered by state and federal grants and the balance will be paid from the Water Fund. The project is in the final design and permitting phase.
    - The North River Valley (NRV) Well Field Project has two new wells that will be connected to the backup generator at the Water Plant. The wells will be placed into service prior to the end of FY 2025/26.



Well 28 in the North River Valley Well Field

Water Treatment Plant Operations

- A variable frequency drive is budgeted to be installed on High Service Pump D at the New Water Pumping Station in FY 2025/26 to allow operators to regulate the flow rate and discharge pressure to better match demand.
- Online chlorine analyzers will be installed in the distribution system to provide continuous monitoring of the total chlorine in parts of the distribution network away from the treatment plant.
- Piping and accessories at the Old High Service Pumping station will be cleaned and repainted to address corrosion in this high humidity facility. This was last addressed in 1995.
- A project to install electrically actuated controls on valves for the solids contact units (SCUs) and the recarbonation basins is under way.
- Installing a third lime slaking unit to the lime feed system will allow operators to switch from one slaker to another without shutting down the facility.
- In spring 2026, security fencing will be installed around the SAM Pumping Station and elevated tank to better secure these facilities.



New standby generator installed at the SAM Pump Station

FY 2026/27 Activities

- Major projects planned in FY 2026/27 include the following.
  - Cleaning of the two ground storage reservoirs (2- and 5-million-gallon tanks) at the old Water Plant site. These large tanks need to be periodically cleaned and inspected to allow a proactive response to any problems or interior deterioration.
  - A wellhead maintenance project will repaint the above-ground components and separate the electrical components into high and low voltage cabinets for 12 wells.
  - The peristaltic pumps used for acid cleaning, the lime slakers will be replaced. This is the $14,000 capital expense shown in the FY 2026/27 budget.
  - Funds are budgeted annually for multiple safety needs, including annual OSHA inspections of all cranes/hoists, and the replacement of harnesses and gear used when climbing the water towers.

Water Pollution Control Facility Operations

Description:

This activity involves both the operation and maintenance of the Water Pollution Control (WPC) facility. The overall goal of this activity is to provide treatment of wastewater and solids to allow their return to the environment in a sound, sustainable fashion. A closely related goal is to meet all applicable State and Federal Clean Water Act standards. More than 90% of the conventional pollutants (i.e., biochemical oxygen demand, suspended solids, ammonia) are removed during treatment and nonconventional parameters (i.e., heavy metals, other toxins) are reduced at the source or treated to levels below any adverse effect.

The WPC Facility Operations activity also includes the maintenance of the early flood warning system and operation of the WPC farm. The land is owned by the City and used for application of the treated biosolids. A long-standing farm management agreement is in place with a neighboring farmer whose ground is also used for biosolids application.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
WPC Plant Administration	914,143	999,749	980,437	1,044,159	4.4%
Flood Warning System	10,676	15,415	14,313	39,821	158.3%
Plant Maintenance	715,744	811,146	804,762	829,984	2.3%
Plant Operations	1,540,543	1,722,558	1,631,156	1,760,492	2.2%
WPC Farm Operations	61,401	80,000	80,338	81,500	1.9%
Total Expenditures	3,242,507	3,628,868	3,511,006	3,755,956	3.5%
Expenditures by Category:					
Personal Services	1,442,564	1,589,171	1,568,909	1,643,106	3.4%
Internal Services	839,685	914,691	886,719	948,461	3.7%
Contractual	640,588	798,606	727,940	831,439	4.1%
Commodities	269,911	315,400	315,100	319,450	1.3%
Capital	39,981	-	-	-	
Other Expenditures	9,778	11,000	12,338	13,500	22.7%
Total Expenditures	3,242,507	3,628,868	3,511,006	3,755,956	3.5%
Funding Sources:					
Sewer Utility Fund	3,242,507	3,628,868	3,511,006	3,755,956	3.5%
Total Funding Sources	3,242,507	3,628,868	3,511,006	3,755,956	3.5%
Authorized FTEs	12.00	12.00	12.00	12.00	

Water Pollution Control Facility Operations

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Protect the environment and public health by treating wastewater from the Ames community	Daily average flow (MGD)	5.75	5.71	6.50	6.25
		Design capacity (8.6 MGD)	67%	67%	76%	73%
		Cost per MG treated	$1,276	$1,555	$1,480	$1,646
	Meet the discharge limits set by the facility's National Pollutant Discharge Elimination System permit	Compliance (out of 2,346 numeric limits)	100%	100%	100%	100%
		Consecutive years with 100% permit compliance	34	35	36	37
		BOD_5 % removal efficiency (minimum 85% required)*	95%	95%	>85%	>85%
		TSS % removal efficiency (minimum 85% required)**	97%	97%	>85%	>85%
Environmental sustainability	Operate and maintain the plant and administer the land application program in an environmentally sustainable manner	Biosolids recycled (tons/year)	574	369	625	625
		Methane gas production (million cubic feet/year - estimated)	22.4	25.5	26.0	27.0
		On-site electricity production, as % of total plant demand	3.1%	10.2%	12%	15%
		Energy efficiency - total (kW-hr/MG treated)	2,554	2,489	2,500	2,750

* BOD_5 (Five-day Biochemical Oxygen Demand)
**TSS (Total Suspended Solids)

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- A portion of the increase in FY 2026/27 internal services is attributed to risk insurance costs, primarily property insurance, increasing by more than $26,000, a 12% increase over FY 2025/26.
- In FY 2025/26, the Plant continues to see low flows due to ongoing dry weather. At times, this leads to increased ammonia concentrations that are difficult to treat in the normal operating mode. While the Plant continues to meet its ammonia limits, doing so makes meeting pH limits a complex challenge. Plant staff found that running an additional pump to increase the recycle flow allows the plant to use the natural alkalinity more effectively. This increases electricity usage for pumping, reflected in contractual expenditures, but it has been found to be more cost effective than the alternative of feeding sodium bicarbonate to increase the plant alkalinity.
- In FY 2025/26, a primary digester was cleaned as part of regular maintenance. This cleaning leads to additional contractual hauling costs for biosolids disposal. Regular cleaning of the digesters ensures optimal performance and efficient breakdown of volatile solids, which in turn helps produce more biogas and ensure the biosolids that are applied meet EPA standards for land application.
- A $67,000 increase in contractual electric service is anticipated for FY 2026/27 when new aeration basins come online, a 20% increase.



Trickling Filter Pumps

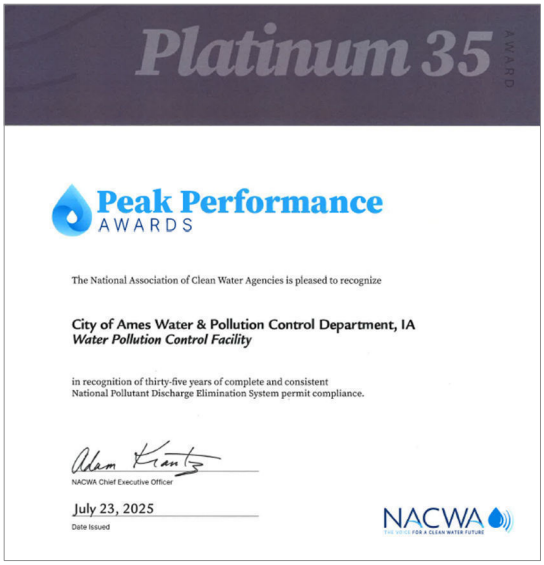
- For FY 2026/27, $25,000 has been allocated in the Flood Warning program's contractual services for a graduate student to update the hydraulic models for the Ioway Creek and Skunk River basins. Periodic updates to the model are necessary as changes occur throughout the basin. Updating the model is vital to accurate flood forecasting.

FY 2025/26 Activities

- Phase 1 of the Nutrient Reduction Modifications project construction will be roughly two-thirds complete by the end of the fiscal year. Staff have moved into the new administration building. Construction continues with the new treatment processes that include two aeration basins, an electrical building, sludge pumping building addition, and headworks modifications. The contractor anticipates achieving substantial completion in October 2026, well ahead of the March 2027 contract date. When complete, the new treatment process will utilize a biological nutrient removal activated sludge system with can run as a Conventional Activated Sludge (CAS) system or a Simultaneous Nitrification-Denitrification (SNDN) low dissolved oxygen system. SNDN is a technology shown to have significant energy savings due to its lower air usage, but its use this far north is relatively new. The system will initially run the proven CAS system and work towards the more energy efficient SNDN process.
- Staff will be evaluating wireless lift station and sewer flow monitoring systems to give operators more information on alarms and station performance that can be tied in with the current drinking water distribution monitoring system. The FY 2025/26 CIP includes $100,000 to upgrade the system.

Water Pollution Control Facility Operations

- The Ames Water Pollution Control Facility received the Platinum 35 *Peak Performance Award* in 2025 from the National Association of Clean Water Agencies. The award recognizes 35 years of perfect compliance with the facility's National Pollutant Discharge Elimination System (NPDES). The 35 years represent the second longest compliance record in the nation. The facility completed calendar year 2025 with perfect compliance once again, and receipt of a Platinum 36 award next year is expected.


Platinum 35 AWARD

Peak Performance AWARDS

The National Association of Clean Water Agencies is pleased to recognize

City of Ames Water & Pollution Control Department, IA
Water Pollution Control Facility

in recognition of thirty-five years of complete and consistent
National Pollutant Discharge Elimination System permit compliance.

NACWA Chief Executive Officer

July 23, 2025
Date Issued

NACWA

FY 2026/27 Activities

- Improvements to the Fats, Oils, and Grease (FOG) Receiving Station are planned in FY 2026/27. This will include paving the unloading areas and changing to a more appropriate receiving and pumping system. In FY 2025/26, $225,000 is planned for initial design work as needed, with the remaining $1,500,000 for construction in FY 2026/27. The waste will be anaerobically digested to produce additional methane that can be used for on-site electricity generation at the WPC Facility.
- Clarifier maintenance is slated to occur in FY 2026/27 and FY 2027/28. Routine inspections and recoating of surfaces keep the structures from deteriorating and requiring full replacement of components.
- Freel Drive Lift Station pumps and controls have reached their end of useful life and are due for replacement. The reliability of the components prevents water from backing up in basements and limits call outs by staff to address broken down equipment. The FY 2026/27 CIP budget has $365,000 allocated for the work.

W&PC Laboratory

Description:

This activity involves overall laboratory services for the Water Treatment Plant and Water Pollution Control Plant, including lime sludge recycling operations, all safe drinking water analysis required by state and federal regulatory agencies, the Industrial Pretreatment Program, and biosolids recycling activities. Analytical capabilities also allow for routine sampling to screen for the potential presence of unregulated constituents, developing trend information, and identifying constituents which may become regulated in the future.

Laboratory services for other departments (i.e., Public Works, Electric Services, and Parks and Recreation) are provided within the Laboratory's existing analytical capabilities and workload. The Laboratory expenses are split between the Water Utility Fund (35%) and the Sewer Utility Fund (65%), based on the proportionate workload.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	537,676	578,177	583,767	617,566	6.8%
Internal Services	33,041	36,337	36,153	37,241	2.5%
Contractual	64,126	78,957	80,341	72,461	-8.2%
Commodities	36,720	41,907	64,517	52,545	25.4%
Capital	13,577	6,500	-	18,200	180.0%
Other Expenditures	-	-	-	-	
Total Expenditures	685,140	741,878	764,778	798,013	7.6%
Funding Sources:					
Water Utility Fund	239,799	259,657	267,672	279,305	7.6%
Sewer Utility Fund	445,341	482,221	497,106	518,708	7.6%
Total Funding Sources	685,140	741,878	764,778	798,013	7.6%
Authorized FTEs	5.00	5.00	5.00	5.00	

W&PC Laboratory

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Maintain Environmental Laboratory Certification	Consecutive years Lab Certified	27	28	29	30
		Drinking water quality samples collected	1,274	1,201	1,200	1,200
		River water quality samples collected	290	282	285	285
	Perform sampling and analysis in support of City facilities/programs	Industrial pretreatment samples collected	100	129	100	100
		WPC Plant samples collected	1,883	1,772	1,800	2,300
		Total samples processed	3,590	3,429	3,500	4,000
		Total analyses	12,235	12,735	12,500	13,000
		Analyses completed in-house	92%	87%	88%	88%
		Average cost per analysis	$55.27	$53.80	$61.18	$61.39

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- In FY 2025/26, the lab renewed its certification with the Iowa Department of Natural Resources (IDNR) for both drinking water and wastewater, requiring a certification fee. This recertification occurs every two years and is accompanied by an on-site audit of lab procedures, quality assurance, record-keeping, and staff training.
- In FY 2025/26, replacements were needed for some lab equipment including a new centrifuge. The FY 2025/26 budget also includes replacement of anti-fatigue mats, replacement of the incubator used for microbiological testing with a larger-capacity unit that will maintain a more consistent temperature and prevent out-of-temperature events that can invalidate routine distribution system sample results and require those samples to be re-collected.
- In FY 2025/26, the lab supervisor will attend the American Water Works Association Annual Conference & Expo for professional development and continuing education, including costs for registration, travel, lodging, and meals.
- For the current and upcoming years, the budget for hazardous waste disposal is increased to ensure that chemical waste is proactively and properly discarded on a routine basis and not allowed to accumulate.
- Staff anticipates replacing outdated equipment in FY 2026/27 including the lab-grade dishwasher (with features such as an acid rinse, pH neutralizing rinse water, deionized water rinse, and racks that can accommodate specialty lab glassware). This dishwasher was installed in 2010 and is typically used at least four times per day. The FY 2026/27 budget also includes funding to replace Industrial Pretreatment Program sampling equipment that can no longer be serviced or for which replacement parts are no longer available.

FY 2025/26 Activities

- The Laboratory Division and the Water Treatment Plant coordinated to participate in the EPA's fifth Unregulated Contaminant Monitoring Rule (UCMR 5), which focused on per- and polyfluoroalkyl substances (PFAS) and lithium.
    - This testing supplements the quarterly testing of PFAS in both the City's (untreated) wells and the finished water's entry point to the distribution system.
    - There were 906 individual analytes for 35 samples tested by Eurofins Eaton commercial lab for PFAS compounds in FY 2024/25, reflected in the decrease in the in-house testing percentage. PFAS testing will be ongoing in future years.

W&PC Laboratory

- In September 2025, staff from the Lab and Meter divisions picked up 43 samples collected by Ames residents to meet the requirements of the water permit under the Environmental Protection Agency's (EPA) Lead and Copper Rule. Samples were tested in October 2025 and results were reported to the Water Plant Superintendent, Ames residents, and the IDNR.



Tap water samples collected by Ames residents with their corresponding paperwork and sample ID numbers, preserved and waiting for lead and copper testing.

- As part of the lab's support of the Industrial Pretreatment Program, additional sampling and testing was performed at an industry location using three sampling points over multiple days to help the industry troubleshoot their high-strength waste discharge.
- The lab continues to coordinate with the Public Works department to provide testing for disinfection of new water mains and testing to document that there was no contamination to the distribution system during main breaks.
- Following the opening of the Fitch Aquatic Center, the lab will be working with the Parks and Recreation department to meet the testing requirements for chlorinated pools on a year-round basis.

W&PC Laboratory

FY 2026/27 Activities

- The updates to the wastewater treatment process at the Water Pollution Control Facility (WPCF) are expected to start coming online in fall of 2026 as part of the nutrient reduction strategy. The new treatment process will increase the number of lab samples to be tested and analytes to be measured. The specific increase is currently unknown, but a 25% increase in the number of WPCF samples is included in projections for FY 2026/27.



Weir removed from a sewage pipe following 24-hour composite sampling, showing a large number of rags flowing with industrial wastewater discharge.

- The proposed renovation of the Technical Services Complex is projected to begin in 2026. That project is likely to require some testing that is normally done in-house to be sent to a commercial lab as portions of the lab become unusable for short periods. This will result in a temporary increase in outside professional services.
- Following the renovation, the lab should see greater efficiency in several areas.
    - A more reliable heating and cooling system for the building will help prevent having to discard and re-collect or re-order temperature-sensitive samples and chemical reagents.
    - Updated lighting in the lab allowing dimming or partial shutoff can lower energy usage as well as contribute to a more comfortable work environment.
    - The addition of a lift will also help prevent strains, falls, and possible exposure to wastewater pathogens or hazardous chemical spills during transport up and down the stairs.

W&PC Metering Services

Description:

Because the water and wastewater utilities operate as self-sustaining enterprises, water usage by all customers must be metered as accurately as possible. For nearly all customers, both their water and wastewater bills are based on their water meter readings. Program activities include installing meters on new services/irrigation systems, replacing existing meters on a routine change schedule, and responding to a wide variety of service calls. Through the meter service and leak detection activities, the goal is to maintain unaccounted for water below 10% of total delivery to the mains. Expenses for metering are shared between the Water Utility Fund (55%) and the Sewer Utility Fund (45%) based on the proportionate number of utility accounts.

Beginning on January 1, 1996, state and federal mandates required the City to implement a Cross-Connection Control Program (i.e., backflow prevention) to further protect the water supply from potential contamination sources. Cross Connection Control expenses are paid for through the Water Utility Fund (90%) and the Sewer Utility Fund (10%).

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Meter Services	915,823	1,127,920	1,102,777	1,127,249	-0.1%
Cross Connection Control	123,546	131,493	131,414	138,332	5.2%
Total Expenditures	1,039,369	1,259,413	1,234,191	1,265,581	0.5%
Expenditures by Category:					
Personal Services	669,714	709,285	686,188	722,510	1.9%
Internal Services	56,274	56,536	54,249	53,544	-5.3%
Contractual	62,101	68,742	68,904	66,527	-3.2%
Commodities	251,280	414,850	407,850	423,000	2.0%
Capital	-	10,000	17,000	-	-100.0%
Other Expenditures	-	-	-	-	
Total Expenditures	1,039,369	1,259,413	1,234,191	1,265,581	0.5%
Funding Sources:					
Water Utility Fund	614,894	738,700	724,800	744,486	0.8%
Sewer Utility Fund	424,475	520,713	509,391	521,095	0.1%
Total Funding Sources	1,039,369	1,259,413	1,234,191	1,265,581	0.5%
Authorized FTEs	6.00	6.00	6.00	6.00	

W&PC Metering Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide accurate metering for fiscal accountability at the best price	Primary meters in service	19,519	19,616	19,721	19,871
		Deduct meters in service	1,247	1,181	1,208	1,231
		Meters converted to Automatic Meter Reading (AMR) or Automated Metering Infrastructure (AMI)	78%	82%	87%	92%
		Average operating cost per meter in service	$49.80	$49.98	$58.97	$59.97
		Meter installations from new construction per year	107	125	105	150
		Non-routine meter changes	21	52	192	50
	Maintain unaccounted water below 10%	Water loss as a % of total water pumped to mains	9.8%	7.7%	<8.0%	<8.0%
	Reduce the potential for contamination of drinking water from cross-connections	Backflow devices in service	3,221	3,238	3,255	3,267

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- As reflected in the commodities expenditures, the availability of water meters and parts, including encoder receiver transmitters (or ERTs, the radio component), continued to improve this past year. Staff finally received a shipment of meters and parts that had been on back-order for 24 months. The water meter shop is fully stocked with meters and components, and order fulfillments are happening much faster than has been seen since Covid. The price of brass to make water meters and associated parts started to stabilize, but with the unknown effects of tariffs, prices may start to destabilize again.
- To reduce commodity costs, staff increasingly rebuilds water meters instead of replacing them. Although time-consuming, the process is cost-effective and allows newer no/low lead brass meters to be refurbished and reused. In FY 2025/26 carryover capital funds in the amount of $17,000 were used to replace a sandblasting cabinet from the 1970s. The older unit was relocated to the Water Plant for occasional use.
- The pace of new residential construction has been stable recently, and the numbers above reflect this trend. Commercial development has been increasing steadily. There are a few smaller apartment buildings being constructed in FY 2025/26.
- The Cross-Connection Control Program (sometimes referred to as the backflow prevention program) continues to run smoothly. The Cross Connection Control Coordinator has attended training with the backflow software and compliance company (Swift Comply) to help improve the compliance rate with the program.
- The water loss percentage was notably lower in FY 2024/25 due to staff working with those customers who have leaking services to get them repaired or replaced. There were two services replaced in FY 2025/26 that had been leaking for more than four years. There are currently only three known leaking services. This number is down from six at this time last year, and thirteen the year before.
- The Technical Services Complex building is in the preliminary phase of a complete remodel. Staff has chosen an architectural firm, and design will begin in the second half of FY 2025/26.

W&PC Metering Services

FY 2025/26 Activities

- The Water Meter Division is currently 85% complete with installation of the Automated Meter Reading (AMR) project. The Meter Technicians began installing the new Aclara Automatic Metering Infrastructure (AMI) equipment alongside Electric Services in November 2025. This will change the installation and meter reading process completely.



New sandblasting cabinet (left) next to the older model it replaced (right)

- The Water Meter Division is continuing the process of converting all 1” and 1-½" positive displacement (mechanical) style meters to ultrasonic meters, which require no maintenance and offer an expected service life of 20 years; far longer than the old-style meters which had to be changed out every two to three years.
- The technicians performed 1,629 meter tests and rebuilt 354 meters in FY 2024/25, which is up from the previous year's numbers of 1,484 tests, and 242 rebuilds. They will test and rebuild even more units in FY 2025/26. This saves customers money by not having to replace the meters with new units.
- The Water Meter Division has a new Principal Clerk who is working with the rest of the staff to streamline record keeping and monthly reporting, as well as community outreach to replace water meters.

W&PC Metering Services

FY 2026/27 Activities

- The Water Meter Division has been working with a large team from multiple departments and has chosen Aclara Company to supply the City with an Automated Metering Infrastructure (AMI) solution. This is to support the City's growing needs of electric and water meter reading capabilities. This new system will enable a much more detailed view of water and electric usage and will offer customers an online portal to see their usage in real-time. The installation of the new system requires a little more time in customers' basements to wire, mount, and program the new Aclara unit. Once installed, the units have a twenty-year life expectancy.



Aclara Meter Transmitter Unit (MTU) mounted on the floor joist in the basement of an Ames resident's home

Water Distribution System Maintenance

Description:

The Water Distribution activity is responsible for the maintenance of the City's water distribution system. This includes repairing water main breaks as quickly and efficiently as possible, maintaining fire hydrants to ensure workability when needed for emergency purposes, and constructing minor improvements to the water distribution system as needed. Other responsibilities of the activity include the annual hydrant flushing program and utility locating for the Iowa One Call program.

Most of the expenses of this activity are incurred in the Utility Maintenance division of the Public Works department. Public Works administrative and engineering costs associated with the water distribution system are also allocated to this activity.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	965,368	1,086,058	1,004,457	1,106,334	1.9%
Internal Services	256,141	283,064	283,539	363,376	28.4%
Contractual	73,249	49,290	75,842	78,900	60.1%
Commodities	226,141	214,500	218,500	234,500	9.3%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Expenditure Subtotal	1,520,899	1,632,912	1,582,338	1,783,110	9.2%
Plus: Expenditures allocated from another program/activity:					
Public Works Administration	166,193	164,198	151,137	163,524	-0.4%
Public Works Engineering	64,114	58,526	54,015	60,833	3.9%
Public Works GIS	89,853	120,062	108,253	112,980	-5.9%
Total Allocations	320,160	342,786	313,405	337,337	-1.6%
Total Expenditures	1,841,059	1,975,698	1,895,743	2,120,447	7.3%
Funding Sources:					
Water Utility Fund	1,841,059	1,975,698	1,895,743	2,120,447	7.3%
Total Funding Sources	1,841,059	1,975,698	1,895,743	2,120,447	7.3%
Authorized FTEs	9.34	9.34	9.34	9.34	

Water Distribution System Maintenance

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Maintain and repair the water distribution system to ensure safe and continuous distribution of water	Miles of water main in system	257	266	266	267
		Cost per mile to maintain	$5,492	$5,718	$5,944	$6,678
		Water main breaks	25	36	31	31
		City water main breaks per mile*	0.097	0.135	0.117	0.116
		Rusty water complaints	5	14	10	5
		Ames on the Go issues reported	14	23	25	25
		Days to resolve Ames on the Go issues	3.7	2.9	2.0	2.0
	Maintain fire hydrants in good working order for emergency situations	Fire hydrants in system	3,120	3,128	3,160	3,170
		Valves in system	3,825	4,029	3,855	3,900
		Valves tested/turned	1,072	1,460	900	900
		Hydrants repaired	19	18	20	20
	Perform utility locates to ensure safety	Locates performed	8,716	7,717	9,000	9,000
		Cost per locate performed	$16.20	$20.74	$19.20	$21.27

*2024 Utah State University Region 4 Watermain Break Average (0.134 breaks per mile)

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The jet-vac truck is scheduled to be replaced in FY 2026/27. However, funds have been budgeted in Stormwater System Maintenance ($30,000), Water System Distribution ($40,000), and Sanitary Sewer Maintenance ($50,000) to cover an estimated funding shortfall of $120,000 for the purchase. Staff anticipates significant repair expenses should the replacement of the jet-vac be delayed.
- The adjusted FY 2025/26 budget includes a $10,000 increase for contractor services to support water main repairs. Contractor labor and equipment costs continue to rise and staff anticipates needing an additional $10,000 in FY 2026/27 to account for this trend.

FY 2025/26 Activities

- Water valves that have deteriorated bolts will continue to be repaired in FY 2025/26. This proactive maintenance activity allows staff to ensure valves work properly during planned shutdowns and emergency repairs. A total of 677 valves have been repaired and an estimated 113 remain to be addressed in the next three years.
- Staff will continue targeted maintenance, condition assessments, and priority replacements to reduce main break frequency and improve system resiliency.

FY 2026/27 Activities

- Staff proactively operates and exercises water valves and hydrants—especially during spring flushing—to spot issues early and schedule repairs. Staff also conducts routine leak detection, monitors pressure concerns, updates system maps, assesses conditions in older or problematic areas, and coordinates planned replacements through the Capital Improvements Plan.

Sanitary Sewer System Maintenance

Description:

The Sanitary Sewer System Maintenance activity is responsible for the cleaning and maintenance of the City's sanitary sewer collection system. This includes flushing the lines on a regular basis, as well as repairing damaged lines and manholes. Manhole covers are changed to prevent infiltration by stormwater during heavy rains.

Most of the expenses of this activity are incurred in the Utility Maintenance division of the Public Works department. Public Works administrative and engineering costs associated with the sanitary sewer system are also allocated to this activity.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	432,453	418,997	396,321	427,306	2.0%
Internal Services	179,765	135,511	131,963	229,740	69.5%
Contractual	44,241	57,613	58,788	58,966	2.4%
Commodities	69,451	48,350	53,350	61,000	26.2%
Capital	-	25,000	-	-	-100.0%
Other Expenditures	-	-	-	-	
Expenditure Subtotal	725,910	685,471	640,422	777,012	13.4%
Plus: Expenditures allocated from another program/activity:					
Public Works Administration	166,193	164,198	151,137	163,524	-0.4%
Public Works Engineering	74,342	68,280	63,017	70,971	3.9%
Public Works GIS	89,853	120,062	108,253	112,980	-5.9%
Total Allocations	330,388	352,540	322,407	347,475	-1.4%
Total Expenditures	1,056,298	1,038,011	962,829	1,124,487	8.3%
Funding Sources:					
Sewer Utility Fund	1,056,298	1,038,011	962,829	1,124,487	8.3%
Total Funding Sources	1,056,298	1,038,011	962,829	1,124,487	8.3%
Authorized FTEs	3.33	3.33	3.33	3.33	

Sanitary Sewer System Maintenance

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Maintain and repair the sanitary sewer collection system	Miles of sanitary sewer in collection system	218	227	227	228
		Cost per mile to maintain	$3,347	$3,020	$2,804	$3,404
		Manholes in collection system	4,427	4,509	4,530	4,550
		Lineal feet of sewer cleaned	186,058	153,007	190,000	200,000
		Sanitary sewer collection system cleaned	16%	13%	17%	20%
		Lineal feet of sewer acoustically tested (SL-RAT)	23,779	69,296	50,000	50,000
		Acoustically tested sewer rated good/fair condition	74%	82%	84%	85%
		Ames on the Go reports	5	12	10	10
		Average days to resolve Ames on the Go reports	0.3	1.2	1.0	1.0
	Perform utility locates to ensure safety	Locates performed	8,716	7,717	9,000	9,000
		Cost per locate performed	$16.20	$20.74	$19.20	$21.27

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The jet-vac truck is scheduled to be replaced in FY 2026/27. However, funds have been budgeted in Stormwater System Maintenance ($30,000), Water System Distribution ($40,000), and Sanitary Sewer Maintenance ($50,000) to cover an estimated funding shortfall of $120,000 for the purchase. Staff anticipates significant repair expenses should the replacement of the jet-vac be delayed.
- The FY 2025/26 adjusted budget for commodities was increased by $5,000 to account for increases in concrete and asphalt used in sanitary sewer repairs. The FY 2026/27 commodities budget for this item is increased by an additional $7,650.

FY 2025/26 Activities

- Staff continues to provide preventative maintenance through cleaning and jetting sewers to help eliminate potential blockages. Staff expects the replacement jet-vac to improve efficiency and increase the number of lineal feet of sanitary sewer cleaned.
- New sewer flow monitors were installed, providing real-time data that will improve system modeling, help verify capacity needs for future growth, and support maintenance activities by identifying areas with abnormal or elevated flows that may indicate blockages or infiltration issues.
- The use of contracted work such as root foaming is expected to be more prevalent to address root intrusion in older sewer services.

FY 2026/27 Activities

- Staff will be exploring the service opportunities that the combination of the new camera system and replacement jet-vac will provide for inspection and maintenance activities.

Stormwater Permit Program

Description:

The Stormwater Permit Program is the activity responsible for the management of the City's National Pollutant Discharge Elimination System (NPDES)/Municipal Separate Storm Sewer System (MS4) permit. This activity, which is managed by Public Works Engineering, reviews and enforces stormwater management plans and stormwater pollution prevention plans and ordinances including Illicit Discharge, Construction Site Erosion and Sediment Control, and Post-Construction Stormwater Management. Another key component of this activity is public outreach and education on stormwater issues.

The Stormwater specialists working in this activity also assist the Engineering division with capital improvement projects. Expenses related to those projects are charged directly to the CIP projects.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	278,366	308,432	315,833	331,365	7.4%
Internal Services	35,116	38,426	38,941	39,682	3.3%
Contractual	86,925	127,753	128,265	128,265	0.4%
Commodities	9,539	7,350	6,250	10,750	46.3%
Capital	19,990	-	-	-	
Other Expenditures	16,294	15,000	15,000	15,000	0.0%
Expenditure Subtotal	446,230	496,961	504,289	525,062	5.7%
Less: Expenditures allocated to other programs/activities:					
CIP Projects	(56,578)	(50,000)	(50,000)	(50,000)	0.0%
Total Expenditures	389,652	446,961	454,289	475,062	6.3%
Funding Sources:					
Stormwater Utility Fund	389,652	446,961	454,289	475,062	6.3%
Total Funding Sources	389,652	446,961	454,289	475,062	6.3%
Authorized FTEs	1.90	1.90	1.90	1.90	

Stormwater Permit Program

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Review and monitor stormwater management plans and ordinances	Construction site erosion and sediment control site inspections (private development)	150	220	210	210
		Stormwater management (SWM) plans reviewed	10	7	10	10
		SWM as-built records completed	4	2	7	7
Environmental sustainability	Public education and outreach for community stormwater initiatives	Participation in sustainability events	20	20	15	15
		Rain barrel rebates	33	42	30	30
		Composter rebates	11	6	12	12
		Rain garden rebates	1	1	1	1
		Native landscape rebates	6	16	12	12
		Soil quality restoration rebates	8	3	6	6
		Native tree rebates	23	30	15	15

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Staff continues to contract $95,000 each fiscal year for services involving stormwater sampling and laboratory testing to monitor water quality in streams and rivers.
- The Eco-Fair will return in FY 2026/27, resulting in additional special project supply expenses ($4,500).
- Staff expects demand for various Smart Watersheds rebate programs to remain high. These rebates, shown in other expenditures, support the goals of the City's sustainability efforts, including incentives for native landscaping, rain barrels, composters, and tree planting.

FY 2025/26 Activities

- Staff imported City-wide stormwater facility data into the new stormwater asset software to establish a centralized database of stormwater infrastructure and best management practices (BMPs).
- A community survey was distributed to collect feedback on stormwater issues, which will help guide a City-wide stormwater system analysis.
- A stormwater facility maintenance guide is being prepared and will be distributed to homeowner associations to assist with proper care of private BMPs.

FY 2026/27 Activities

- The stormwater asset management software will be expanded to support Construction Site Erosion and Sediment Control permitting and compliance tracking.
- The biennial City of Ames EcoFair will be held, providing additional opportunities for public outreach and education on stormwater management and sustainability.
- Staff will continue to monitor pollinators and pollinator habitat, with enhanced public outreach to encourage greater participation in the Pollinator Plan.
- Stormwater quality sampling and analysis will continue to ensure ongoing permit compliance and to track long-term trends in watershed health.

Stormwater System Maintenance

Description:

The Stormwater System Maintenance activity is responsible for the inspection and repair of storm sewer outlets, manholes, and outfalls to provide uninterrupted storm water drainage. Street crews perform this activity, along with Street Maintenance, Street Cleaning, and Snow and Ice Control activities. As such, actual expenditures in each activity may vary greatly from year to year depending on the weather and where Street resources need to be allocated.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	123,675	237,744	230,145	247,107	3.9%
Internal Services	85,920	99,041	103,068	138,834	40.2%
Contractual	36,482	44,800	46,500	46,400	3.6%
Commodities	27,920	51,500	53,000	53,000	2.9%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Expenditure Subtotal	273,997	433,085	432,713	485,341	12.1%
Plus: Expenditures allocated from another program/activity:					
Public Works Engineering	31,652	29,263	27,007	30,416	3.9%
Public Works GIS	53,095	70,946	63,967	66,761	-5.9%
Total Allocations	84,747	100,209	90,974	97,177	-3.0%
Total Expenditures	358,744	533,294	523,687	582,518	9.2%
Funding Sources:					
Stormwater Utility Fund	358,744	533,294	523,687	582,518	9.2%
Total Funding Sources	358,744	533,294	523,687	582,518	9.2%
Authorized FTEs	2.09	2.09	2.09	2.09	

Stormwater System Maintenance

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide uninterrupted stormwater drainage	Miles of storm sewer in system	294	294	294	295
		Cost per mile to maintain	$1,188	$1,388	$1,482	$1,500
		Lineal footage cleaned and/or televised	22,698	16,500	25,000	25,000
		Percentage of system televised	1.5%	0.9%	2.0%	2.0%
		System blockages cleaned	48	62	52	45
		Intakes inspected and cleaned	1,357	1,310	1,350	1,400
		Intakes/manholes repaired by City crews	32	34	30	30
		Average Ames on the Go issues reported	43	46	40	40
		Average days to resolve Ames on the Go issues	4.7	9.8	5.0	5.0

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The jet-vac truck is scheduled to be replaced in FY 2026/27. However, funds have been budgeted in Stormwater System Maintenance ($30,000), Water System Distribution ($40,000), and Sanitary Sewer Maintenance ($50,000) to cover an estimated funding shortfall of $120,000 for the purchase. Staff anticipates significant repair expenses should the replacement of the jet-vac be delayed.

FY 2025/26 Activities

- Heavy rains in early 2025 exposed several areas within the storm sewer system that required cleaning or further maintenance. Staff is coordinating the repairs through a combination of operational maintenance and capital improvement project resources.
- This program enables the City to be responsive to citizen service requests, as reflected in the number of Ames on the Go submissions, while also allowing staff to be more proactive in addressing maintenance issues that contribute to flash flooding caused by underperforming storm sewer systems.

FY 2026/27 Activities

- Staff will continue to inspect and repair storm sewer intakes and pipes to ensure efficient stormwater flow during rain events.

Resource Recovery

Description:

Resource Recovery is the program responsible for the operation of the Arnold O. Chantland Resource Recovery Plant. The plant, which started operation in 1975, was the first municipally operated waste-to-energy facility in the nation. Municipal Solid Waste (MSW) is delivered to the facility by private haulers or citizens from participating Story County communities and is disposed through responsible, sustainable, and local solutions. Glass is collected at recycling bins throughout the county. During processing, ferrous, and non-ferrous metals are removed for recycling. The MSW is shredded and separated into two categories. The burnable portion of the MSW becomes Refuse Derived Fuel (RDF) and is conveyed to the City's power plant for use as a supplemental fuel with natural gas for generating electricity. The non-burnable MSW is transported to an area landfill. Since it has been shredded during processing, it takes up significantly less volume in the landfill than if it was sent there directly.

The Resource Recovery program also provides for the safe and proper disposal of household hazardous materials (batteries, fireworks, propane tanks, oil, antifreeze, lawn chemicals, and fluorescent bulbs), tires, American flags, sharps, and appliances, coordinates the yard waste program, and is a founding sponsor in the annual Rummage Rampage.

Partners in the program include Ames, Iowa State University, unincorporated Story County, and the communities of Cambridge, Gilbert, Huxley, Kelley, Maxwell, McCallsburg, Nevada, Roland, Slater, Story City, and Zearing.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Resource Recovery Operations	3,108,596	3,658,539	3,497,965	3,688,378	0.8%
Reject Disposal	1,161,235	1,144,630	1,198,000	1,220,500	6.6%
Yard Waste Management	47,228	52,000	52,000	52,000	0.0%
Landfill Monitoring	3,792	5,500	9,000	9,000	63.6%
Total Expenditures	4,320,851	4,860,669	4,756,965	4,969,878	2.3%
Expenditures by Category:					
Personal Services	1,475,336	1,922,856	1,716,253	1,884,178	-2.0%
Internal Services	760,437	747,233	769,562	803,750	7.6%
Contractual	1,822,583	1,862,930	1,941,000	1,938,300	4.1%
Commodities	262,495	327,650	330,150	363,650	11.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Expenditure Subtotal	4,320,851	4,860,669	4,756,965	4,989,878	2.7%
Plus: Expenditures allocated from another program/activity:					
Public Works Administration	166,193	164,198	151,137	163,524	-0.4%
Total Expenditures	4,487,044	5,024,867	4,908,102	5,153,402	2.6%
Funding Sources:					
Resource Recovery Fund	4,487,044	5,024,867	4,908,102	5,153,402	2.6%
Total Funding Sources	4,487,044	5,024,867	4,908,102	5,153,402	2.6%
Authorized FTEs	15.00	15.00	15.00	15.00	

Resource Recovery

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide a reliable and efficient means to dispose of municipal solid waste (MSW)	Available system tonnage	54,147	53,253	53,500	53,500
		Tons of MSW to landfill	9,928	12,418	14,359	14,500
		Tons of MSW processed	44,219	41,987	38,641	39,000
		MSW processed	81.66%	78.84%	72.23%	73.00%
		Landfill disposal cost/ton	$73.23	$76.50	$83.00	$84.50
		Tons of construction debris to landfill	24,342	12,335	20,000	20,000
		Tons RDF sold to Electric Utility	28,109	25,398	25,000	25,000
		Pounds of glass recycled	498,000	544,000	550,000	550,000
		Pounds of metal recycled	2,913,000	2,634,000	2,500,000	2,500,000
Environmental sustainability	Provide responsible, sustainable, local solutions for solid waste disposal	Pounds of cardboard recycled*	84,000	219,360	300,000	315,000
		Pounds of household hazardous materials collected	31,815	27,839	32,000	32,000
		Pounds diverted by Rummage RAMPage	154,843	132,782	150,000	150,000
		Pounds collected in Food Waste Diversion Program (FWD)	81,000	116,000	120,000	120,000

*tonnage not reported by Metro Waste Authority FY 2024/25
*excludes cardboard recycled directly by Metro Waste Authority

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- In terms of revenue, the FY 2026/27 budget anticipates an increase in the tipping fee at the Resource Recovery Plant from $75/ton to $85/ton. This increase is necessary to support the transition to the new solid waste disposal model.
- In regards to expenditures, the FY 2026/27 budget reflects the continued operation of the waste to energy system, since the new Resource Recovery and Recycling Campus is not scheduled to open until July 1, 2027.
- Unplanned outages at the Power Plant have reduced FY 2025/26 revenues from tipping fees and recycled metal. This also causes an increase in waste disposal and transportation expenses in FY 2025/26 and FY 2026/27.
- Revenues for public drop-off and over-the-scale fees are trending higher in FY 2025/26.
- The recycling commodity markets for cardboard, mixed paper, and plastic have been trending downward, which will reduce the revenues for the rest of FY 2025/26.
- The contract tipping fee expense with the Boone County Landfill will increase to $63/ton for FY 2025/26 (an additional $87,354). Transportation costs have increased to $20.48/ton for FY 2025/26 and will increase to $21.50/ton for FY 2026/27 (an additional $13,830).

FY 2025/26 Activities

- The recycling drop-off for cardboard, plastics, metal, and mixed paper has experienced increased participation throughout the year and citizen feedback has been very good.
- Staff will coordinate with the Carroll County Landfill for future operations for transferring Municipal Solid Waste and Construction Demolition Waste.
- Planning for the new Resource Recovery and Recycling Campus (R3C) is ongoing.
- Programs for landfill diversion will continue, such as recycling drop-off, Rummage Rampage, Household Hazardous Materials, Electronics Recycling, Great Pumpkin Disposal, along with appliance and tire drop-off.
- The Yard Waste disposal program and locations are being evaluated in advance of the opening of R3C after the closure of the current site in December 2025.

FY 2026/27 Activities

- Staff will work to implement curbside single stream recycling services estimated to begin July 1, 2026. This effort, along with expanded drop-off locations, will reduce waste emissions and increase landfill diversion.

Recycling Services

Description:

Initially, this activity will consist of a single-stream Curbside Recycling Program which will provide universal, every-other-week recycling collection to eligible residential properties within the City of Ames, with optional participation available to small commercial customers and other communities within the Resource Recovery System. The program furnishes approximately 14,500 96-gallon recycling carts to single-family homes and multi-family properties of up to four units, enabling residents to conveniently place accepted recyclable materials at the curb for collection on designated service days. Recyclable materials accepted through the program include mixed paper, corrugated cardboard, glass food and beverage containers, #1 and #2 plastics, and ferrous and non-ferrous metals.

Recyclables will be collected and transported by private haulers to City-designated recycling facilities for weighing and processing. Through June 30, 2027, materials will be directly hauled to an interim recycling facility, after which delivery will transition to the new Resource Recovery and Recycling Campus (R3C) on Freel Drive. The implementation of curbside recycling supports the City's transition away from its historic waste-to-energy system, improves diversion of recyclable materials from the landfill, and advances long-term sustainability and efficiency goals within the solid waste system.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Operations	-	-	-	1,492,000	
Customer Service	-	-	-	20,000	
Total Expenditures	-	-	-	1,512,000	
Expenditures by Category:					
Personal Services	-	-	-	-	
Internal Services	-	-	-	20,000	
Contractual	-	-	-	1,392,000	
Commodities	-	-	-	100,000	
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	-	-	-	1,512,000	
Funding Sources:					
Recycling Program Fund	-	-	-	1,512,000	
Total Funding Sources	-	-	-	1,512,000	
Authorized FTEs	0.00	0.00	0.00	0.00	

Recycling Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Environmental sustainability	Provide cost-effective recycling services that increase landfill diversion, reduce environmental impacts, and support long-term community sustainability.	Tons of mixed paper recycled	-	-	-	1,290
		Tons of cardboard recycled	-	-	-	920
		Tons of glass recycled	-	-	-	610
		Tons of plastic recycled	-	-	-	340
		Tons of metal recycled	-	-	-	240
		Total curbside collection (tons)	-	-	-	3,260
		Participation Rate	-	-	-	95%
		Per capita recycled materials (lbs)	-	-	-	450
		Number of deployed carts	-	-	-	14,500
		Contamination rate	-	-	-	7%
		Landfill cost avoided	-	-	-	7%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- FY 2026/27 reflects the implementation of a new, single stream curbside recycling program, including the purchase and distribution of recycling carts, contracted every-other-week collection services, and transportation of recyclable materials to City-designated facilities, all of which represent new ongoing costs not present in prior budgets.
- Revenue and expenditure estimates assume city-wide availability of curbside recycling service charged to program-eligible residential properties. However, final participation rates, customer fees, and total program costs will be refined following receipt and evaluation of hauler bids.

FY 2025/26 Activities

- Staff will issue, evaluate, and award a contract for curbside recycling collection services, including finalizing service scope, collection schedules, routing requirements, customer service standards, and pricing based on competitive bids.
- The City will work with the selected contractor to procure, customize, and coordinate delivery of approximately 14,500 96-gallon recycling carts to program eligible residential properties, including development of cart signage, tracking of cart distribution, and establishment of procedures for cart maintenance, repair, and replacement.
- Staff will develop and coordinate operational plan, including finalizing billing processes, customer notifications, route mapping, data tracking and reporting requirements, and coordination with designated recycling facilities in advance of program start-up.

FY 2026/27 Activities

- Implementation of the new curbside collection service will begin on July 1, 2026.
- Staff will monitor contractor performance against contractual service standards, including missed collections, route adherence, customer complaints, safety incidents, and compliance with collection schedules, using required reports and performance metrics.

Utility Customer Service

Description:

The purpose of the Utility Customer Service activity is to provide customer service assistance, meter reading, utility billing, and collection services for the Electric, Water, Sewer, and Storm Water utilities. Additional responsibilities include the maintenance of customer accounts and usage records, assisting with the Parking Violation Collection activity conducted in the Customer Service office, and the selling of CyRide passes.

Utility Customer Service also administers Electric Service's Project Share program, which collects donations from utility customers that are then applied to the utility bills of customers needing assistance with their accounts.

The Utility Customer Service activity is allocated to the Electric, Water, Sewer, and Storm Water Utility funds based on the percentage of customers and meter readings attributed to each utility.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Utility Customer Service	1,363,678	1,391,468	1,335,300	1,374,413	-1.2%
Meter Reading	468,052	482,570	443,380	310,576	-35.6%
Project Share	23,534	18,311	18,411	20,606	12.5%
Utility Deposit Interest	51,333	-	-	-	
Total Expenditures	1,906,597	1,892,349	1,797,091	1,705,595	-9.9%
Expenditures by Category:					
Personal Services	1,127,265	1,184,642	1,120,289	1,038,713	-12.3%
Internal Services	361,545	252,838	252,014	233,533	-7.6%
Contractual	249,301	299,549	270,185	283,875	-5.2%
Commodities	4,777	17,320	16,603	7,974	-54.0%
Capital	163,709	-	-	-	
Other Expenditures	-	138,000	138,000	141,500	2.5%
Total Expenditures	1,906,597	1,892,349	1,797,091	1,705,595	-9.9%
Funding Sources:					
Electric Utility Fund	923,124	909,270	862,554	802,805	-11.7%
Water Utility Fund	479,162	494,364	469,503	452,274	-8.5%
Sewer Utility Fund	482,208	466,215	442,534	426,016	-8.6%
Stormwater Utility Fund	2,828	7,000	7,000	7,000	0.0%
Project Share Donations	19,275	15,500	15,500	17,500	12.9%
Total Funding Sources	1,906,597	1,892,349	1,797,091	1,705,595	-9.9%
Authorized FTEs	10.95	10.95	10.95	9.95	

Utility Customer Service

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Accurately record parking ticket payments and maintain payment records	Customer service requests received over the internet	11,545	13,146	13,500	14,000
		Average daily payments processed	1,381	1,281	1,356	1,380
		Utility payments received electronically	70.4%	71.9%	73.0%	75.0%
		Maintain an accuracy rate of no more than 1 billing error per 1,000 bills generated	Yes	Yes	Yes	Yes
		Average cost per bill generated	$4.63	$4.84	$4.66	$4.32
	Provide accurate and efficient customer meter reading services	number of days accounts are receivable (Goal - less than 21)	17.39	17.36	17.40	17.40
		Average daily meter readings	2,551	2,491	2,490	1,775
		Accounts with billing periods equal to or less than 34 days	99.6%	99.7%	99.6%	99.6%
		Maintain accuracy rate of no more than 5 misread meters per 1,000 reads	Yes	Yes	Yes	Yes
		Average cost per meter reading	$0.68	$0.75	$0.77	$0.81

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The City purchased an Advanced Metering Infrastructure (AMI) system that will be deployed throughout calendar year 2026. This system will decrease the need for manual meter reads. As a result, the meter reader group will reduce from four team members to one team member. One vacant customer service position will be converted to a hybrid position that will serve as a backup to the remaining meter reader. This restructuring will decrease personnel and benefit expenditures, vehicle maintenance & replacement costs, as well as safety clothing and supply expenses.
- Staff is working with Human Resources to find appropriate roles elsewhere in the City organization for the three remaining meter readers. There could be additional costs for training while supporting these employees during their transition.

FY 2025/26 Activities

- The City is in the process of implementing an AMI system. Staff will work on the testing of the system and work to approve full deployment. Staff will continue to evaluate current processes to better align with the new capabilities provided by this system.
- Staff has selected a new card payment processor to bring improved processing and communication with customers. This processor will send notifications to customers via their preferred means of communication, such as due date and delinquency reminders. This processor was strategically selected to assist with reducing costs associated with delinquent first notices mailed and second notice door postings.
- As part of the AMI transition, the City has selected a new Customer Service Portal vendor. This system will also be implanted over the first half of 2026. Staff will utilize the new system to send PDF e-notifications for billing statements. Staff has increased e-notification only customers by 14% since 2022. Staff hopes to double this with the new systems being implemented in 2026. Increasing e-notification billings will drive down postage costs for billing statements.

FY 2026/27 Activities

- Staff will continue to train on newly implemented systems and review processes to ensure the office is operating in the most efficient way possible and providing customers with all beneficial features to improve satisfaction.

Utilities CIP

Description:

This is a summary of the Utilities program capital improvements which are detailed in the City of Ames five-year Capital Improvements Plan.

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Electric Services:					
Advanced Metering Infrastructure	66,962	2,000,000	7,532,045	-	
Electric Vehicle Infrastructure	16,904	100,000	260,000	100,000	
69 kV Transmission Reconstruction	235,692	2,000,000	2,895,089	4,700,000	
161 kV Line Relocation	11,393	-	330,332	1,500,000	
Mortensen Road Underground	174,566	-	-	-	
Ontario Substation	-	-	1,371,465	2,593,535	
Prairie View 161 kV Substation	-	4,000,000	2,300,000	-	
Prairie View 161 kV Line	-	250,000	250,000	-	
Mortensen Substation Transformer	-	-	282,155	400,000	
Electric Services Storage Building	3,044	-	337,714	-	
Streetlight LED Retrofits	18,019	-	21,981	-	
Streetlight/Line Relocations	154,773	100,000	353,998	100,000	
Electric Distribution Locker Room	-	-	107,300	-	
Fiberoptic Hardware	-	-	-	100,000	
New Thermal Generation	-	2,000,000	5,000,000	4,000,000	
CT Generation Improvements	169,085	-	2,645,707	-	
CT 1 Inspection/Overhaul	-	-	-	-	
CT 1 Failure	984,006	-	575,764	-	
Turbine/Generator Major Overhaul	-	-	-	400,000	
RDF Bin Renovation	2,001	-	-	-	
Ash Pond Modifications	2,935,862	-	471,521	-	
Power Plant Relay/Control	-	200,000	200,000	125,000	
Load Centers/Breakers	-	850,000	1,301,130	800,000	
Critical Generators	27,362	-	823,618	-	
Boiler Heating System	54,341	-	-	-	
Power Plant Fire Protection	51,165	-	674,500	-	
Power Plant Building Modifications	1,063,733	-	87,030	150,000	
Power Plant Building Heat	-	40,000	40,000	-	
Coal Yard Reclamation	265,005	250,000	35,095	4,000,000	
Total Electric Services CIP	6,233,913	11,790,000	27,896,444	18,968,535	60.9%

Utilities CIP

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Water Production/Treatment:					
New Water Treatment Plant	45,535	-	-	-	
Old Water Plant Demolition	-	-	-	-	
Water Plant Facility Improvements	337,300	1,128,000	1,881,755	145,000	
Lime Lagoon Improvements	121,535	-	161,465	-	
Technical Services Complex Renovation	-	1,680,000	2,000,000	-	
AMR/AMI Meter Conversion	22,790	-	-	-	
NRV Well Field	1,102,525	-	4,479,242	-	
South Skunk Well Field	-	-	80,000	-	
Wellfield Standby Power	107,260	1,757,000	1,849,740	-	
Wellhead Rehabilitation	-	-	-	671,000	
SAM Pump Station Improvements	164,798	149,000	184,875	-	
Security Improvements	65,493	46,000	46,000	-	
Ada Hayden Water Quality	34,084	-	6,870	-	
Bulk Water Station	26,525	-	113,475	-	
Total Water Production/Treatment CIP	2,027,845	4,760,000	10,803,422	816,000	-82.9%
Water Pollution Control:					
Nutrient Reduction Modifications	18,573,090	26,240,000	34,384,990	7,250,000	
Residuals Handling	1,196,083	-	-	-	
Watershed Nutrient Reduction	250,827	425,000	992,985	425,000	
Cogeneration System	10,475	225,000	225,000	1,500,000	
Plant Facility Improvements	-	144,000	50,000	-	
Clarifier Maintenance	-	-	-	375,000	
Electrical System Improvements	57,753	-	-	-	
Lift Station Improvements	-	100,000	100,000	365,000	
Total Water Pollution Control CIP	20,088,228	27,134,000	35,752,975	9,915,000	-63.5%
Water Distribution:					
Water System Improvements	1,024,523	2,050,000	5,490,340	2,500,000	
Prairie View Utility Extension	72,309	-	-	-	
Campustown Public Improvements	-	-	399,800	-	
Total Water Distribution CIP	1,096,832	2,050,000	5,890,140	2,500,000	22.0%
Sanitary Sewer System:					
Sanitary Sewer Improvements	373,273	350,000	11,498,610	2,500,000	
Prairie View Utility Extension	(30,494)	-	431,894	-	
Campustown Public Improvements	190,000	-	10,000	-	
Ames 2040 Utility Extensions	3,002,219	-	315,330	-	
Sanitary Sewer Flow Monitors	-	-	243,201	-	
Clear Water Diversion	85,688	50,000	37,147	50,000	
Total Sanitary Sewer System CIP	3,620,686	400,000	12,536,182	2,550,000	537.5%

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Stormwater:					
Stormwater Erosion Control	302,656	1,250,000	5,388,739	550,000	
Low Point Drainage Improvements	125,215	500,000	1,435,229	450,000	
Stormwater Improvement Program	394,009	650,000	905,991	650,000	
Stormwater Detention/Retention	74,224	-	100,867	300,000	
Stormwater Quality Improvements	17,484	100,000	173,477	100,000	
Stormwater System Analysis	4,352	-	637,905	-	
Total Stormwater CIP	917,940	2,500,000	8,642,208	2,050,000	-18.0%
Resource Recovery:					
Resource Recovery/Recycling Campus	65,587	880,000	6,889,110	17,457,620	
System Improvements	331,756	459,000	815,163	465,000	
Total Resource Recovery CIP	397,343	1,339,000	7,704,273	17,922,620	1238.5%
Total Utilities CIP	34,382,787	49,973,000	109,225,644	54,722,155	9.5%

Electric Services ($18,968,535)

As the adoption of electric vehicles (EV) continues to grow, additional EV charging infrastructure will become necessary throughout the community. The ***Electric Vehicle Infrastructure*** program is a multi-year plan to add one DC fast charger and at least two Level 2 chargers each year. Funding of $200,000 per year for this program began in FY 2022/23. The level of funding has been reduced to $100,000 in FY 2026/27 due to the anticipation of private infrastructure development. This lower level of funding is expected to continue annually through FY 2028/29.

The ***69 kV Transmission Reconstruction*** program will reconstruct deteriorated portions of 69 kV transmission pole lines. The project will replace between one and two line-miles of 69 kV transmission line each year the program receives funding. The actual length and cost per mile will vary by terrain, accessibility, and attachments. For FY 2026/27, $4,700,000 has been allocated for this program.

An Iowa Department of Transportation (IDOT) project on I-35 north of Ankeny will result in road and bridge widenings. Before construction can begin, a portion of the Ames to Ankeny 161 kV transmission line will need to be relocated at the 290th Street overpass. Funding of $1,500,000 is budgeted in FY 2026/27 for the ***161 kV Line Relocation*** project. All project costs will be reimbursed by the IDOT.

The ***Ontario Substation 69 kV Breaker Addition*** project will provide $2,593,535 in funding in FY 2026/27 to add a 69 kV breaker to the Ontario Substation, as well as add transformer breakers and replace the existing switchgear, relays, and controls. These improvements will increase the reliability of transmission service to the substation, which will in turn improve the reliability of service to customers served by the substation.

Funding of $400,000 is budgeted in FY 2026/27 for engineering work on the ***Mortensen Road 69 kV Transformer Protection*** project. The Mortensen Substation is the City's most heavily loaded transformer. This project will add a new 69 kV breaker, relays, and controls to replace the fuse protection on the transformer. The project also includes the replacement of two obsolete oil circuit breakers with low-maintenance gas breakers and the installation of perimeter security enhancements. The project will be constructed in FY 2027/28 at a projected cost of $4,200,000.

The ***Street Light and Line Relocations*** program allocates funding each year for streetlight, service line, and transmission line relocations that need to be made in conjunction with Public Works street construction projects. Funding of $100,000 has been allocated for these relocations in FY 2026/27.

Engineering work will begin in FY 2026/27 for the ***Fiber Optic Hardware Replacement*** project. The fiber optic network was installed in 2006 to support protection functions and provide Supervisory Control and Data Acquisition (SCADA) communications to all substations. The communication hardware is reaching the end of its useful life and there is limited availability of replacement parts for the original system components. Additionally, it is important for the system replacements to be coordinated to avoid incompatibilities between the old and new hardware system components. Funding of $100,000 is budgeted in FY 2026/27 for the engineering work. Additional funding of $335,000 will be budgeted in both FY 2027/28 and FY 2028/29 for the construction of the new system.

Funding of $4,000,000 is included in FY 2026/27 for the ***New Thermal Generation*** project. The project, which will continue through FY 2028/29 at a total cost of $84,000,000, will construct three Reciprocating Internal Combustion Engines (RICE), with a roughly 20 MW rating each. These engines can start and produce a full load within 15 minutes, are highly efficient, operate on multiple fuels, and have a straightforward design that allows for easy maintenance. This new capacity will replace Unit 7, which staff estimate will need to be retired within five years. The system will also provide additional capacity to cover anticipated growth in the community.

Engineering will begin in FY 2026/27 for the ***Turbine/Generator Major Overhaul*** of Unit 8. This overhaul is required to replace worn parts, as well as to inspect the turbine and generator for repairs that may be necessary to prevent unplanned downtime. Funding of $400,000 is included for this project.

The ***Power Plant Relay/Control Replacement*** program is a three-year project to replace the existing obsolete electro-mechanical relays which are becoming difficult to maintain and repair as replacement parts are no longer manufactured. The installation of modern programmable relays and updated controls will improve the reliability of the relay system. Funding of $200,000 was budgeted for this program in FY 2025/26, with an additional $125,000 allocated for FY 2026/27, and $100,000 projected for FY 2027/28.

The six load centers in the Power Plant are used to take power from the generators and distribute it to equipment in the plant. The current load centers are original and were built for old, outdated breakers. The ***Power Plant Load Centers and Breaker Replacement*** project will replace the six load centers over a three-year period. Funding of $800,000 is budgeted in FY 2026/27 for the third and final year of this project.

The ***Power Plant Building Modifications*** program provides funding for needed improvements at the Power Plant to make the building more efficient and to prolong the life of the building. In FY 2026/27, funding of $150,000 is budgeted to replace roof vent fan assemblies.

The Power Plant was converted from a coal to a natural gas facility in 2016. The ***Coal Yard Reclamation*** project allocates funding to reclaim the old coal year. This includes demolishing the existing equipment and buildings, removing the residual coal that is still on the site, and filling the retention basins. Engineering and preliminary earthwork were completed in FY 2025/26. The project will continue in FY 2026/27 with funding of $4,000,000 to complete the restoration.

Water Production and Treatment ($816,000)

The ***Water Plant Facility Improvements*** program allocates funding to major maintenance activities, equipment replacement, and upgrades at the Water Treatment Plant, Technical Services Complex, and associated Water Utility sites such as wells, elevated tanks, and booster pump stations. For FY 2026/27, $145,000 is allocated in this program to clean both ground storage reservoirs at the old Water Plant site.

The City currently has 22 wells, with two new wells under construction. The ***Wellhead Rehabilitation*** program provides funding for the periodic rehabilitation of the above ground components of the wellheads. Funding of $671,000 in FY 2026/27 will be used to repaint twelve of the wellheads, as well as separate the electrical components into separate high and low voltage cabinets.

Water Pollution Control ($9,915,000)

In early 2013, the Iowa Department of Natural Resources (IDNR) released the Iowa Nutrient Reduction Strategy. This strategy requires the largest municipal wastewater facilities in Iowa to install process changes to meet nutrient removal targets. A feasibility study for the Ames Water Pollution Control Facility was conducted in 2019. That study recommended a phased conversion of the facility to biological nutrient removal over a 20-year period. A design contract for the ***Nutrient Reduction Modifications*** project was awarded in the spring of 2022 for the first phase of the project. The phasing strategy will initially construct half of the ultimate aeration basin capacity along with new bar screens, grit removal equipment, a relocated administration building, and other associated components. The second phase of the project will include the remaining aeration basin capacity and a waste sludge thickening facility and is scheduled for design starting in FY 2035/36. The total cost of Phase 1 is projected at $62,517,000, with $55,267,000 expended in FY 2024.25 and FY 2025/26. Funding of $7,250,000 is included in FY 2026/27 to complete the construction of Phase 1.

Separate from the work that will take place inside the treatment plant, watershed-based improvements performed by the City can be included in the Iowa Nutrient Reduction Exchange. Staff is currently working with the Iowa League of Cities and other large utilities to encourage the Iowa Department of Natural Resources to allow these off-site nutrient reductions to be “banked” as credit towards any future, more stringent nutrient reduction requirements imposed on the WPC facility. The ***Watershed-Based Nutrient Reduction*** program, which began in FY 2019/20, allocates $100,000 of City funding annually for urban watershed improvements that have a nutrient reduction component. For FY 2026/27, grants and partnerships received from other organizations such as the Iowa Department of Natural Resources, and Story County Conservation have increased the annual funding available for this program to $425,000.

The ***Cogeneration System Maintenance*** program provides funding for major maintenance projects for the facility's cogeneration system and hauled waste receiving infrastructure. For FY 2026/27, $1,500,000 is allocated in this program for the construction of a new fats, oils, and grease (FOG) receiving station. The new station will improve the facility's receiving capabilities by paving the unloading areas, changing to more appropriate pumping capabilities, and better incorporating the ability to accept hauled food waste. The diverted food waste will be anaerobically digested to produce additional methane that can be used for on-site electricity generation at the WPC facility.

The ***Clarifier Maintenance*** program will allocate $375,000 in funding in FY 2026/27 to repaint the steel structures of the primary, intermediate, and final clarifiers. The coating protects the steel elements from the harsh conditions present in the submerged portions of the clarifiers as well as at the air/water interface.

The ***Lift Station Improvements*** program provides funding for the periodic maintenance and repair of the City's wastewater lift stations. In FY 2026/27, funding of $365,000 is allocated in this program to replace the aging pumps, piping, valves, manhole hatch, and controls at the Freel Drive lift station.

Water Distribution System ($2,500,000)

Water System Improvements is the annual program for installing larger distribution mains in areas that have a large concentration of 4" supply lines, transferring water services from 4" water mains in streets where larger water mains exist, and abandoning 4" water mains. Eliminating duplicate water mains and installing larger distribution lines improves water flow and helps eliminate rusty water. Funding of $2,500,000 is budgeted under this program for FY 2026/27.

Sanitary Sewer System ($2,550,000)

Sanitary Sewer System Improvements is the annual program for the rehabilitation or reconstruction of deficient sanitary sewers and deteriorated manholes at various locations throughout the City. System improvement locations have been identified through the Sanitary Sewer System Evaluation (SSSE) over the last several years. Through manhole inspections, smoke testing, and televising, severe structural defects have been identified as priorities within this program. Funding of $2,500,000 is budgeted under this program in FY 2026/27.

Clear Water Diversion is the annual program providing for the diversion of footing drain discharge from sanitary sewers to storm sewers. Clear water from footing drains causes overloading and backups in the sanitary sewer system, as well as increasing the volume of clean water that is treated at the sewage treatment facility. Funding of $50,000 has been allocated to this program for FY 2026/27.

Stormwater Management ($2,050,000)

The ***Stormwater Erosion Control*** program provides funding for the stabilization of areas that have become eroded in streams, channels, swales, gullies, or drainage ways that are a part of

the storm sewer system. This program provides a more permanent control of the erosion and will reduce recurring maintenance costs in the affected areas. For FY 2026/27, $550,000 has been earmarked in this program for Ioway Creek near Stange Road and Veenker Golf Course and for the waterway near Canterbury Court.

Low Point Drainage is the annual program for drainage improvements to decrease flooding at low points throughout the community. For FY 2026/27, $450,000 is allocated in this program to address drainage issues on Sixth Street from Duff Avenue to Crawford Avenue, in the 200 block of Crystal Street, and various other locations.

The ***Stormwater Improvement*** program is the annual program to replace deteriorated storm sewer pipes and intakes. The budget includes $650,000 for this program in FY 2026/27 to address issues on Lincoln Way (from Hayward Avenue to Beach Avenue), as well as various other locations.

The City is responsible for the long-term maintenance of the regional detention facilities that provide water quality control. As these facilities age, sediment accumulates, volunteer vegetation becomes more prevalent, erosion occurs, and structures need to be improved. The ***Stormwater Detention/Retention Maintenance*** program provides funding for these maintenance activities. In FY 2026/27, $300,000 is allocated in this program for the Ada Hayden wetlands ($150,000) and for an airport drainage study ($150,000).

Stormwater Quality Improvements is a program to address the removal of sediment and nutrients before they enter waterways such as Ioway Creek or the Skunk River. The program includes the installation of such features as bioretention cells, vegetated swales, native landscape, and rain gardens. Installations are located throughout the community and will often be incorporated into street projects. In FY 2026/27, funding of $100,000 has been budgeted in this program.

Resource Recovery ($17,922,620)

As the City transitions from a waste-to-energy based system to a transfer station model, a new facility will be needed to receive and consolidate municipal solid waste and recycling for transportation to a landfill or recycling center. The ***Resource Recovery and Recycling Campus (R3C)*** will include minimal processing of municipal solid waste for volume reduction and the capture of recyclable materials. The campus will also include an area for yard waste management. Land acquisition and preliminary design work began in FY 2024/25 and continued into FY 2025/26. Funding of $15,117,620 is budgeted in FY 2026/27 to complete the construction of the $22,006,730 project.

As the City transitions to the transfer station model, mobile equipment, particularly trucks and transfer trailers will be necessary to transfer municipal solid waste and recycling to a landfill or recycling center. Funding of $2,340,000 is also budgeted for FY 2026/27 to purchase the equipment prior to the opening of the new R3C facility.

Resource Recovery System Improvements is an annual program to purchase new and replacement components at the Resource Recovery Plant. In FY 2026/27, $465,000 is budgeted for maintenance activities necessary for the Resource Recovery Plant to remain operational until the opening of R3C, projected for July 1, 2027. Funding in future years of this program will be allocated instead to maintenance and improvements needed at the R3C facility.

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TRANSPORTATION







CITY OF ames™

Transportation Program

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Transportation Summary

Description:

The Transportation Program serves the community by providing facilities to enhance the movement of people throughout the City. The system aids residential, commercial, and industrial users through the orderly flow of vehicles and passengers for both business and leisure activities. The ***Street System*** activity includes Public Works Administration, Public Works Engineering, Public Works GIS, Traffic Engineering, Traffic Operations, the Streetlight System, and Street Maintenance. This activity is responsible for all street, shared use path, and traffic system maintenance throughout the community, including snow and ice control, street cleaning, and right-of-way maintenance. The ***Transit System*** provides efficient and economical transportation to the community. A fixed route service is available daily, and Dial-a-Ride service is available as a contracted service for older adults and residents with disabilities. The ***Parking System*** activity maintains City parking lots and enforces parking regulations for both parking lots and on-street parking throughout the community. Meter revenue and fines are used to maintain and operate the parking system. ***Airport Operations*** provides general aviation services at the Ames Municipal Airport, which includes two hard surface runways. ***Transportation CIP*** includes capital improvement projects related to the Transportation Program.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Public Works Administration	362,955	385,167	406,367	419,858	9.0%
Public Works Engineering	39,271	39,017	36,010	40,555	3.9%
Public Works GIS	144,614	180,092	162,378	169,469	-5.9%
Traffic Engineering	391,933	480,920	489,992	503,139	4.6%
Traffic Operations	1,311,623	1,475,522	1,552,622	1,722,392	16.7%
Streetlight System	895,463	900,000	952,000	985,000	9.4%
Street Maintenance	5,318,873	5,961,698	6,051,330	5,882,134	-1.3%
Transit System	14,935,386	15,692,130	15,880,270	16,400,727	4.5%
Parking System	882,345	1,031,607	974,306	1,013,750	-1.7%
Airport Operations	175,258	168,801	256,144	258,813	53.3%
Total Operations	24,457,721	26,314,954	26,761,419	27,395,837	4.1%
Transportation CIP	19,423,794	37,840,563	76,971,409	44,812,337	18.4%
Total Expenditures	43,881,515	64,155,517	103,732,828	72,208,174	12.6%
Authorized FTEs	140.89	140.89	140.89	140.89	

Transportation Summary

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	17,479,716	18,510,646	18,123,234	19,195,973	3.7%
Internal Services	3,338,780	3,788,333	3,952,612	3,739,151	-1.3%
Contractual	3,180,353	3,532,701	3,905,643	3,961,056	12.1%
Commodities	2,874,755	3,245,373	3,260,331	3,243,670	-0.1%
Capital	48,254	10,000	83,000	83,000	730.0%
Other Expenditures	816	600	600	600	0.0%
Allocations to Other Programs	(2,464,953)	(2,772,699)	(2,564,001)	(2,827,613)	2.0%
Total Operations	24,457,721	26,314,954	26,761,419	27,395,837	4.1%
Transportation CIP	19,423,794	37,840,563	76,971,409	44,812,337	18.4%
Total Expenditures	43,881,515	64,155,517	103,732,828	72,208,174	12.6%
Funding Sources:					
General Fund	1,081,708	1,176,129	1,224,045	1,263,127	7.4%
Road Use Tax Fund	7,383,024	8,246,287	8,426,654	8,459,420	2.6%
Transit Fund	14,935,386	15,692,130	15,880,270	16,400,727	4.5%
Parking Fund	882,345	1,031,607	974,306	1,013,750	-1.7%
Airport Operations Fund	175,258	168,801	256,144	258,813	53.3%
Total Operations Funding	24,457,721	26,314,954	26,761,419	27,395,837	4.1%
Transportation CIP Funding:					
G.O. Bonds	9,071,541	12,698,290	21,942,946	17,392,006	37.0%
General Fund	11,821	-	172,412	-	
Local Option Sales Tax	1,247,222	910,000	3,137,445	1,000,000	9.9%
Hotel/Motel Tax	-	-	12,888	-	
Road Use Tax	1,500,174	2,951,460	8,373,200	1,990,844	-32.6%
Bike License Fund	10,026	-	-	-	
Street Construction Fund	3,738,095	3,786,000	11,655,403	3,124,000	-17.5%
Water Utility Fund	89,606	75,000	371,061	75,000	0.0%
Sewer Utility Fund	82,314	75,000	385,512	75,000	0.0%
Stormwater Utility Fund	60,805	50,000	299,990	50,000	0.0%
Transit Capital Reserve	992,814	6,510,563	17,741,373	5,278,737	-18.9%
Airport Improvements Fund	2,619,376	10,784,250	12,879,179	15,826,750	46.8%
Total CIP Funding	19,423,794	37,840,563	76,971,409	44,812,337	18.4%
Total Funding Sources	43,881,515	64,155,517	103,732,828	72,208,174	12.6%

Public Works Administration

Description:

The Public Works Administration activity is responsible for the overall coordination and support of all Public Works operational activities and capital improvement projects. These responsibilities include oversight of the operating budgets for all Public Works activities, preparation of the Public Works portion of the City's five-year Capital Improvements Plan (CIP), responding to City Council directives, and project outreach.

Many of the activities overseen by Public Works Administration are included in the Transportation Program. These include Public Works Engineering, Traffic Engineering, Traffic Maintenance, Street Maintenance, Street Cleaning, Snow and Ice Control, Parking Maintenance, and Airport Operations. Public Works is also, however, responsible for activities included in the Utilities Program, including Water Distribution System Maintenance, Sanitary Sewer System Maintenance, the Stormwater Permit Program, Storm Sewer Maintenance, and Resource Recovery. Accordingly, a portion of the Public Works Administration activity is allocated to the utility activities and paid for by the utility funds.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Public Works Administration	861,534	877,761	859,778	910,430	3.7%
Total Expenditures	861,534	877,761	859,778	910,430	3.7%
Expenditures by Category:					
Personal Services	412,994	384,495	335,548	355,579	-7.5%
Internal Services	425,409	465,767	498,313	513,584	10.3%
Contractual	21,230	25,199	23,117	38,917	54.4%
Commodities	1,901	2,300	2,800	2,350	2.2%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	861,534	877,761	859,778	910,430	3.7%
Less: Expenditures Allocated to Utilities Program:					
Water Distribution System	(166,193)	(164,198)	(151,137)	(163,524)	-0.4%
Sanitary Sewer System	(166,193)	(164,198)	(151,137)	(163,524)	-0.4%
Resource Recovery	(166,193)	(164,198)	(151,137)	(163,524)	-0.4%
Total Allocation	(498,579)	(492,594)	(453,411)	(490,572)	-0.4%
Total Unallocated Public Works Administration Expenditures	362,955	385,167	406,367	419,858	9.0%
Funding Source for Unallocated Expenditures:					
Road Use Tax	362,955	385,167	406,367	419,858	9.0%
Total Funding Sources	362,955	385,167	406,367	419,858	9.0%
Authorized FTEs	2.00	2.00	2.00	2.00	

Public Works Administration

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Oversee and coordinate Public Works activities	Public Works employees	76.75	76.75	76.75	76.75
		CIP projects budget*	$28.98	$24.46	$93.45	$64.56
	Develop and manage Public Works capital improvement projects	Outside funding*	$6.26	$9.15	$26.08	$18.95
		Percentage of CIP outside funding	21.6%	37.4%	27.9%	29.3%
	Coordinate outreach efforts and act as a centralized point of contact for customer service	Ames on the Go service requests resolved	2,872	2,384	3,000	3,000
		Average days to acknowledge requests	0.4	0.8	0.6	0.5
		Average days to resolve requests	7.8	5.8	3.5	3.0

*In millions

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Personal service costs in Public Works Administration are lower in the FY 2025/26 adjusted and FY 2026/27 requested budgets following the retirement of the Public Works Director and the subsequent hiring of a replacement at lower overall salary and benefit costs.
- The FY 2026/27 requested contractual budget includes partial funding for construction management software totaling $75,000, shared between Administration ($15,000) and Engineering ($60,000).
- Internal services increased due to Human Resources costs that were previously direct-charged to the utility funds and are now allocated to the division.

FY 2025/26 Activities

- Staff is actively reviewing Resource Recovery programs and the transition from waste-to-energy and the Resource Recovery and Recycling Campus. During this time, various programs and facility capabilities are being reviewed to develop plans on how to best serve the City of Ames and member communities.
- During FY 2025/26, planning and evaluation of Residential Curbside Recycling Program will occur in anticipation of the program starting in FY 2026/27.
- Staff provides consultation services for economic development prospects and major development as it relates to transportation and utility networks.
- Grant writing and administration for various state and federal grants is a focus area for Public Works Administration. In FY 2025/26, staff is providing administration for grants from the Iowa Department of Transportation, Economic Development Administration, and Federal Aviation Administration.
- Staff is providing ADA Task Force support and working to update digital files and documents to make them fully compliant under the ADA guidelines.

FY 2026/27 Activities

- Staff will provide leadership and oversight on the development and construction of the Resource Recovery and Recycling Campus.
- Process improvement review for construction management will be implemented to improve project tracking, delivery, and efficiency.
- Staff will oversee the implementation of Residential Curbside Recycling throughout the community.
- Staff will provide support in grant administration for a large-scale Airport Improvement Project.

Public Works Engineering

Description:

The Public Works Engineering activity has primary responsibility for the design and construction of all roadways, shared use path, water main, sanitary sewer, flood mitigation, drainage, and stormwater capital improvement projects. This includes the long-range planning of projects to ensure that the development of the street and shared use path system, water distribution system, sanitary sewer collection system, and stormwater system meet current and future needs of the community. Public Works Engineering staff provides technical designs and construction inspection services to ensure reliability and quality control for these projects. Engineering also provides design review and inspection services for site and subdivision public infrastructure construction, and is responsible for maintaining public infrastructure records, including an electronic Geographic Information System (GIS) of the City's infrastructure.

A large portion of Public Works Engineering expenditures are allocated directly to CIP projects to which the expenditures are related. A portion of the remaining Engineering expenditures are allocated to utility operating activities that require engineering support. The portion of Engineering activities reimbursed by public fees are charged to the General Fund. The remainder of this activity is funded through state road use tax revenue.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	1,327,254	1,506,586	1,348,665	1,488,274	-1.2%
Internal Services	115,461	151,525	151,589	156,497	3.3%
Contractual	71,623	98,151	118,151	183,684	87.1%
Commodities	8,811	17,250	18,400	14,950	-13.3%
Capital	38,637	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,561,786	1,773,512	1,636,805	1,843,405	3.9%
Less: Expenditures Allocated to Utilities Program and CIP:					
CIP Projects	(1,352,407)	(1,578,426)	(1,456,756)	(1,640,630)	3.9%
Water Distribution System	(64,114)	(58,526)	(54,015)	(60,833)	3.9%
Sanitary Sewer System	(74,342)	(68,280)	(63,017)	(70,971)	3.9%
Stormwater System	(31,652)	(29,263)	(27,007)	(30,416)	3.9%
Total Allocation	(1,522,515)	(1,734,495)	(1,600,795)	(1,802,850)	3.9%
Total Unallocated Public Works Engineering Expenditures	39,271	39,017	36,010	40,555	3.9%
Funding Sources for Unallocated Expenditures:					
General Fund	4,325	28,000	19,000	19,000	-32.1%
Road Use Tax	34,946	11,017	17,010	21,555	95.7%
Total Funding Sources	39,271	39,017	36,010	40,555	3.9%
Authorized FTEs	9.80	9.80	9.80	9.80	

Public Works Engineering

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Plan, design, and implement public infrastructure projects	Projects inspected/ administered*	22	26	29	26
		Plans and specifications finalized for projects*	13	13	20	15
		Projects bid under engineer's estimate	57%	92%	80%	80%
		Projects bid over 10% of engineer's estimate	14%	0%	15%	15%
		Projects completed within 10% of original bid	92%	100%	90%	90%
		Public infrastructure inspected for private development projects	20	11	16	20
		Construction site erosion and sediment control inspections*	390	604	500	500

*Capital Improvement Projects

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- A Design Technician position has been vacant for the first half of FY 2025/26. This vacancy resulted in additional capital improvement project designs to be contracted to consultants, increasing consultant design costs during FY 2025/26.
- The planned roadway design software upgrade ($20,000) has been delayed until FY 2025/26 the Design Technician position is filled. This will allow staff to evaluate multiple software platforms based on the candidate's experience and ensure selection of the system that best aligns with the division's long-term workflow.
- The FY 2026/27 requested contractual budget includes partial funding for construction management software totaling $75,000, shared between Administration ($15,000) and Engineering ($60,000). This tool will streamline CIP planning, design, and construction administration by centralizing project documentation, improving cost tracking, and enhancing coordination between Public Works and Finance.

FY 2025/26 Activities

- Staff will begin a citywide Storm Sewer System Analysis focusing on six study areas. This analysis will improve the accuracy of storm sewer data in GIS, identify deficiencies under various design storm conditions, and guide future CIP projects to address localized flooding concerns.
- Pavement condition sensors were installed on 21 City vehicles as part of the pavement data collection initiative. The sensors have begun gathering real-time data to support long-range pavement management, treatment selection, and CIP planning.

FY 2026/27 Activities

- Beginning in FY 2026/27, expanded analysis of pavement condition data collected by onboard sensors will be used to guide the selection of streets for rehabilitation or reconstruction.
- Existing CIP project data, budget information, and documentation will be migrated into the new construction management software platform. This transition will create a centralized, long-term system for project planning, cost tracking, and construction administration.
- Staff will consider the findings of the Storm Sewer System Analysis and begin evaluating early recommendations for future capital improvement projects.

Public Works GIS

Description:

The Geographic Information System (GIS) group works within the Public Works Engineering Division. The work group is tasked with providing geospatial information systems and services to all City departments. This includes providing GIS infrastructure, databases, software, web applications, mobile applications, and technical expertise to support the business needs of City Departments.

The GIS is used extensively to manage City assets, perform inspections and maintenance, analyze policies/services and plan for future growth with geospatial models that provide data to decision-makers. The power of the system is its ability to integrate departmental data, external data, and real-time sensors to provide advanced visualization and analysis. (i.e., SCADA, automated vehicle locating (AVL) feeds)

GIS also plays a key role in the City's emergency response operations including providing services for disaster response, maintaining information for the E911 Computer Aided Dispatch System, and performing analysis on emergency response coverage.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	322,313	439,901	388,401	410,822	-6.6%
Internal Services	37,136	42,805	40,805	39,531	-7.7%
Contractual	118,300	121,096	120,817	121,857	0.6%
Commodities	474	1,900	2,150	1,450	-23.7%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	478,223	605,702	552,173	573,660	-5.3%
Less: Expenditures Allocated to Other Programs/Activities:					
Departmental Charges	(59,966)	(59,966)	(60,116)	(60,116)	0.3%
Water Distribution System	(89,853)	(120,062)	(108,253)	(112,980)	-5.9%
Sanitary Sewer System	(89,853)	(120,062)	(108,253)	(112,980)	-5.9%
Stormwater System	(53,095)	(70,946)	(63,967)	(66,761)	-5.9%
Electric Services	(40,842)	(54,574)	(49,206)	(51,354)	-5.9%
Total Allocation	(333,609)	(425,610)	(389,795)	(404,191)	-5.0%
Total Unallocated Public Works GIS Expenditures	144,614	180,092	162,378	169,469	-5.9%
Funding Sources:					
City Assessor	3,815	4,055	4,055	4,055	0.0%
Road Use Tax	140,799	176,037	158,323	165,414	-6.0%
Total Funding Sources	144,614	180,092	162,378	169,469	-5.9%
Authorized FTEs	3.05	3.05	3.05	3.05	

Public Works GIS

fCity Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide Geospatial tools, data, and technical expertise to support internal and external customers.	Total GIS users supported	327	334	354	374
		Utility data requests	115	230	120	130
		Contractors registered for online utility information access	278	241	285	335
		Field/mobile GIS users supported	116	144	150	155
		Web mapping applications supported	123	157	176	191

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Both GIS Specialist positions were filled in 2025. Vacancies in these positions have contributed to a decrease in personnel costs.

FY 2025/26 Activities

- GIS staff will continue to develop digital surveys to help departments collect information more efficiently and support data-driven decision making. The results are displayed through dashboards and maps that provide clear visual summaries. Recent examples include the Urban Deer Hunting Survey, online Stormwater Rebate applications, the Police Community Camera Program, and the Water Hydrant Meter application.
- A new Demographics Dashboard has been created to provide staff with current information about Ames and its residents. Data will continue to be updated annually as new Esri datasets are released.
- The storm sewer inventory is now 97% complete and is planned to be completed in FY 2025/26. This updated data supports the Storm Sewer System Analysis and helps reduce consultant costs by improving the accuracy of existing records.

FY 2026/27 Activities

- New City initiative and public engagement tools will be developed and implemented, including a City of Ames hub site designed to give customers easy access to GIS information. The site will provide department-specific resources such as snow removal status, hydrant flushing projections, electric outage information, construction updates, and recycling locations.
- New permit forms developed using Survey123 and Power Automate will streamline application and approval processes. These tools will help improve customer service, reduce confusion, and ensure consistent data collection.
- GIS staff will expand use of the water utility network and the storm/sanitary trace networks to support maintenance activities across Public Works. Examples include using trace analysis to identify the source and extent of leaks, mapping service areas affected during outages, locating valves and hydrants for scheduled maintenance, and tracing storm or sanitary flows to pinpoint blockages or areas needing inspection. These capabilities will support efficient troubleshooting, proactive maintenance planning, and timely response to service interruptions.

Traffic Engineering

Description:

Traffic Engineering aims to provide a safe and efficient transportation system within the City of Ames. This activity provides traffic engineering analysis for the development of the City's multi-modal transportation system. This includes long and short-range transportation planning, facility planning and operations, construction and inspection of Long-Range Transportation Plan projects, and the design of traffic signal coordination systems.

A total of 80% of the Transportation Planning sub-activity is reimbursed by the Metropolitan Planning Organization (MPO). Traffic engineering expenses that relate directly to Capital Improvements Plan (CIP) projects is charged directly to the projects.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Traffic Engineering	319,678	321,757	330,589	346,134	7.6%
Transportation Planning	182,505	279,163	279,403	287,005	2.8%
Total Expenditures	502,183	600,920	609,992	633,139	5.4%
Expenditures by Category:					
Personal Services	365,682	382,382	381,990	404,422	5.8%
Internal Services	37,650	27,481	27,672	26,487	-3.6%
Contractual	96,362	189,157	198,430	200,330	5.9%
Commodities	2,489	1,900	1,900	1,900	0.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	502,183	600,920	609,992	633,139	5.4%
Less: Expenditures Allocated to CIP Projects	(110,250)	(120,000)	(120,000)	(130,000)	8.3%
Total Unallocated Traffic Engineering Expenditures	391,933	480,920	489,992	503,139	4.6%
Funding Sources for Unallocated Expenditures					
MPO Reimbursement	145,569	223,330	223,522	229,604	2.8%
Road Use Tax Fund	246,364	257,590	266,470	273,535	6.2%
Total Funding Sources	391,933	480,920	489,992	503,139	4.6%
Authorized FTEs	2.45	2.45	2.45	2.45	

Traffic Engineering

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Design a safe and efficient transportation system to meet the needs of all users of the Ames community	Adaptive signal network (percent complete)	37%	48%	68%	80%
		Crash rate per million* (5-year average)	379.9 (392.6)	364.8 (386.7)	358.9 (381.8)	353.1 (370.4)
		Bike/pedestrian crash rate per million* (5-year average)	10.6 (11.0)	13.8 (11.5)	14.4 (12.4)	12.4 (12.7)
Environmental sustainability	Build energy efficiency strategies into transportation planning	5-year* average of mode share of non-vehicle trips: bike / pedestrian (total)	1.4% / 8.1% (9.5%)	1.2% / 8.2% (9.4%)	1.0% / 8.1% (9.1%)	0.9% / 7.9% (8.8%)
A fun, vibrant community that attracts and retains people	Implement the Complete Streets plan, including expansion of a greenbelt trail system	Bike facility CIP projects completed (on and off street)	$989,300	$906,200	$3,172,900	$1,220,000
		Miles of bike/pedestrian infrastructure	85	86	88	89
		City Council referrals and studies	22	20	23	25

*Vehicles entering an intersection. Forecasted using data.census.gov; most current data = CY 2023

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The local share ($15,570) of contractual expenditures for the Roadway Management Technologies (RMT) pavement condition data services represents a new ongoing expense for Traffic Engineering.

FY 2025/26 Activities

- The Intelligent Transportation System (ITS) network continues to expand across three interconnected phases. The long-term data resources resulting from the project are providing value for studies, traffic operations, and future improvement planning.
- The 13th Street and Grand Avenue intersection design has progressed into the easement acquisition phase. Staff is working with a third-party appraiser who will meet individually with affected property owners. Improvements are anticipated in summer 2027.
- Traffic Engineering continues responding to community requests, including parking adjustments, speed management, stop-control evaluations, and localized traffic studies. These activities require substantial data collection and staff support, contributing to operational workload.
- With the Metropolitan Transportation Plan (MTP) adopted in fall 2025, staff is focusing on major corridor studies, beginning with Duff Avenue from 13th Street to the UPRR tracks.

FY 2026/27 Activities

- Staff will continue advancing corridor studies and using RMT pavement data and ITS system analytics to support project identification for future CIP programming.
- Ongoing work on the ITS network, including adaptive signal configuration, communication reliability, and data management, will guide strategies to improve system efficiency and support long-term Traffic Engineering operations.
- Traffic Engineering and the MPO will begin the update to the Safe Routes to School plan. This effort will evaluate walking and biking access to schools, identify safety needs, and support future project development aligned with community and federal guidance.

Traffic Operations

Description:

The Traffic Operations activity is responsible for the installation and maintenance of traffic signals, signage, and pavement markings throughout the traffic network. Traffic Operations provides system updates to keep pace with technology, citizen requests, and alternative transportation demands, including pedestrian needs. Temporary, part-time employees supplement City crews in this activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Traffic Signal Maintenance	746,050	717,217	903,685	990,623	38.1%
Traffic Sign Maintenance	312,678	404,446	323,631	361,202	-10.7%
Pavement Markings	225,991	329,060	295,783	341,044	3.6%
Outside Traffic Control	26,904	24,799	29,523	29,523	19.1%
Total Expenditures	1,311,623	1,475,522	1,552,622	1,722,392	16.7%
Expenditures by Category:					
Personal Services	859,680	948,835	916,610	1,021,691	7.7%
Internal Services	186,807	219,145	254,857	304,809	39.1%
Contractual	96,206	107,892	181,505	196,242	81.9%
Commodities	159,313	189,650	189,650	189,650	0.0%
Capital	9,617	10,000	10,000	10,000	0.0%
Other Expenditures	-	-	-	-	
Total Expenditures	1,311,623	1,475,522	1,552,622	1,722,392	16.7%
Funding Sources:					
General Fund	26,904	24,799	29,523	29,523	19.1%
Road Use Tax Fund	1,284,719	1,450,723	1,523,099	1,692,869	16.7%
Total Funding Sources	1,311,623	1,475,522	1,552,622	1,722,392	16.7%
Authorized FTEs	6.48	6.48	6.48	6.48	

Traffic Operations

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Install and maintain traffic signals and signs to provide safe and efficient transportation movement consistent with community goals and national standards Enhance roadway markings on pavement with an emphasis on bike lane, detection, and shared use markings	Signalized intersections	78	78	78	78
		Average annual service calls per signalized intersection	3.8	3.5	4.2	3.5
		City signs	11,300	11,345	11,510	11,700
		Signs installed (new & replacement)	317	400	625	500
		Signs serviced	2,900	2,500	2,420	2,500
		Average sign repairs/week	56	48	47	48
		Lane miles painted	82	85	85	85
		Crosswalks painted	720	790	800	810
		Gallons of traffic paint used	3,380	4,000	4,000	4,200
		Pounds of reflective beads used	20,000	22,000	23,300	25,000

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The requested FY 2026/27 budget includes Fleet funding of $75,000 (internal services) to address funding shortfalls for replacement of existing equipment. These funds support the outfitting of specialized components and safety equipment for Traffic Operations maintenance vehicles.
- Traffic Operations proposes purchasing a utility task vehicle (UTV) for $35,000 in the adjusted FY 2025/26 budget to be shared with Airport Operations ($45,000 total). The UTV will support airport fence maintenance and pavement data collection on shared-use paths and trails, providing safer access where traditional vehicles cannot operate.
- The ITS network will support over 350 traffic detection devices at its completion. Network administration demands continue to increase, with a $43,000 increase in the adjusted budgeted in FY 2025/26 compared to the adopted budget. Funding of $65,000 is included for these services in FY 2026/27. The FY 2026/27 budget also includes $20,000 for a video management annual license.
- Temporary staffing needs for pavement marking continue to grow. Funding for personal services increases by $20,000 in FY 2025/26 and $25,000 in FY 2026/27 to meet expanding workload demands.

FY 2025/26 Activities

- Phase 4 of the ITS project is under construction while Phase 3 is operational and configuration is being completed. Consultant support continues for configuration and troubleshooting.
- With the planned UTV purchase and RMT sensor deployment, staff will expand pavement-condition data collection on shared-use paths, supporting data-driven CIP development.

FY 2026/27 Activities

- Staff will begin deploying video-management software to support the growing camera inventory, improving operational awareness during winter operations and emergencies.
- Staff will retrofit emergency-vehicle preemption systems as ITS phases come online. Equipment is funded through the CIP, with Traffic Operations providing installation. The upgrades will improve emergency response times and add indicator lights for public safety.
- Increased temporary staffing in FY 2026/27 will support pavement-marking operations as roadway mileage and operational needs continue to expand.

Streetlight System

Description:

This activity accounts for the electricity used to operate the City's streetlights (electricity for traffic signals is accounted for in the Traffic Operations activity).

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	-	-	-	-	
Internal Services	-	-	-	-	
Contractual	895,463	900,000	952,000	985,000	9.4%
Commodities	-	-	-	-	
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	895,463	900,000	952,000	985,000	9.4%
Funding Sources:					
General Fund	895,463	900,000	952,000	985,000	9.4%
Total Funding Sources	895,463	900,000	952,000	985,000	9.4%
Authorized FTEs	0.00	0.00	0.00	0.00	

Streetlight System

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide streetlights for public safety at the most efficient cost	City-owned streetlights	8,128	8,137	8,145	8,225
		Alliant owned streetlights	115	119	125	125
		Midland owned streetlights	215	222	229	229
		City-owned streetlights converted to LED	76%	81%	85%	92%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

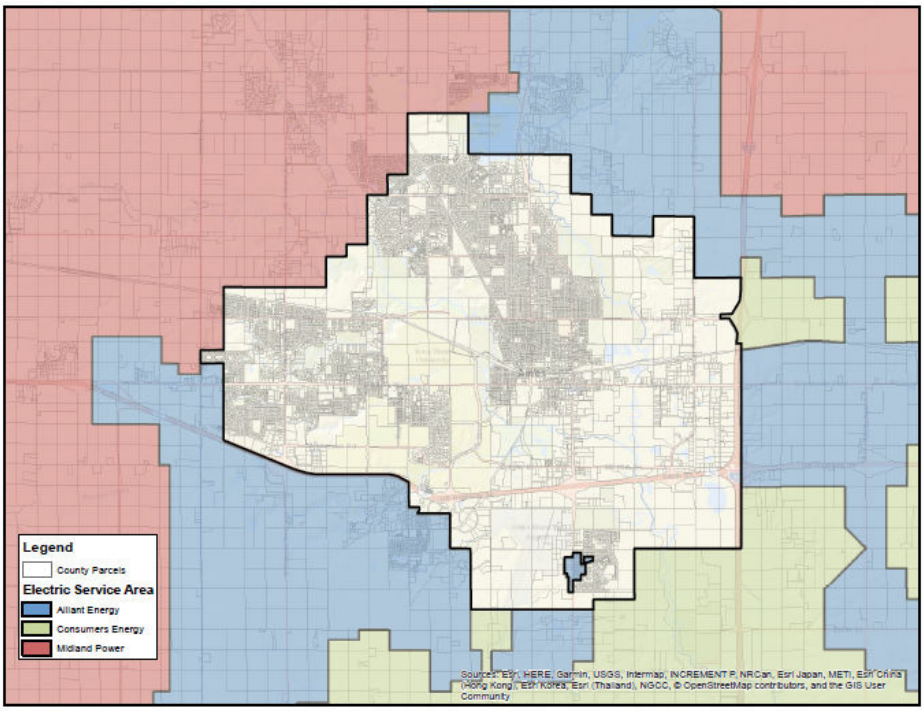
- Since the utility continues to use carryover funds to purchase replacement lights, no new capital funds are anticipated for this replacement work. New LED lights will be purchased through the operating budget.

FY 2025/26 Activities

- Streetlights are converted to LED lamps as maintenance work is accomplished on a particular light. It will take several more years until the utility has substantially completed the conversion of remaining lights to LED.
- Street lighting will be installed to support the second half of the South 16th Street widening, east of University Boulevard.
- Street lighting in the 200 block of Welch Avenue will be replaced in spring/summer 2025 in coordination with a Public Works Street replacement project

FY 2026/27 Activities

- Lights will be replaced in the ISU Research Park in both the North and South loop.
- LED retrofit kits are planned to be installed on the downtown and Somerset decorative lights.



Street System Maintenance

Description:

The City's streets are composed of several different materials which require different techniques to repair the cracked, broken, or distorted surfaces or bases. The Street Maintenance activity is responsible for providing smooth, safe streets that are structurally stable and drain precipitation to the stormwater system, preventing moisture from penetrating the surface and saturating the street base. This maintenance includes patching, resurfacing, seal coating, slurry seal, and grading of gravel streets as needed. In addition to regular maintenance, shared use paths are also repaired as needed.

There are occasional charges to the General Fund for this activity when an outside reimbursement is involved. The balance of the activity is funded through state road use tax revenue.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	1,350,032	1,425,713	1,383,531	1,496,012	4.9%
Internal Services	631,591	787,490	849,720	699,247	-11.2%
Contractual	128,211	148,902	155,510	140,550	-5.6%
Commodities	410,843	441,350	443,250	454,150	2.9%
Capital	-	-	-	-	
Other Expenditures	656	-	-	-	
Total Expenditures	2,521,333	2,803,455	2,832,011	2,789,959	-0.5%
Funding Sources:					
General Fund	9,447	-	-	-	
Road Use Tax Fund	2,511,886	2,803,455	2,832,011	2,789,959	-0.5%
Total Funding Sources	2,521,333	2,803,455	2,832,011	2,789,959	-0.5%
Authorized FTEs	12.85	12.85	12.85	12.85	

Street System Maintenance

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Maintain the City's network of streets, alleys, and shared used paths in a safe and useable condition	Lane miles of streets maintained	525	563	563	564
		Cost per lane mile street maintenance	$4,778	$4,478	$4,844	$5,151
		Citizens rating major street surfaces as good or very good	80%	80%	87%	88%
		Citizens rating neighborhood streets as good or very good	86%	85%	82%	85%
		Miles of off-street bike paths maintained	45.9	46.0	46.5	47.0
		Citizens rating bike path maintenance as good or very good	88%	90%	86%	90%
		Sidewalk repair letters issued	325	90	300	400
		Percent of sidewalk system proactively inspected annually	0%	0%	4%	10%
		Ames on the Go issues reported*	163	167	175	175
		Average days to resolve Ames on the Go issues	7.5	6.5	5.0	5.0

**excludes sidewalk repair requests*

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Fleet equipment replacement costs have continued to rise. Therefore, $250,000 total has been budgeted in the FY 2025/26 adjusted budget for the upfitting of four new tandem-axle dump trucks. The shortfall has been budgeted with 50% of the required amount ($125,000) included in Snow and Ice Control and the other 50% in Street Maintenance.
- A replacement for an existing crew cab F-150 with a more functional 1-ton truck equipped with a plow ($50,000) is included in the FY 2025/26 budget with $25,000 budgeted in Snow and Ice and $25,000 included in Street System Maintenance.
- The Streets Foreman and Streets Supervisor currently share a vehicle, reducing their ability to efficiently oversee the operations occurring throughout the City. The FY 2025/26 adjusted budget includes funding ($15,000) for a dedicated half-ton pickup truck ($30,000 total) for the foreman.

FY 2025/26 Activities

- Staff maintains City streets and sidewalks through patching, sealing, utility repairs, and other preventative work.
- In the fall of FY 2025/26, a paving machine was leased to support efficiency of asphalt repairs following water main breaks as well as shared use path overlay sections. The trial practice yielded consistency and durability of repairs. Staff plans to utilize the leased paving machine in the spring of FY 2025/26 for future maintenance projects.
- Delivery of a new hot-applied crack sealing machine is anticipated. This machine can perform more efficient, higher-quality crack sealing to extend pavement life.

FY 2026/27 Activities

- Staff is anticipating the continued growth in reports of sidewalks needing repair as public awareness of the Council-adopted safety policy increases. This concern was reinforced during the summer safety walk with downtown residents. As staff works through the backlog of existing complaints, proactive sidewalk inspections will increase, with the entire system inspected approximately once every ten years.

Street Surface Cleaning

Description:

Streets in the business districts, arterial and collector streets, and some residential streets are regularly cleaned by City crews. In addition, City crews respond to clean-up activities that arise from emergency situations (accidents, spills, floods, etc.) and clean-up of mud and debris that is tracked onto the streets at City construction sites. Crews also clean streets affected by maintenance activities of other City crews. Timely response is essential to these types of incidents.

Under this activity, arterial and collector streets are cleaned ten times per year by City crews. Residential streets are swept an average of eight times per year by both City crews and outside contractors. Business district streets are cleaned twenty-four times per year by City crews.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	132,898	209,119	203,826	218,967	4.7%
Internal Services	157,472	148,418	208,346	160,786	8.3%
Contractual	53,682	57,150	57,150	50,150	-12.3%
Commodities	676	1,000	1,000	1,000	0.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	344,728	415,687	470,322	430,903	3.7%
Funding Sources:					
Road Use Tax Fund	344,728	415,687	470,322	430,903	3.7%
Total Funding Sources	344,728	415,687	470,322	430,903	3.7%
Authorized FTEs	1.91	1.91	1.91	1.91	

Street Surface Cleaning

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Clean arterial/ collector (10/year), residential (8/year), and business district streets (24/year) to enhance the cleanliness and appearance of the community	Curb-miles of streets cleaned:	4,197	3,811	5,000	5,000
		Arterial/collector	1,239	1,098	1,600	1,600
		Residential	2,841	2,603	3,250	3,250
		Business District	117	110	150	150
		Curb-miles cleaned by City crews	61%	60%	70%	70%
		Citizens rating Business District Street cleaning as good or very good	94%	94%	95%	95%
		Citizens rating neighborhood street cleaning as good or very good	89%	86%	90%	90%
		Ames on the Go issues reported	168	210	200	200
		Average days to resolve Ames on the Go issues	0.8	1.3	1.5	1.5

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The existing street sweeper has experienced frequent breakdowns and increasing replacement part costs. To mitigate these issues, an additional $55,000 is included in the FY 2025/26 adjusted budget to replace the sweeper ahead of schedule.
- Contracted sweeping has been reduced in FY 2026/27 by $7,000, bringing the total contractual expenses to $50,000 for 30% of the total miles swept. The reduction in contracted sweeping is a result of purchasing a more reliable City operated sweeper early.

FY 2025/26 Activities

- Curb-miles swept for FY 2025/26 were lower than the prior year due to maintenance issues with the street sweeper, which resulted in extended downtime. Despite these challenges, City leaf vacs have been operating nearly full time in fall 2025 to support fall cleanup.
- This activity continues to be highly responsive to citizen requests for service as evidenced by the short time to resolve Ames on the Go requests.

FY 2026/27 Activities

- Staff will continue working with contract partners to supplement the City's sweeping operations in residential areas, particularly in the spring and fall when debris and leaf volumes are highest.

Snow and Ice Control

Description:

The Snow and Ice Control activity provides passable streets for moving vehicles during and after snow events, following snow removal standards established by the City Council. The snow ordinance typically becomes effective after 2 inches of snowfall, with arterial and collector streets being plowed. Residential streets are typically plowed after 3 inches of snow have fallen. Following typical snowstorms, all City streets are cleared within 16 hours. Under slippery road conditions, sand and/or de-icing materials are spread on curves, hills, and intersections of highways and thoroughfares.

Snow removal in the City is performed by both City crews and private contractors. Snow and ice storms are citywide emergencies that require the cooperation of many City departments to provide the quality of services desired for Ames citizens. Parks and Recreation maintenance workers clear designated winter bike paths, and employees from many departments are added to snow and ice operations activities.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	661,930	635,484	623,628	656,007	3.2%
Internal Services	442,659	644,895	684,974	543,997	-15.7%
Contractual	82,966	217,610	178,965	190,365	-12.5%
Commodities	258,901	272,750	263,208	277,600	1.8%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,446,456	1,770,739	1,750,775	1,667,969	-5.8%
Funding Sources:					
Road Use Tax Fund	1,446,456	1,770,739	1,750,775	1,667,969	-5.8%
Total Funding Sources	1,446,456	1,770,739	1,750,775	1,667,969	-5.8%
Authorized FTEs	5.08	5.08	5.08	5.08	

Snow and Ice Control

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Remove snow and provide ice control according to standards established by City Council Crews plow snow at 2" for arterial, collector, and business areas 3" of snow to clear residential streets 4" of snow to clear alleys	Annual inches of snowfall	28.5	18.5	36.0	36.0
		Lane miles of streets maintained	525	562	563	564
		Snow/ice control operations	13	14	18	18
		Cost of snow/ice removal per inch of accumulation per lane mile of street	$90.05	$139.12	$79.80	$88.53
		Gallons of salt brine used	8,406	12,600	20,000	20,000
		Tons of salt applied	1,838	2,129	2,500	2,500
		Gallons of calcium chloride applied during extreme temperature events	2,000	150	2,000	2,000
		Citizens' rating snow plowing on major city streets as good or very good	86%	90%	90%	90%
		Citizens' rating snow plowing in neighborhoods as good or very good	66%	73%	75%	75%
		Citizens' rating ice control at intersections as good or very good	80%	80%	85%	85%
		Ames on the Go issues reported	393	298	325	325
		Average days to resolve Ames on the Go issues	1.5	1.5	2.0	2.0
		Sidewalk snow violation notices	201	390	300	300

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Fleet equipment replacement costs have continued to rise. Therefore, $250,000 total has been budgeted in the FY 2025/26 adjusted budget for the upfitting of four new tandem-axle dump trucks. The shortfall has been budgeted with 50% of the required amount ($125,000) included in Snow and Ice Control and the other 50% in Street Maintenance.
- A replacement for an existing crew cab F-150 with a more functional 1-ton truck equipped with a plow ($50,000) is included in the FY 2025/26 budget with $25,000 budgeted in Snow and Ice and $25,000 included in Street System Maintenance.
- The Streets Foreman and Streets Supervisor currently share a vehicle, reducing their ability to efficiently oversee the operations occurring throughout the City. The FY 2025/26 budget includes funding ($15,000) for a dedicated half-ton pickup truck ($30,000 total) for the foreman.
- The motor-grader rental expense of $40,000 was eliminated from the contractual services adjusted FY 2025/26 budget due to lack of market availability. Staff will pursue other options to utilize motor-graders in future years.

FY 2025/26 Activities

- Staff responds to events consistent with the City Council approved Snow and Ice Control Policy and proactively works with residents to keep sidewalks clear after snow events.
- In both FY 2025/26 and FY 2026/27, the budget includes the rental of two wheel-loaders. Loaders provide greater versatility, allowing staff to plow, load material, and operate large snow blowers. Staff continues to evaluate equipment needs and alternatives to ensure these operational tasks are effectively performed.

FY 2026/27 Activities

- In FY 2026/27, City crews will utilize up to 26 units (pickups, trucks, loaders, skid loaders, backhoes, etc.) for snow and ice control activities. In addition, $115,465 is budgeted for contractors who supplement City operations with eight tractors equipped with plows, four skid loaders/pickups, and may also assist with graders and trucks for hauling snow.

Right-of-Way Maintenance

Description:

The Right-of-Way (ROW) Maintenance activity is responsible for the maintenance of all turf, trees, and bio-swales on City-owned property and right-of-way along the City's roadways and parking lots. Turf maintenance includes mowing, trimming, seeding, and chemical applications to prevent weeds and pests. Tree maintenance includes trimming, disease diagnosis, tree removal, and the planting of new trees. Bio-swale management includes mowing, trimming, and removing sediment from the bio-swales. All these activities may be performed by either City crews or private contractors under the supervision of City staff.

Right-of-Way Maintenance is the responsibility of the Parks Maintenance division of the Parks and Recreation department. Many turf and tree maintenance activities are coordinated with and performed in conjunction with turf and tree maintenance in the City's park system.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Turf Maintenance	288,229	347,355	335,963	360,074	3.7%
Tree Maintenance	507,602	455,650	446,420	463,781	1.8%
ROW Snow Removal	52,363	60,192	58,803	60,648	0.8%
EAB Program	158,162	108,620	157,036	108,800	0.2%
Total Expenditures	1,006,356	971,817	998,222	993,303	2.2%
Expenditures by Category:					
Personal Services	412,219	492,486	483,204	516,392	4.9%
Internal Services	277,727	196,237	181,928	193,800	-1.2%
Contractual	271,794	230,994	281,590	231,361	0.2%
Commodities	44,616	52,100	51,500	51,750	-0.7%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,006,356	971,817	998,222	993,303	2.2%
Funding Sources:					
Road Use Tax Fund	1,006,356	971,817	998,222	993,303	2.2%
Total Funding Sources	1,006,356	971,817	998,222	993,303	2.2%
Authorized FTEs	4.30	4.30	4.30	4.30	

Right-of-Way Maintenance

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide attractive rights-of-way along the city's roadways	Acres of right-of-way maintained	784	789	789	789
		Acres of right-of-way mowed	120	125	125	125
		Days between ROW mowing*	8	8	8	8
		Trees planted	256	227	223	105
		Trees removed under EAB program	43	90	31	30
		Trees planted under EAB program	75	45	90	35
		Ratings of appearance of medians and parkways as good/very good	92%	92%	90%	91%

*Mowing goal is every 7 to 10 days

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Approximately $45,561 was carried over from FY 2024/25 into FY 2025/26 for the Emerald Ash Borer (EAB) Program. The amount is less than past years due to the increase in tree pile grinding and removal in FY 2024/25.
- The Ames Foundation is no longer raising funds to support tree planting in the right-of-way throughout the City. However, they have approximately $5,000 leftover in their tree account to assist with one more tree planting round in the spring of FY 2025/26. Staff is estimating that approximately 35-40 trees will be planted throughout the community with those funds.

FY 2025/26 Activities

- In the fall of FY 2025/26, 153 trees were planted in the right-of-way. Of this amount, 90 were planted by a contractor and the other 63 were planted by staff and volunteers.
- The City is expecting to take delivery of a new bucket truck that will replace the current bucket truck that has been in service since the early 2000s. The funds to purchase the new bucket truck were approved during the FY 2023/24 final budget amendments. The truck was ordered in May 2024.

FY 2026/27 Activities

- Staff has determined there are approximately 150 ash trees remaining in the right-of-way areas of the city. Staff continues to follow the plan that was approved by the Council in 2014 for tree removal and replacement. Staff anticipates removing approximately 30 trees for each of the next five fiscal years and completing the plan in FY 2029/30, four years earlier than expected.

Transit System

Description:

The Ames Transit system provides those who live in and visit the City with a safe, economical, and energy-saving mass transit system.

Transit ***Administration*** oversees the operations of the total transit system. Statistical data and record keeping functions are also performed. Transit system administration reports to federal, state, university, and local authorities, and derives funding from these sources.

The system operates ***Fixed Route Service*** (CyRide) every day of the year except Thanksgiving, Christmas, New Year's Day, Memorial Day, July 4th, and Labor Day.

The Transit System further serves the community by contracting for ***Dial-A-Ride*** service. This service benefits the community by making transit service available to people with disabilities and other citizens with special needs.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Administration/Support	2,706,536	2,814,082	2,840,505	2,956,992	5.1%
Fixed Route Service	11,918,430	12,585,715	12,696,769	13,062,871	3.8%
Dial-A-Ride Service	310,420	292,333	342,996	380,864	30.3%
Transit Operations	14,935,386	15,692,130	15,880,270	16,400,727	4.5%
Authorized FTEs	89.25	89.25	89.25	89.25	

Transit System

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	11,011,880	11,325,041	11,377,161	11,832,652	4.5%
Internal Services	779,026	872,138	813,195	866,345	-0.7%
Contractual	1,191,298	1,290,878	1,485,841	1,469,260	13.8%
Commodities	1,953,022	2,203,473	2,203,473	2,231,870	1.3%
Capital	-	-	-	-	
Other Expenditures	160	600	600	600	0.0%
Total Expenditures	14,935,386	15,692,130	15,880,270	16,400,727	4.5%
Funding Sources:					
Transit Fund	14,935,386	15,692,130	15,880,270	16,400,727	4.5%
Total Funding Sources	14,935,386	15,692,130	15,880,270	16,400,727	4.5%

Transit Administration and Support

Description:

The Transit Administration and Support activity is responsible for the management of CyRide through a governance structure as an agency of the City, thereby providing transit services within the city, as well as service to Iowa State University. This activity is responsible for the financial operation of the system, including the preparation of the budget, applying for and monitoring grant funding, and preparing reports for various oversight agencies and the Transit Board of Trustees. CyRide receives significant funds from federal and state sources to support its operations and capital needs. Other responsibilities of this activity include all marketing efforts, maintenance of transit facilities, and the training and development of employees who will operate transit vehicles in a safe, responsible, and courteous manner.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Transit Administration	1,588,435	1,622,894	1,679,714	1,770,632	9.1%
Transit Safety/Training	655,700	661,915	661,915	697,805	5.4%
Transit Promotion	698	4,600	4,600	4,600	0.0%
Transit Building/Grounds	461,703	524,673	494,276	483,955	-7.8%
Total Expenditures	2,706,536	2,814,082	2,840,505	2,956,992	5.1%
Expenditures by Category:					
Personal Services	1,758,136	1,761,728	1,808,548	1,921,336	9.1%
Internal Services	489,404	541,701	508,004	515,207	-4.9%
Contractual	363,343	416,678	429,978	422,774	1.5%
Commodities	95,493	93,975	93,975	97,675	3.9%
Capital	-	-	-	-	
Other Expenditures	160	-	-	-	
Total Expenditures	2,706,536	2,814,082	2,840,505	2,956,992	5.1%
Funding Sources:					
Transit Fund	2,706,536	2,814,082	2,840,505	2,956,992	5.1%
Total Funding Sources	2,706,536	2,814,082	2,840,505	2,956,992	5.1%
Authorized FTEs	11.80	11.80	11.80	11.80	

Transit Administration and Support

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Connecting people to their community with safe and efficient transit service that exceeds expectations	CyRide annual ridership	4,715,514	4,997,210	5,247,070	5,378,246
		Passenger trips per capita	71.8	75.2	78.7	79.2
		Passenger trips per revenue hour	37.0	37.2	37.5	37.9
		Operating expenses per passenger	$2.28	$2.31	$2.32	$2.28
		Average fleet age in years	11.4	11.6	11.0	11.0
		Citizens rating CyRide service as good or very good	95.2%	96.1%	90.0%	90.0%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Nationwide supply chain constraints, higher vehicle manufacturing costs, and a limited number of bus manufacturers continue to affect bus availability. These factors have increased vehicle costs and extended delivery timelines and are expected to continue in the coming budget year.
- The role of technology in transit operations continues to expand, as diagnostic and operational tools are needed to maintain CyRide's fleet and support daily service delivery. These investments are essential for vehicle maintenance and overall operational efficiency.

FY 2025/26 Activities

- CyRide received grant funding to replace a total of eight 40' diesel buses across FY 2025/26 and FY 2026/27. Four buses are expected to be delivered in FY 2025/26, with the remaining four expected in FY 2026/27, supporting fleet reliability and federal State of Good Repair requirements.
- CyRide also received an Iowa Department of Transportation Public Transit Infrastructure Grant (PTIG) to complete fire safety improvements in portions of the facility. The project includes upgrading the sprinkler system, increasing water supply capacity, and installing fire-rated doors to better contain and manage to better manage fire risk associated with newer vehicle technologies.

FY 2026/27 Activities

- Technology will continue to play a critical role in the next budget year. CyRide is improving the rider experience by using enhanced real-time data tools to provide more accurate bus arrival predictions and service alerts through the Transit app. Both the MyState and Ames Ride apps are also incorporating this data, making the tools passengers already rely on more accurate and useful.
- CyRide received an additional PTIG grant to complete the Steam Cleaning In-Ground Hoist Replacement Project. This project will replace aging equipment and add two hoists capable of lifting 40' and 60' foot buses, improving safety and efficiency.
- CyRide will continue monitoring the B100 pilot project, focusing on operational performance, emissions reductions, and alignment with broader climate action goals. CyRide is also exploring opportunities to utilize emerging low-emission federal funding sources for biofuel buses as new appropriations are considered at the federal level.
- CyRide will continue submitting state and federal discretionary grant applications to support operations, fleet, and facility needs, consistent with Transit Board direction.

Fixed Route Service

Description:

The Fixed Route activity provides regularly scheduled public transit service seven days a week to the City of Ames, including Iowa State University, with a workforce of approximately 190 employees.

This activity also includes the maintenance of the bus fleet and CyRide facility to ensure smooth and efficient operation of services daily.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Fixed Route	8,453,512	8,945,952	9,057,006	9,326,609	4.3%
Fixed Route Maintenance	3,464,918	3,639,763	3,639,763	3,736,262	2.7%
Total Expenditures	11,918,430	12,585,715	12,696,769	13,062,871	3.8%
Expenditures by Category:					
Personal Services	9,241,317	9,551,218	9,556,518	9,897,672	3.6%
Internal Services	289,525	330,299	305,053	350,954	6.3%
Contractual	530,059	594,100	725,100	679,450	14.4%
Commodities	1,857,529	2,109,498	2,109,498	2,134,195	1.2%
Capital	-	-	-	-	
Other Expenditures	-	600	600	600	0.0%
Total Expenditures	11,918,430	12,585,715	12,696,769	13,062,871	3.8%
Funding Sources:					
Transit Fund	11,918,430	12,585,715	12,696,769	13,062,871	3.8%
Total Funding Sources	11,918,430	12,585,715	12,696,769	13,062,871	3.8%
Authorized FTEs	77.35	77.35	77.35	77.35	

Fixed Route Service

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Connecting people to their community with safe and efficient transit service that exceeds expectations	Passengers per complaint	127,446	116,214	112,000	110,000
		Miles per preventable accident	19,969	28,064	29,000	30,000
		Average drivers employed per month	142.4	157.7	160.0	163.0
		Passengers transferring buses	36,426	30,355	34,000	35,000
		Major mechanical failures	39	33	34	30
		Miles per shop road call	40,963	51,876	52,000	53,000

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The fuel budget has been adjusted in FY 2025/26 to reflect lower market pricing. Fuel will remain at that level for FY 2026/27, subject to future market-based adjustments.
- CyRide maintenance staff has determined that the engines and transmissions on newer 40' heavy-duty buses will last 250,000 to 300,000 miles before requiring rebuilding or replacement of major components. The parts budget has been adjusted to address these long-term needs and ensure fleet reliability. CyRide continues to experience higher costs for parts, lubricants, and fluids due to production cost increases.
- Electricity costs are projected to rise in FY 2026/27 as CyRide expands its battery-electric bus fleet from two to seven vehicles.
- CyRide plans to redesign its website to enhance accessibility, improve usability, and ensure compliance with federal accessibility standards. The project will make it easier for all customers to find route information, plan trips, and access digital tools.
- Property insurance costs have decreased for FY 2026/27 following updated appraisals. However, the need for additional indoor storage remains. CyRide has secured federal funding to advance facility expansion efforts and will continue pursuing additional funding opportunities as the project moves forward.

FY 2025/26 Activities

- CyRide continues to provide high-quality fixed-route service among the ranks among the most productive transit systems nationwide. To maintain strong service coverage, CyRide will continue offering a hiring wage incentive for part-time employees to support recruitment and retention.
- Real-time passenger information displays have been installed at key campus locations to improve accessibility and provide riders with easy access to bus arrival times, helping them navigate the system more effectively.
- CyRide will continue installing additional on-board passenger information systems to enhance accessibility by displaying upcoming stops and real-time information. These systems improve ease of use for passengers while also supporting future advertising opportunities.
- Plans to upgrade two bus shelters are underway, focusing on improving comfort, accessibility, and the overall passenger experience at high-ridership locations.

FY 2026/27 Activities

- CyRide received grant funding to replace eight 40' diesel buses, reducing emissions, lowering operating costs, and supporting long-term fleet reliability in accordance with State of Good Repair requirements.
- Five buses currently operate on B100 biodiesel, reducing greenhouse gas emissions. If performance results remain positive, CyRide may expand the B100 pilot project over time as additional funding becomes available.
- CyRide will continue pursuing competitive discretionary grants to expand the battery electric bus fleet and support ongoing efforts to reduce emissions.

Dial-A-Ride

Description:

CyRide is required under the Americans with Disabilities Act (ADA) to provide complementary paratransit services for persons unable to use fixed route services. If this service is contracted to another agency, Federal funding is available through a grant with the State of Iowa to fund up to 80% of the program's operating expenses. This funding is not available if CyRide directly operates the service. As a result, CyRide typically contracts with another agency to provide Dial-a-Ride service.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	12,427	12,095	12,095	13,644	12.8%
Internal Services	97	138	138	184	33.3%
Contractual	297,896	280,100	330,763	367,036	31.0%
Commodities	-	-	-	-	
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	310,420	292,333	342,996	380,864	30.3%
Funding Sources:					
Transit Fund	310,420	292,333	342,996	380,864	30.3%
Total Funding Sources	310,420	292,333	342,996	380,864	30.3%
Authorized FTEs	0.10	0.10	0.10	0.10	

Dial-A-Ride

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Connecting people to their community with safe and efficient transit service that exceeds expectations	Dial-A-Ride ridership	14,608	16,249	16,500	17,500
		Passengers per revenue hour	3.5	3.7	3.5	3.5
		Farebox revenue as percentage of program expenses	7.7%	8.4%	8.5%	8.6%
		Program cost per passenger	$20.88	$20.76	$20.80	$21.00
		Rides before or after 10-minute pickup window	1,168	764	1,000	1,000
		Passengers per comment	7,304	5,000	5,000	5,000
		On-time performance	92.0%	91.0%	91.0%	91.0%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Dial-A-Ride (DAR) provides essential specialized transportation for individuals with disabilities, serving as a complement to CyRide's fixed-route system and ensuring compliance with federal paratransit requirements. Due to the nature of this service, the cost per passenger is higher than for fixed-route service. In FY 2024/25, DAR averaged 3.7 passengers per hour compared to 37.2 passengers per hour on fixed routes. CyRide continues to encourage the use of fixed-route service whenever possible to manage costs while maintaining access for eligible riders.
- CyRide contracts with the Heart of Iowa Regional Transit Agency (HIRTA) to operate DAR services. For FY 2025/26, HIRTA rates increased by 3.5% for weekday trips and 0.25% for evenings and weekends, which remains more cost-effective than if CyRide directly operated the service.
- Collaborative outreach between CyRide and HIRTA has increased community awareness of DAR, resulting in higher ridership. Federal Section 5310 funding continues to help offset a portion of program costs.

FY 2025/26 Activities

- CyRide continues its long-standing partnership with HIRTA, now operating under a five-year contract initiated in 2023. This contract provides program stability and ensures ongoing compliance with federal service standards.
- HIRTA's online reservation system and mobile app allow passengers to independently schedule rides, manage reservations, and pay fares. These tools improve efficiency and help control program costs.

FY 2026/27 Activities

- CyRide and HIRTA will continue monitoring service quality, on-time performance, and ridership demand to ensure ADA compliance and responsiveness as community demand grows.
- Ridership is projected to increase to approximately 17,500 annual trips in FY 2026/27 as community awareness expands, and more residents utilize DAR for essential mobility needs.

Parking Operations

Description:

The Parking Operations activity provides safe, available, and well-maintained parking opportunities for the public in metered spaces and City parking lots. The parking system includes parking activities in Downtown, Campustown, and residential neighborhoods. These areas all contain metered and non-metered spaces. Staff utilizes an expansive database to manage parking meter locations, equipment, and review parking lot data in the Downtown and Campustown areas. Secure daily collection of meter revenue is provided as part of this activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Parking Operations	235,644	257,977	274,925	226,947	-12.0%
Parking Lot Maintenance	728	5,000	5,000	-	-100.0%
Total Expenditures	236,372	262,977	279,925	226,947	-13.7%
Expenditures by Category:					
Personal Services	141,186	154,461	145,090	159,539	3.3%
Internal Services	46,383	25,966	25,285	25,858	-0.4%
Contractual	37,019	40,200	39,700	34,700	-13.7%
Commodities	11,784	42,350	69,850	6,850	-83.8%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	236,372	262,977	279,925	226,947	-13.7%
Funding Sources:					
Parking Fund	236,372	262,977	279,925	226,947	-13.7%
Total Funding Sources	236,372	262,977	279,925	226,947	-13.7%
Authorized FTEs	1.02	1.02	1.02	1.02	

Parking Operations

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide safe, available, and well-maintained parking opportunities for the public	Parking stalls	2,956	2,956	2,956	2,956
		Parking stalls painted	2,956	2,956	2,956	2,956
		Reserved parking stalls rented	96%	97%	97%	94%
		Total parking meters installed	942	942	942	942
		Percent of credit card capable meters	4.8%	7.0%	9.1%	9.1%
		Average revenue per meter per year	$404.28	$424.20	$404.03	$416.03
		Meter system receiving preventative maintenance checks	100%	100%	100%	100%
		Parking meter operational complaints	181	150	150	175

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The City's parking meter manufacturer, POM, has notified the City that it will cease operations by the end of 2025. In response, staff has allocated additional funding ($15,000) in the adjusted FY 2025/26 budget to purchase approximately three to four years' worth of replacement meters to ensure continuity of operations.
- Additional expenses for smart meters ($12,500) are included in the FY 2025/26 budget to assist with the challenges due to the parking meter manufacturer ceasing operations.

FY 2025/26 Activities

- With metering equipment becoming scarce, as existing meters reach the end of their service lives, staff will need to utilize alternative parking management systems, such as Park Mobile. This plan is still under development and will be discussed with the City Council.
- Staff is replacing weathered domes and rate plates on older parking meters to improve visibility and usability.
- As the City shifts toward alternative parking management systems, staff will be exploring strategies to use an automated parking enforcement tool that interfaces directly with the ParkMobile system to verify whether a parking stall has an active paid rental. Costs for such a system, if implemented, will be incorporated into a future budget.

FY 2026/27 Activities

- Staff will strategically replace older meters with new credit card-capable meters only in the highest use areas where physical meters remain necessary.
- Current estimates indicate that the Parking Fund will be in a deficit situation by FY 2028/29. In addition, there is a prospect of a downtown parking garage that will have further impacts to the Parking Fund. Therefore, a multi-departmental team will review the Parking Fund to develop a sustainable financing plan that addresses both operational needs and future capital investments, aiming for a self-supporting parking system. To improve long-term financial stability, staff plans to propose strategic, phased increases to parking rates and fines, implemented over multiple years to minimize impacts from large single-year changes.

Parking Violation Collection

Description:

The purpose of the Parking Violation Collection activity is to accept and record payments for parking violations. Responsibilities of this activity include collecting and recording payments received through the mail, electronically, or at the Customer Service counter or drop box in City Hall, maintaining payment records, responding to citizens' questions, mailing reminder notices on unpaid tickets, and working with other collection processes, including collection agencies and City of Ames Legal Services. The Parking Violation Collection activity is in the Finance Utility Customer Service division in City Hall, so staff also assists with processing utility payments and selling CyRide passes as needed.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	96,743	102,384	99,944	110,050	7.5%
Internal Services	22,750	11,793	11,738	10,525	-10.8%
Contractual	32,212	27,735	30,800	28,050	1.1%
Commodities	28	300	100	100	-66.7%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	151,733	142,212	142,582	148,725	4.6%
Funding Sources:					
Parking Fund	151,733	142,212	142,582	148,725	4.6%
Total Funding Sources	151,733	142,212	142,582	148,725	4.6%
Authorized FTEs	1.05	1.05	1.05	1.05	

Parking Violation Collection

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Accurately record parking ticket payments and maintain payment records	Parking violation payments processed	23,557	23,917	26,500	24,000
		Overpayments processed	47	19	40	40
		Payments made by credit card	75.2%	80.4%	80.0%	80.0%
		Maintain an accuracy rate of no more than 1 misapplied payment per 1,000 processed	Yes	Yes	Yes	Yes
		Average cost per payment processed	$6.55	$6.34	$4.97	$5.25
		Reminder notices mailed	10,318	13,205	12,176	10,500
		Tickets outstanding for 35 days or more referred to IDOT	8,724	7,472	7,000	5,500
		Payments reported to Iowa Department of Revenue (91+ days)	N/A	3,325	7,600	3,000
		Customer inquiries responded to within one working day	100%	100%	100%	100%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The City initiated the use of vehicle registration stops through a partnership with the Story County Treasurer and Iowa Department of Transportation (IDOT). This prevents Story County residents with outstanding City parking tickets from renewing their annual vehicle registration until their past-due fines have been settled. The use of the registration stops program has gotten off to an effective start. This program has limited the need to use collection agency services and allows all proceeds from a paid ticket to be retained.
- Staff has begun utilizing the Iowa Setoff Program. This program allows the State of Iowa to collect outstanding fees and fines and pay them to the City. The program redirects payments from the State, including tax returns, gambling winnings, etc., and redirects the outstanding amount to the City for outstanding obligations.

FY 2025/26 Activities

- Staff will work with the existing delinquent utilities collection provider to implement collection for parking tickets issued to out-of-state residents. These tickets cannot be collected through current practices.

FY 2026/27 Activities

- Staff will continue to work with the parking ticket software vendor to streamline owner lookups and referrals to the state setoff program. The City's parking vendor is very responsive and open to making changes which benefit their customers.

Parking Enforcement

Description:

The Parking Enforcement activity has the responsibility of enforcing parking regulations in the Downtown and Campustown business areas, as well as other locations around the community. Citations are issued for both overtime and illegal parking, with the goal of supporting compliance with all parking system regulations. Community Safety Officers (CSO) duties include enforcing illegal and overtime parking regulations and managing parking response during snow emergencies (83.7% of their effort this year). They also assist the Patrol Division with funeral escorts, motorist assistance, special events (parades, Iowa State University football games, etc.), prisoner transports, delivering and picking up the community's block party trailer, and transporting evidence (16.3% of their effort this year). Parking enforcement is also performed by police officers and is included in the Police Services activity in the Public Safety Program.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	337,368	455,418	387,299	474,380	4.2%
Internal Services	130,588	146,163	142,433	144,608	-1.1%
Contractual	9,436	20,787	18,017	17,040	-18.0%
Commodities	16,848	4,050	4,050	2,050	-49.4%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	494,240	626,418	551,799	638,078	1.9%
Funding Sources:					
Parking Fund	494,240	626,418	551,799	638,078	1.9%
Total Funding Sources	494,240	626,418	551,799	638,078	1.9%
Authorized FTEs	1.40	1.40	1.40	1.40	

Parking Enforcement

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Promote compliance with parking regulations and address parking issues proactively	Illegal parking citations issued	13,835	11,740	13,000	14,000
		Overtime parking citations issued	13,536	12,555	14,000	14,000
		Game day parking citations issued	1,239	1,130	1,217	1,200
		Total parking citations issued	28,610	25,425	28,217	29,200
		Parking Enforcement cost per citation	$16.96	$19.44	$19.56	$21.85

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Increased fines and towing efforts during Cyclone Welcome Weekend reduced the number of illegally parked vehicles during this weekend. Additionally, very few vehicles were towed, a total of 30 for this weekend in 2025.
- Football game day tickets continue to average approximately 200 per game. The increased fines for illegal parking on game day was increased from $40 to $75. Due to the Iowa vs. Iowa State game being in Ames this year, staff has not seen a reduction in illegal parking yet. Next year may provide better data on the effectiveness of the new strategy.

FY 2025/26 Activities

- Department staff continues to clean up confusing and outdated parking codes to correct discrepancies and improve compliance.
- Two efforts are in effect to increase the rate of collections for parking violations. Through an agreement with the state of Iowa, individuals who are owed tax refunds and lottery or gambling winnings will be required to pay outstanding fines before receiving their funds. Additionally, a second agreement with the Story County Treasurer restricts vehicle registrations for individuals with outstanding parking tickets in excess of $50.
- Staff has developed a new scheduling structure for the CSO program to ensure more consistent coverage, including overnight shifts. Like in many other areas, there are fewer qualified candidates to fill current vacancies.

FY 2026/27 Activities

- The current parking meters used by the City are becoming obsolete and no longer in production. At some point in the future the City will no longer have replacement meters. Staff is considering options for the meter spots to either expand the use of Park Mobile or some other means to continue to operate once pay meters are no longer available.



Airport Operations

Description:

The James Herman Banning Ames Municipal Airport is the second busiest non-controlled General Aviation airport in the state, with over 45,000 operations occurring annually. Approximately 95 aircraft can be housed in public and private hangars at the airport, and an additional 54 aircraft can be temporarily located in designated tie-down areas. A fixed base operator (FBO) is under contract to provide for daily airport operations. The FBO is responsible for routine summer and winter maintenance services at the airport. Major maintenance, such as repairs to infrastructure, is administered by the Public Works Department through outside contracts or using City staff.

City-owned land adjacent to the airport surfaces is utilized for agricultural purposes, private leases, and Electric Services' solar farm. The profit from the farmland and leases is transferred to the Airport Improvements Fund each year and is used as the local match for airport capital improvement projects funded by federal grants through the Federal Aviation Administration.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Airport Operations	170,452	162,801	250,144	252,813	55.3%
Airport Farm	4,806	6,000	6,000	6,000	0.0%
Total Expenditures	175,258	168,801	256,144	258,813	53.3%
Expenditures by Category:					
Personal Services	47,537	48,341	48,337	51,186	5.9%
Internal Services	48,121	48,510	61,757	53,077	9.4%
Contractual	74,551	56,950	64,050	73,550	29.2%
Commodities	5,049	15,000	9,000	8,000	-46.7%
Capital	-	-	73,000	73,000	
Other Expenditures	-	-	-	-	
Total Expenditures	175,258	168,801	256,144	258,813	53.3%
Funding Sources:					
Airport Operations Fund	175,258	168,801	256,144	258,813	53.3%
Total Funding Sources	175,258	168,801	256,144	258,813	53.3%
Authorized FTEs	0.25	0.25	0.25	0.25	

Airport Operations

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable aviation services to Ames and to the surrounding central Iowa region	General aviation operations	39,690	40,100	40,500	41,000
		Based single engine aircraft*	52	52	58	58
		Based multi-engine aircraft	6	6	5	5
		Based jets	5	5	3	3
		Based gliders	5	5	5	5
		Revenue from aviation gas sold	54,900	55,700	60,800	63,100
		Revenue from jet fuel sold	216,300	279,900	298,100	325,800

*City owned T-Hangar storage is full; max storage = 52 aircraft

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Airport's T-Hangars (built in the late 1960s–1970s) are experiencing worsening structural issues, especially door failures. Until the T-Hangers are replaced, an increase in repairs is expected ($73,000) in FY 2025/26 and FY 2026/27, with additional expenditures expected to continue for several years thereafter.
- New underground fuel tank regulations require monthly inspections in addition to annual inspection activities, increasing contractual service costs ($9,000) to maintain compliance in FY 2025/26 and FY 2026/27.
- Nearly five miles of new wildlife fence will require ongoing inspection and maintenance. About half of the fence runs through areas inaccessible to standard vehicles, creating a need for a shared utility task vehicle (UTV). This UTV would be shared between Airport Operations and Traffic Operations. A portion of the cost of the new UTV ($10,000) is included in the FY 2025/26 budget ($45,000 total).
- Farm lease revenue has declined as the rental rate dropped from $285 to $255 per acre due to the ongoing loss of farmable land from airport development and project impacts.

FY 2025/26 Activities

- Staff is improving the appearance of the airport grounds through enhanced landscaping, turf management, and general site cleanup to maintain a welcoming environment.
- A full reconstruction of Airport Drive is scheduled to begin in spring 2026. Following that work, a separate project will begin to improve airport entry landscaping.
- The wildlife fence project is nearing completion. Access controllers will be installed over the winter months, with final restoration and project closeout anticipated in spring 2026.
- Design of Runway 01/19 is progressing through final approval of the fleet mix, a key factor that directly influences pavement thickness, geometry, and overall project cost. Final design and bidding are expected in summer 2026, positioning the project for construction in 2027.

FY 2026/27 Activities

- Staff has explored public-private partnership opportunities identified in the Airport Master Plan. While recent discussions with developers did not result in a viable project due to economic factors, these efforts have clarified the infrastructure needs required to support future hangar development.

Transportation CIP

Description:

This is a summary of the Transportation program capital improvements that are detailed in the City of Ames five-year Capital Improvements Plan (CIP).

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Street Improvements:					
South 16th Street Widening	439,526	-	3,295,170	-	
Campustown Public Improvements	308,741	-	674,096	-	
Hyland Avenue Reconstruction	297,466	-	2,323,424	-	
Arterial Street Improvements	1,242,249	-	-	4,140,000	
Collector Street Improvements	11,924	1,200,000	3,402,944	2,800,000	
CyRide Route Improvements	1,488,045	-	155,971	3,800,000	
Downtown Street Improvements	-	250,000	250,000	-	
Asphalt Street Improvements	1,903,127	4,000,000	4,730,107	2,340,000	
Concrete Pavement Improvements	3,081,197	3,800,000	4,600,919	3,300,000	
Seal Coat Improvements	875,040	1,000,000	1,480,066	900,000	
Baker Subdivision	1,400	-	4,720	-	
Alley Improvements	15,382	400,000	399,811	-	
Freel Drive Paving	-	-	75,000	975,000	
Right-of-Way Restoration	223,685	325,000	1,190,603	325,000	
Other Street Improvement Projects	-	-	676,278	-	
Total Street Improvements CIP	9,887,782	10,975,000	23,259,109	18,580,000	69%
Shared Use Path System:					
Skunk River Trail	321,689	-	268,449	-	
Shared Use Path Expansion	306,373	825,000	1,561,228	450,000	
Multi-Modal Improvements	40,816	360,000	1,193,056	320,000	
Shared Use Path Maintenance	212,590	375,000	318,660	450,000	
Bike Trail Signage	24,725	-	147,412	-	
Other Shared Use Path Projects	-	-	237,514	-	
Total Shared Use Path System CIP	906,193	1,560,000	3,726,319	1,220,000	-22%
Traffic Improvements:					
Transportation Planning Program	637,893	75,000	427,903	135,000	
Intelligent Transportation System	3,252,856	2,795,000	8,075,149	388,600	
Traffic Signal Program	349,397	480,000	977,256	500,000	
Traffic Capacity Improvements	185,960	3,070,000	4,368,913	245,000	
Accessibility Enhancements	92,222	200,000	366,062	200,000	
Total *Traffic Improvements CIP*	4,518,328	6,620,000	14,215,283	1,468,600	-78%

Transportation CIP

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Street Rehabilitation:					
Bridge Rehabilitation Program	26,460	-	1,843,740	-	
Pavement Restoration Program	114,967	350,000	748,400	300,000	
US Highway 69 Improvements	21,319	-	450,269	-	
Main Street Improvements	-	-	12,888	-	
Streetscape Enhancements	47,316	30,000	54,778	150,000	
Neighborhood Curb Program	192,139	150,000	481,421	150,000	
Salt Storage Facility Improvements	24,400	-	90,600	-	
Total Street Rehabilitation CIP	426,601	530,000	3,682,096	600,000	13%
Transit System:					
Vehicle Replacement	191,427	5,228,163	15,742,044	4,100,241	
Facility Improvements	292,648	830,000	1,171,309	796,096	
Technology Improvements	323,187	75,000	477,620	125,000	
Shop/Office Equipment	185,552	267,400	117,400	147,400	
Bus Stop Improvements	-	110,000	233,000	110,000	
Total Transit System CIP	992,814	6,510,563	17,741,373	5,278,737	-19%
Airport:					
Airport Airside Improvements	771,595	10,635,000	11,388,180	16,440,000	
Airport Facility Improvements	-	890,000	1,140,000	525,000	
Airport Wildlife Fencing	1,847,781	-	1,091,749	-	
Airport Entryway Improvements	72,700	120,000	727,300	700,000	
Total Airport CIP	2,692,076	11,645,000	14,347,229	17,665,000	52%
Total Transportation CIP	19,423,794	37,840,563	76,971,409	44,812,337	18%

Street Improvements ($18,580,000)

Arterial Street Pavement Improvements program utilizes current repair and reconstruction techniques to improve the City's arterial streets with asphalt or concrete. Targeted streets are reaching a point of accelerated deterioration, but by improving the streets prior to excessive problems, the service life can be extended before complete reconstruction becomes necessary. For FY 2026/27, $4,140,000 is budgeted for improvements to East Lincoln Way from Duff Avenue to the South Skunk River.

Collector Street Pavement Improvements is the annual program for the reconstruction or rehabilitation of collector streets. Locations are chosen in accordance with the most current street condition inventory. For FY 2026/27, funding of $2,800,000 is allocated for the reconstruction of State Avenue from Mortensen Road to Arbor Street.

CyRide Route Pavement Improvements is the annual program for pavement improvements to streets that are or were previously used as bus routes. The added weight of bus traffic on CyRide routes accelerates pavement deterioration and shortens the service life of the streets. In FY 2026/27, funding of $3,800,000 is budgeted to reconstruct Lincoln Way from Hayward Avenue to Beach Avenue.

Asphalt Street Pavement Improvements is the annual program for the reconstruction and resurfacing of asphalt streets, typically located in residential neighborhoods. For FY 2026/27, $2,340,000 is budgeted to reconstruct Toronto Street from North Dakota Avenue to Garfield Avenue, Garfield Avenue, Woodstock Avenue, and Windsor Court.

Concrete Pavement Improvements is the annual program to rehabilitate or reconstruct concrete street sections that have deteriorated in order to prevent premature breakdown of the pavement. In FY 2026/27, $3,300,000 is allocated to reconstruct North Loop Drive, Ninth Street from Roosevelt Avenue to Grand Avenue, Gaskill Drive from Friley Drive to Country Club Boulevard, and Crawford Avenue, from East Ninth Street to the end of the street.

Seal Coat Street Pavement Improvements is the annual program for the removal of built-up seal coat from streets with asphalt surfaces. The areas to be resurfaced are chosen each spring based on the current street condition inventory and on funding availability. Funding of $900,000 is budgeted in this program for FY 2026/27 to resurface Washington Avenue from Lincoln Way to South Third Street.

As the City transitions from a waste-to-energy based system to a transfer station model, a new facility will be needed to receive and consolidate municipal solid waste. The City has purchased five parcels along Freel Drive to construct the new Resource Recovery and Recycling Campus (R3C). To develop the site and construct the project, the City will need to pave Freel Drive from 600 feet south of East Lincoln Way to the intersection with Southeast Fifth Street. The ***Freel Drive Paving*** project allocates $975,000 in FY 2026/27 to pave the road prior to the beginning of the facility's construction.

Right-of-Way Restoration is the annual program to address issues associated with restoring the right-of-way after completion of street or utility CIP projects. In the past, this restoration work was typically performed as a subcontract to the main CIP project. In areas where the right-of-way is restored using sod or seed, however, the success rate of the restoration was volatile and dependent on the weather at the time of installation. This program, with $325,000 budgeted for FY 2026/27, enables better restoration through a separate contract with a contractor that is specialized in vegetation establishment. Conditions for each restoration area will be considered individually to select the most appropriate and sustainable alternative.

Shared Use Path System ($1,220,000)

The ***Shared Use Path Expansion*** program provides for the construction of shared use paths on street rights-of-way, adjacent to streets, and through greenbelts. The $450,000 allocation for this program in FY 2026/27 will be used to construct a trail along Mortensen Road from Dickinson Road to South Dakota Avenue and along South Duff Avenue from South Fifth Street to South Third Street.

The ***Multi-Modal Roadway Improvements*** program focuses on improving roadways to create a safer interaction between bicycles and automobiles. In FY 2026/27, $320,000 is budgeted for intersection improvements at University Boulevard and Lincoln Way.

Shared use paths have typically been constructed with asphalt or concrete pavement, which may need to be repaired or replaced due to structural failure, drainage problems, or vegetation infringement. The ***Shared Use Path Maintenance*** program allocates $450,000 in FY 2026/27 to identify and repair these problem areas throughout the system.

Traffic Improvements ($1,468,600)

The ***Transportation Planning Program*** provides for the collection, management, and application of multimodal transportation data and the maintenance of the technology systems necessary to support efficient transportation planning and operations. The program funds ongoing collection and analysis of travel data for all transportation modes including walking, biking, transit, and vehicular travel. In FY 2026/27, funding of $135,000 is allocated in this program to update the Safe Routes to School Plan ($60,000) and for data collection ($75,000).

In FY 2016/17, City staff began the development of a traffic network master plan to create a detailed inventory and evaluation of the communication network used along the City's signalized corridors. The plan identified the upgrades necessary to support the modern technologies used to manage transportation to increase efficiency and improve travel times. In FY 2026/27, funding of $388,600 is budgeted to complete Phase 5 of the ***Intelligent Transportation System*** program. This phase will install traffic adaptive systems along Bloomington Road, 24th Street, Stange Road, 13th Street, South 16th Street, and South Dayton Avenue.

The ***Traffic Signal*** program is the annual program to replace older traffic signals and to construct new signals in the community. For FY 2026/27, $500,000 is budgeted in this program to replace the signal at University Boulevard and Mortensen Road.

The ***Traffic System Capacity Improvements*** program was created to address issues identified in the 2045 Long Range Transportation Plan (LRTP). The 2045 LRTP identified several critical intersections that were at or nearing capacity and will need improvements. For FY 2026/27, funding of $245,000 is budgeted for studies of South Dayton Avenue from US Highway 30 to South Dayton Place ($120,000) and the Lincoln Way Corridor from Grand Avenue to Duff Avenue ($125,000).

Accessibility Enhancements is the annual program to implement sidewalk and ADA ramp improvements, as well as accessibility upgrades at traffic signals and publicly owned parking facilities. Signal upgrades that include audible and vibrotactile components, as well as other ADA improvements identified throughout the year, will be addressed through this program, which is budgeted at $200,000 for FY 2026/27.

Street Rehabilitation ($600,000)

Pavement Restoration is the annual program for preventative and proactive maintenance of City streets. Funding in this program is used for a variety of maintenance activities including slurry seal, concrete paving, asphalt patching and joint sealing. Locations for this program are coordinated with street construction to gain the best possible life cycle for City streets. Funding of $300,000 is budgeted for this program in FY 2026/27.

Streetscape Enhancements is the annual program to provide funding for the enhancement of City rights-of-way, including such items as retaining walls, median enhancements, and right-of-way restoration. For FY 2026/27, $150,000 is budgeted to replace a retaining wall on Maxwell Avenue along 12th Street.

Neighborhood Curb Replacement is the annual program for replacement of deteriorated curb and gutter in selected neighborhood areas. For FY 2026/27, $150,000 has been allocated to replace curb and gutter along Washington Avenue, between South Second Street and South Third Street.

Transit System ($5,278,737)

Vehicle Replacement is CyRide's annual program to replace its fleet. For FY 2026/27, $4,100,241 is budgeted to replace four 40-foot buses ($2,773,661), replace one 40' bus with a battery electric bus ($1,276,580), and replace one administrative vehicle ($50,000).

CyRide's facility is 37 years old and major components of the building are at the end of their useful lives. Additionally, the facility is housing more vehicles than it was originally designed for, creating higher wear and tear on the facility. The ***Facility Improvements*** project addresses these issues with a series of planned upgrades and repairs over the five years of the CIP. For FY 2026/27, $796,096 is allocated for an in-ground hoist replacement ($716,096), concrete replacement ($30,000), and architectural and engineering services for upcoming facility projects ($50,000).

The ***Technology Improvements*** program provides funding for technology improvements in both CyRide vehicles and at the transit facility. CyRide will continue to invest in technology to improve system efficiency and the riding experience for passengers with disabilities. For FY 2026/27, $125,000 is budgeted for bus technology improvements ($100,000) and infotainment signage ($25,000).

The ***CyRide Shop and Office Equipment*** program allocates funding to upgrade office and shop equipment at the CyRide facility. For FY 2026/27, $147,400 is budgeted to replace copiers ($10,000), a 60-inch brake press ($25,000), an alignment rack ($35,000), shop equipment ($50,000), and computers and office equipment ($27,400).

Funding of $110,000 is included in FY 2026/27 for ***Bus Stop Improvements*** at various locations throughout the community. CyRide annually updates its Bus Stop Improvement Plan to ensure that enhancements benefit the greatest number of riders. CyRide continues to utilize Automatic Passenger Counters (APCs) to track the number of passengers boarding and alighting at each bus stop, ensuring targeted and effective upgrades.

Airport ($17,665,000)

The ***Airport Airside Improvements*** program provides funding to enhance the airport's operational surfaces by resurfacing and expanding runways, taxiways, and aprons, along with installing updated lighting and signage for safety and compliance. All improvements align with FAA guidelines, focusing on safe and efficient design. Funding of $16,440,000 in FY 2026/27 will be used to complete the reconstruction of Runway 01/19 ($16,015,000) and to replace decommissioned FAA approach indicator lights on Runway 13/31 ($425,000).

The ***Airport Facility Improvements*** program focuses on upgrading airport facilities including buildings, stormwater basins, and the fuel farm. All improvements, which are aimed at increasing infrastructure resilience and minimizing environmental impacts, align with the FAA's Airport Improvement Program. In FY 2026/27, funding of $525,000 has been allocated in this program to complete the fuel farm replacement project by replacing the AvGas tank.

The ***Airport Entryway Improvements*** project is a multi-year project to enhance access to the airport through improvements to the main entryway, landscaping, and parking improvements. In FY 2026/27, $700,000 is budgeted to expand the southern portion of the airport parking lot.

CULTURE & RECREATION







CITY OF ames™

Culture and Recreation Program

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Culture and Recreation Summary

Description:

The City of Ames provides an array of services to enrich the lives of citizens and visitors to the community. These leisure time and informational services are intended to provide opportunities for expanding interests, increasing knowledge, participating in a variety of physical activities, and enjoying the quiet repose of the world around us.

Activities in this program include ***Parks and Recreation, Library Services, Art Services,*** and the ***Cemetery*** activity***,*** which oversees the three cemeteries administered by the City. The program also includes capital improvements for these activities in the ***Culture and Recreation CIP***.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Parks & Recreation	5,438,320	6,564,041	6,628,151	7,118,414	8.5%
Library Services	5,647,911	6,102,886	6,114,055	6,350,708	4.1%
Art Services	316,228	298,978	513,840	306,567	2.5%
Cemetery	236,874	258,096	269,096	287,675	11.5%
Total Operations	11,639,333	13,224,001	13,525,142	14,063,364	6.4%
Culture and Recreation CIP	15,256,074	6,810,079	14,767,863	3,543,500	-48.0%
Total Expenditures	26,895,407	20,034,080	28,293,005	17,606,864	-12.1%
Authorized FTEs	63.20	65.20	63.20	63.20	

Culture and Recreation Summary

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	7,373,937	8,658,461	8,229,297	9,102,613	5.1%
Internal Services	815,527	891,429	1,081,213	1,275,114	43.0%
Contractual	1,723,632	1,779,799	1,789,403	1,796,783	1.0%
Commodities	1,420,518	1,617,834	1,832,589	1,605,037	-0.8%
Capital	60,196	20,500	336,662	20,500	0.0%
Other Expenditures	245,523	255,978	255,978	263,317	2.9%
Total Operations	11,639,333	13,224,001	13,525,142	14,063,364	6.4%
Culture and Recreation CIP	15,256,074	6,810,079	14,767,863	3,543,500	-48.0%
Total Expenditures	26,895,407	20,034,080	28,293,005	17,606,864	-12.1%
Funding Sources:					
Program Revenues	2,106,148	2,708,321	2,327,246	3,099,688	14.5%
General Fund	7,773,801	8,527,477	8,978,521	9,022,910	5.8%
Local Option Sales Tax	341,038	334,994	392,330	343,946	2.7%
Donations/Grants	436,595	651,731	746,888	494,046	-24.2%
Furman Aquatic Center Trust	16,696	-	15,685	-	
Stormwater Utility Fund	1,551	-	-	-	
Ames/ISU Ice Arena Fund	602,501	595,249	644,470	661,906	11.2%
Homewood Golf Course Fund	361,003	406,229	420,002	440,868	8.5%
Total Operations Funding	11,639,333	13,224,001	13,525,142	14,063,364	6.4%
CIP Funding:					
G.O. Bond Funds	8,754,525	4,240,213	9,463,103	642,500	-84.9%
General Fund	1,068,742	100,000	784,497	-	-100.0%
Local Option Sales Tax	1,580,368	1,055,500	2,874,376	873,500	-17.2%
Hotel/Motel Tax	89,875	-	59,125	-	
Library Friends Foundation	7,741	-	-	-	
Park Development Fund	93,884	-	184,866	-	
Geitel Winakor Donation Fund	-	139,366	21,595	1,100,000	689.3%
Indoor Aquatic Cntr Donations	3,413,086	800,000	800,000	-	
Ice Arena Capital Reserve	137,607	-	10,135	100,000	
Homewood Golf Course Fund	-	-	75,000	300,000	
P&R Donations/Grants	110,246	475,000	495,166	527,500	11.1%
Total CIP Funding	15,256,074	6,810,079	14,767,863	3,543,500	-48.0%
Total Funding Sources	26,895,407	20,034,080	28,293,005	17,606,864	-12.1%

Parks and Recreation

Description:

This activity provides a wide array of recreational opportunities to the community. The recreational preferences of many segments of the populace are provided for through both City-sponsored activities and activities sponsored in conjunction with other community groups. Many of these recreational activities are either partially or wholly self-supporting through user fees.

Several categories of recreational opportunities are provided to the community. The Recreational Programs include instructional activities designed to teach new skills, athletic activities which offer organized sporting competition, wellness programs for the overall health, education and welfare of citizens, social programs, and Community Center/Auditorium activities. The Aquatics Activity provides swimming opportunities at three City pools. The Homewood Golf Course Activity provides a highly used 9-hole golf course for citizens. The Ames/ISU Ice Arena provides an assortment of ice rink activities.

As in all Parks and Recreation activities, the challenge is to balance affordability and the level of tax support needed to offer a well-rounded program. The department is placing a high premium upon program marketability and the idea that direct costs should be recovered fully through non-tax revenues if possible.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Administration	497,569	466,809	514,628	530,941	13.7%
Instructional Programs	215,590	252,284	255,188	263,314	4.4%
Athletic Programs	137,183	188,306	177,031	190,294	1.1%
Aquatics Programs	1,072,356	1,773,475	1,590,096	2,249,792	26.9%
Community Center/Auditorium	410,211	481,105	502,377	446,739	-7.1%
Wellness Programs	341,087	373,337	378,837	405,048	8.5%
Ames/ISU Ice Arena	602,501	595,249	644,470	661,906	11.2%
Homewood Golf Course	361,003	406,229	420,002	440,868	8.5%
Park Maintenance	1,800,820	2,027,247	2,145,522	1,929,512	-4.8%
Total Expenditures	5,438,320	6,564,041	6,628,151	7,118,414	8.5%
Authorized FTEs	23.30	25.30	25.20	25.20	

Parks and Recreation

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	3,325,824	4,186,545	3,998,253	4,682,442	11.9%
Internal Services	612,414	686,523	732,106	742,293	8.1%
Contractual	1,003,494	1,065,933	1,101,536	1,177,765	10.5%
Commodities	478,468	625,040	756,256	515,914	-17.5%
Capital	16,696	-	40,000	-	
Other Expenditures	1,424	-	-	-	
Total Expenditures	5,438,320	6,564,041	6,628,151	7,118,414	8.5%
Funding Sources:					
Program Revenue	1,646,540	2,269,521	1,878,351	2,639,748	16.3%
Local Option Sales Tax	30,311	36,016	36,330	37,379	3.8%
Aquatic Center Trust Fund	16,696	-	15,685	-	
Ames/ISU Ice Arena Fund	602,501	595,249	644,470	661,906	11.2%
Homewood Golf Course Fund	361,003	406,229	420,002	440,868	8.5%
Donations/Grants	77,742	179,900	229,960	12,000	-93.3%
P&R Scholarship Fund	-	-	-	-	
Total Revenues	2,734,793	3,486,915	3,224,798	3,791,901	8.8%
General Fund Support	2,703,527	3,077,126	3,403,353	3,326,513	8.1%
Total Funding Sources	5,438,320	6,564,041	6,628,151	7,118,414	8.5%

Parks and Recreation Administration

Description:

The Parks and Recreation Administration activity provides oversight to all activities within the Parks and Recreation Department. These include all recreation programs, greenspace maintenance in both the park system and along the street right-of-way, and the operation of such City facilities as the Furman Aquatic Center, the Ames/ISU Ice Arena, Homewood Golf Course, and the Ames Municipal Cemetery.

Responsibilities include strategic planning and operating budget preparation for each of the activities, as well as preparing and administering the Parks and Recreation and Cemetery Capital Improvements Plan (CIP). This activity also provides administration support to the Parks and Recreation Commission, as well as administering the Neighborhood Block Party Trailer program.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	334,722	344,238	384,104	407,270	18.3%
Internal Services	41,255	36,961	36,289	35,154	-4.9%
Contractual	115,418	82,900	89,203	83,217	0.4%
Commodities	5,231	2,710	5,032	5,300	95.6%
Capital	-	-	-	-	
Other Expenditures	943	-	-	-	
Total Expenditures	497,569	466,809	514,628	530,941	13.7%
Funding Sources:					
Miscellaneous Revenue	-	2,500	2,500	-	-100.0%
Total Revenues	-	2,500	2,500	-	-100.0%
General Fund Support	497,496	464,309	511,346	530,941	14.4%
P&R Donations/Grants Fund	73	-	782	-	
P&R Scholarship Fund	-	-	-	-	
Total Funding Sources	497,569	466,809	514,628	530,941	13.7%
Authorized FTEs	1.85	1.85	2.20	2.20	

Parks and Recreation Administration

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner **A fun, vibrant community that attracts and retains people**	Provide quality City parks, facilities, and recreation programming at an efficient cost	Acres of parkland per 1,000 residents – Ames	19.2	19.2	19.2	19.2
		Acres of parkland per 1,000 residents – national avg.	10.6	10.2	10.2	10.2
		Residents per park – Ames	1,650	1,610	1,610	1,610
		Residents per park – national avg.	2,386	2,411	2,436	2,461
		Operating expenditures per capita – Ames (all budget activities)	$78.14	$82.40	$97.89	$107.41
		Operating expenditures per capita – national average	$99.47	$103.13	$106.90	$110.82
		Cost recovery – Ames	50.1%	50.3%	49.5%	53.5%
		Cost recovery – national avg.	25.2%	27.2%	28.2%	29.2%
		Recreation programs	191	197	200	205
		Recreation program registrations	10,160	10,964	11,100	11,200
		Maintain a tax subsidy level of less than 60% for Parks and Recreation activities	Yes	Yes	Yes	Yes
		Maintain a user satisfaction rating of at least 95% Good/Very Good for Parks and Recreation services	96%	98%	96%	96%
		Complete 100% of CIP projects within budgeted fiscal year	27%	50%	100%	100%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The overall Parks and Recreation expenditure budget for FY 2026/27 increased by $554,373, or 8.5%, over the adopted FY 2025/26 budget. Of this amount $414,727 represents the incremental increase needed to fund Fitch Family Indoor Aquatic Center (FFIAC) for a full year. Without this incremental cost, the overall expenditure increase for Parks and Recreation is 2.1%.
- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.

FY 2025/26 Activities

- Construction continues for the Daley Park splashpad. This project is anticipated to be completed by June 2026.
- Construction on the Fitch Family Indoor Aquatic Center began in April 2024 with anticipated opening of this facility in spring of 2026.
- Staff continue to make progress toward completing projects. By the end of FY 2025/26, all but six of the 57 outstanding CIP projects remain to be completed.

FY 2026/27 Activities

- The Sands-McDorman property, a 50-acre parcel located in west Ames on Ontario Street, was purchased in November 2023 to develop a community park. Staff will be holding public input sessions to gain feedback prior to working with a consultant to develop a master plan for the park. The master plan is projected to be completed in late FY 2025/26. Funding is included in the FY 2026/27 CIP to begin phase one, which includes construction of a parking lot, bridge, shelter, and partial trail.

Instructional Programs

Description:

Instructional Programs and Activities provide residents with high quality instruction in various leisure time experiences. These include instruction in sports and athletics, arts and crafts, and nature appreciation, all with the purpose of building physically, socially, and emotionally fit individuals.

Fees for instructional programs are kept low to encourage participation and ensure inclusion of all socio-economic statuses. A General Fund subsidy is needed to achieve this goal. Scholarships are also available for participants to further promote inclusion and to ensure financial situations are not prohibitive to participation.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	151,684	183,583	180,647	197,386	7.5%
Internal Services	9,550	8,563	8,572	10,272	20.0%
Contractual	41,432	46,258	43,962	40,126	-13.3%
Commodities	12,924	13,880	22,007	15,530	11.9%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	215,590	252,284	255,188	263,314	4.4%
Funding Sources:					
Program Revenue	158,886	167,366	152,213	173,063	3.4%
Miscellaneous Revenue	3,847	5,200	3,800	3,800	-26.9%
Total Revenues	162,733	172,566	156,013	176,863	2.5%
General Fund Support	52,857	79,718	99,175	86,451	8.5%
Total Funding Sources	215,590	252,284	255,188	263,314	4.4%
Authorized FTEs	1.35	1.35	1.15	1.15	

Instructional Programs

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner **A fun, vibrant community that attracts and retains people**	Provide quality instructional programs for youth and adults	Programs	56	51	54	57
		New programs offered	7	2	1	1
		Program registrations	2,200	2,500	2,540	3,000
		Programs instructor/participant ratios adhered to	100%	100%	100%	100%
		Instructional programs operational subsidy	34%	25%	39%	33%
		Average total cost per registration	$95.80	$86.24	$98.35	$84.88
		Average subsidy per registration	$32.83	$21.14	$36.93	$25.92
		Youth sport sponsors	6	6	6	15
		Youth sport sponsor revenue	$1,500	$1,800	$1,800	$1,800

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.
- Due to the summer calendar and demand for additional programming, two weeks of summer camp will be added. This results in increased temporary staffing wages, reflected in the personal services category.
- A variety of programs will receive fee increases of one to three percent.

FY 2025/26 Activities

- New partnerships have been created to offer Learn to Boulder Classes for youth with Bluestem Boulders, while continuing non-traditional partnerships like STEM Camp, Chess Camp, Lacrosse, Tennis, and more. This gives Parks and Recreation the opportunity to offer a wider variety of programs and engage more community members in Parks and Recreation programming.
- Duckpin Bowling Introduction Clinics have been added in partnership with Sixty Forward to educate individuals on the game and generate interest in leagues.
- With the anticipated opening of the Fitch Family Aquatic Center in spring 2026, which includes a multi-purpose room, staff is exploring new programming opportunities. Staff also continues exploring expanding its programming with the Sixty Forward Center.

FY 2026/27 Activities

- Staff plans to explore a partnership with Can Play to offer additional adaptive programming in FY 2026/27 to serve the recreation needs of individuals with physical and/or intellectual disabilities.
- Staff plans to reach out to local businesses for sponsorship to offset shirt and jersey costs for programs. Approximately $9,000 each year is spent on program shirts or jerseys. Additional program sponsorship opportunities will also be explored to assist with offsetting expenses.
- Staff is exploring contracting with a photographer to offer team and individual program photos within leagues. The contractor would take the photos and sell photo packages, and the City would retain a percentage of the revenue.

Athletic Programs

Description:

The Athletic Programs activity is designed to offer adults and youth the opportunity to participate in team and/or individual competitive sports activities. These programs benefit the participants physically, emotionally, and socially. Examples include softball, basketball, volleyball, and soccer.

Fees and charges for athletic programs are intended to cover the direct cost of the individual program or activities.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	125,960	165,782	151,857	165,607	-0.1%
Internal Services	2,032	2,699	2,710	3,339	23.7%
Contractual	5,537	11,025	13,469	12,118	9.9%
Commodities	3,654	8,800	8,995	9,230	4.9%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	137,183	188,306	177,031	190,294	1.1%
Funding Sources:					
Program Revenue	103,315	117,710	109,785	116,875	-0.7%
Total Revenues	103,315	117,710	109,785	116,875	-0.7%
General Fund Support	33,868	70,596	67,246	73,419	4.0%
Total Funding Sources	137,183	188,306	177,031	190,294	1.1%
Authorized FTEs	1.05	1.05	0.95	0.95	

Athletic Programs

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner **A fun, vibrant community that attracts and retains people**	Provide quality athletic programs for youth and adults	Programs	14	16	16	17
		Teams	359	303	345	413
		Program participants	2,615	2,446	2,530	2,581
		Direct program costs covered by fees	100%	100%	100%	100%
		Athletic programs tax subsidy	35%	25%	38%	39%
		Average total cost per participant	$59.66	$63.69	$69.97	$73.72
		Average subsidy per participant	$20.98	$13.85	$26.57	$28.44

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.
- A partnership has been developed with Harvest Pickleball and Tennis to use their facility and offer indoor 60+ pickleball leagues. The first league will begin in January 2026. The goal is to expand this partnership to adult leagues, youth leagues, and intergenerational leagues. The additional cost to support this partnership is reflected in the contractual services budget.
- Softball team registration continues to decline, resulting in lower league revenues.
- Indoor Volleyball and Sand Volleyball team registrations remain consistent, with the recent season having a small increase in participation.
- In efforts to keep up with increased expenses with equipment and staff, league fees gradually increase each year. League fees will soon reach an amount that will negatively impact league participation.

FY 2025/26 Activities

- Duckpin Bowling Leagues have been added in partnership with Sixty Forward.
- New programming opportunities in partnership with the Sixty Forward Center are being explored by staff.

FY 2026/27 Activities

- Staff continues to explore options to add programming desired by customers. Additionally, staff is exploring making modifications to leagues to attract new participants and to improve the experience of current participants.
- Staff plan to seek local sponsorship to offset the rising cost of championship shirts, which is approximately $4,000 per fiscal year, among other program sponsorship opportunities.

Aquatics

Description:

Aquatics is responsible for maintaining a safe, sanitary, and fun environment for swimming activities in the community. This includes public swimming, swimming instruction, and special events. Warm-weather swimming is available at the Donald and Ruth Furman Aquatic Center. The City partners with Iowa State University to offer lessons and certification classes during the fall, winter, and spring. The Fitch Family Indoor Aquatic Center is anticipated to open in January 2026 and will provide indoor aquatic opportunities.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Furman Aquatic Center	876,599	852,306	860,285	880,253	3.3%
Temporary Aquatics Facilities	42,307	11,041	14,882	-	-100.0%
Fitch Family Indoor Aquatic Center	18	739,728	566,684	1,154,455	56.1%
Lessons Program	143,592	147,255	122,690	170,161	15.6%
Certifications	9,840	23,145	25,555	44,923	94.1%
Total Expenditures	1,072,356	1,773,475	1,590,096	2,249,792	26.9%
Expenditures by Category:					
Personal Services	678,167	1,254,852	1,044,122	1,611,854	28.5%
Internal Services	65,587	97,298	92,055	105,916	8.9%
Contractual	163,494	276,549	280,876	354,257	28.1%
Commodities	148,412	144,776	173,043	177,765	22.8%
Capital	16,696	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,072,356	1,773,475	1,590,096	2,249,792	26.9%
Funding Sources:					
Furman Aquatic Center	613,234	671,680	628,690	644,066	-4.1%
Temporary Aquatics Facilities	55,815	17,631	34,174	-	-100.0%
Fitch Family Indoor Aquatic Center	-	471,013	213,590	858,780	82.3%
Lessons Program	56,754	136,140	65,045	120,960	-11.2%
Certifications	8,690	8,175	8,175	24,930	205.0%
Total Revenues	734,493	1,304,639	949,674	1,648,736	26.4%
General Fund Support:					
Furman Aquatic Center	246,669	180,626	215,910	236,187	30.8%
Temporary Aquatics Facilities	(13,508)	(6,590)	(19,292)	-	-100.0%
Fitch Family Indoor Aquatic Center	18	268,715	353,094	295,675	10.0%
Lessons Program	86,838	11,115	57,645	49,201	342.7%
Certifications	1,150	14,970	17,380	19,993	33.6%
Total General Fund Support	321,167	468,836	624,737	601,056	28.2%
Aquatic Center Trust Fund	16,696	-	15,685	-	
Total Funding Sources	1,072,356	1,773,475	1,590,096	2,249,792	26.9%
Authorized FTEs	1.90	3.90	4.00	4.70	

Aquatics

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide safe and sanitary swimming facilities for all users at an efficient cost	Visits to Furman Aquatic Center	91,201	84,744	84,824	85,587
		Average subsidy per Furman Aquatic Center user	$1.54	$3.79	$3.30	$3.40
		Aquatics programs tax subsidy	20%	30%	39%	27%
		Swim lesson registrations	1,601	1,389	1,680	1,730
		Private swim lesson registrations	25	21	20	75

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The overall Aquatics expenditure budget for FY 2026/27 increased by $476,317, or 26.9%, over the adopted FY 2025/26 budget. Of this amount $414,727 represents the incremental increase needed to fund Fitch Family Indoor Aquatic Center (FFIAC) for a full year. Without this incremental cost, the overall expenditure increase for Aquatics is 3.5%.
- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.
- A new full-time Aquatics Coordinator was added in FY 2025/26.
- Staff has continued to work with Iowa State University to use State Gym Pool to offer swim lessons and certification classes in the fall, winter, and spring. The Winter 2026 swim lesson session will be the final session held at ISU with the opening of Fitch Family Indoor Aquatic Center.
- More swim instructors are becoming certified as Water Safety Instructors, which increases the quality of the swim lesson program but also increases the hourly pay rate for swim instructors.
- A full year of operations for Fitch Family Indoor Aquatic Center is incorporated into the budget for FY 2026/27.
- Additional certification classes have been added to the budget in FY 2026/27 with the facility space available at Fitch Family Indoor Aquatic Center. This includes certification classes for staff and the public. Currently, many participants in certification classes are staff, which are offered free of charge.

FY 2025/26 Activities

- Recruitment for 2026 Furman Aquatic Center and Fitch Family Indoor Aquatic Center staff began in November 2025. With training beginning in later winter/early spring of FY 2025/26.
- Fitch Indoor Aquatic Center will open in spring 2026.

FY 2026/27 Activities

- All swim lesson offerings will take place at Fitch Family Indoor Aquatic Center. Lessons will be offered year-round, and more lessons will be offered compared to the limited time and space currently available through renting ISU State Pool in the fall/winter/spring. Open swim at Furman Aquatic Center will no longer be impacted with evening swim lessons that were transitioned in FY 2022/23 with the closure of Municipal Pool.
- FY 2026/27 will be the first full year of operations at Fitch Family Indoor Aquatic Center. Staff will continue to evaluate the programs and facility schedule to best meet the needs of the community.

Community Center, Auditorium, and Bandshell

Description:

This activity accounts for the operation and events at the Community Center, Auditorium, City Hall, and Bandshell. The Community Center includes a full-size gymnasium, weight room, cardio room, multi-purpose room, as well as locker rooms and office space for both the Community Center and Auditorium, and spaces for other Parks and Recreation activities.

The City Auditorium and Bandshell are utilized for community arts performances, civic meetings, touring performances, and other events. The Bandshell is used for Municipal Band concerts during the summer. The Municipal Band is funded by Local Option Sales Tax.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Gymnasium	210,989	256,328	234,959	220,341	-14.0%
Auditorium	164,740	180,967	225,494	183,841	1.6%
Bandshell Programming	3,754	7,794	5,319	5,178	-33.6%
Municipal Band	30,728	36,016	36,605	37,379	3.8%
Total Expenditures	410,211	481,105	502,377	446,739	-7.1%
Expenditures by Category:					
Personal Services	284,344	339,695	300,842	302,920	-10.8%
Internal Services	33,867	36,662	36,075	47,200	28.7%
Contractual	84,708	97,249	102,349	91,320	-6.1%
Commodities	7,292	7,499	23,111	5,299	-29.3%
Capital	-	-	40,000	-	
Other Expenditures	-	-	-	-	
Total Expenditures	410,211	481,105	502,377	446,739	-7.1%
Funding Sources:					
Gymnasium	55,633	47,509	50,422	34,038	-28.4%
Auditorium	141,657	142,814	141,297	119,870	-16.1%
Bandshell	5,919	6,675	7,397	7,580	13.6%
Total Revenues	203,209	196,998	199,116	161,488	-18.0%
General Fund Support:					
Gymnasium	152,943	208,819	175,850	186,303	-10.8%
Auditorium	17,603	34,653	80,697	63,971	84.6%
Bandshell Programming	(2,165)	1,119	(2,078)	(2,402)	-314.7%
Total General Fund Support	168,381	244,591	254,469	247,872	1.3%
Local Option/Municipal Band	30,311	36,016	36,330	37,379	3.8%
Donations/Community Center	2,413	-	8,687	-	
Grant Funding/Auditorium	5,480	3,500	3,500	-	-100.0%
Donations/Municipal Band	417	-	275	-	
Total Funding Sources	410,211	481,105	502,377	446,739	-7.1%
Authorized FTEs	2.00	2.00	1.65	1.65	

Community Center, Auditorium, and Bandshell

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide safe and clean facilities for community use in an efficient manner	Gymnasium drop-in visits	9,390	11,161	10,500	11,000
		Weight room drop-in visits	7,916	16,286	22,000	25,000
		Total Community Center visits	65,570	72,106	75,000	77,500
		Average tax subsidy per Community Center user visit	$2.72	$2.13	$2.27	$2.51
		Community Center tax subsidy	79%	75%	82%	85%
		Auditorium events	130	150	155	160
		Auditorium visits	52,709	54,189	55,000	36,000
		Days/year Auditorium in use	225	239	245	195
		Hours/year Auditorium in use	1,462	1,498	1,550	1,575
		Average tax subsidy per Auditorium user visit	$0.41	$0.32	$0.66	$1.51
		Auditorium tax subsidy	14%	11%	21%	31%
Strengthen Downtown and Campustown	Provide Bandshell programming to promote Downtown Ames	Bandshell rentals	31	29	32	32

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Funding of $42,400 has been included in the FY 2025/26 adjusted budget for the purchase of a projector ($40,000) and screen ($2,000). The projector and screen currently in use are property of the Lutheran Church of Hope.
- Lutheran Church of Hope has been a significant and steady rental user of the Auditorium and Gymnasium space. However, the church is currently constructing its own facility and will cease renting the Auditorium and Gymnasium space as early as September 2026. Staff is developing a plan to offset the loss of rental revenue, approximately $69,444.
- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.
- In FY 2025/26, the Auditorium secured an Iowa Arts Council grant to cover artist fees for eight of the twelve scheduled performances within the “Fifth and Clark Concert Series.” Local sponsorships will also be secured to assist in offsetting a portion of the expenses.
- For the second year, the Auditorium offered Intermediate Technical Courses to teach individuals about the “behind-the-scenes" of productions (e.g., sound, lighting, etc.).
- In FY 2025/26, the alcohol and concessions vendor declined to renew but is interested in working on an event-by-event basis to continue offering this service at events. The Auditorium receives 15% of all sales and continues to educate the public about this new feature. The goal is to increase attendance at events and bring in additional revenue through alcohol and concession sales.
- A three percent service charge will be applied in FY 2025/26 to all credit card payments for Auditorium rentals made by Iowa State University groups.

FY 2025/26 and FY 2026/27 Activities

- Staff continues to work on attracting additional shared-revenue events. These events are those where the Auditorium shares in the ticket sale revenue rather than receiving a flat rental fee. The Auditorium plans to host three shared-revenue concerts in spring 2026 featuring tribute bands.
- Staff continues to work on strategies to attract larger concerts and events to the Auditorium. Staff has determined that working with promoters will be the most cost-effective way to generate revenue from larger events.

Wellness Programs

Description:

The Wellness Program activity provides a wide range of wellness activities for community members. These include activities such as fitness classes, aqua classes, dance classes, Tae Kwon Do, yoga, and social and educational workshops.

The Wellness Program activity is also responsible for the management of the City Hall weight room and related training/programs, including personal training.

Activities are held at the City of Ames Community Center, Parks and Recreation Administration Activity Room, the Sixty Forward Center, and with partner facilities like Reiman Gardens, Iowa State University, and Vintage Cooperative.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Wellness Administration	218,703	238,327	240,040	243,684	2.3%
Fitness Classes	60,481	75,333	71,092	93,305	23.9%
Personal Training	46,424	46,656	47,681	49,098	5.2%
Weight Room	963	2,224	3,704	2,220	-0.2%
Sixty Forward	14,516	10,797	16,320	16,741	55.1%
Total Expenditures	341,087	373,337	378,837	405,048	8.5%
Expenditures by Category:					
Personal Services	296,979	329,069	317,794	353,850	7.5%
Internal Services	9,823	11,408	11,239	13,129	15.1%
Contractual	26,189	25,790	28,834	28,419	10.2%
Commodities	8,096	7,070	20,970	9,650	36.5%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	341,087	373,337	378,837	405,048	8.5%
Funding Sources:					
Fitness Classes	192,312	247,758	213,088	283,857	14.6%
Personal Training	58,954	61,800	61,800	63,839	3.3%
Weight Room	64,458	45,100	52,000	53,530	18.7%
Sixty Forward	35,684	20,300	45,100	47,310	
Merchandise Sales	472	650	500	500	-23.1%
Total Revenues	351,880	375,608	372,488	449,036	19.6%
General Fund Support	(10,793)	(2,271)	6,349	(43,988)	1836.9%
Total Funding Sources	341,087	373,337	378,837	405,048	8.5%
Authorized FTEs	1.45	1.45	1.40	1.40	

Wellness Programs

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide quality wellness programming in an efficient manner to operate at break even	Group fitness classes offered weekly	57	64	68	78
		Wellness programs	74	75	76	80
		Wellness registrations	6,876	7,464	8,761	9,325
		Average cost per registration	$51.66	$45.70	$46.31	$38.95
		New programs created	11	8	8	6
		Weight room visits per year	7,916	16,286	22,000	25,000
		Average Wellness Program tax subsidy per registrations	$11.41	$0.00	$0.00	$0.00

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.
- The Sixty Forward Center opened in FY 2024/25, providing another venue to offer fitness classes. Programming at the Sixty Forward Center has been highly successful. Projected revenue for FY 2026/27 is estimated to be $47,310, compared to $20,300 in the adopted FY 2025/26 budget.

FY 2025/26 Activities

- Virtual fitness classes continue to be offered as an alternative option to in-person classes.
- New classes were incorporated into the fitness schedule in FY 2025/26, including Dance Fusion, Yoga Low & Slow, Strength Circuit, Seated Strength & Stretch, Cardio & Strength Fusion, Core Power Fusion.
- Staff has been heavily involved in the strength and cardio room at the Sixty Forward Center by providing onboarding to users and selling punch cards.
- The Fitch Aquatic Center is projected to open in spring 2026, which will serve as a new location to offer aqua classes. The multi-purpose space at the center will also be used for fitness classes.

FY 2026/27 Activities

- Staff will continue to offer and expand fitness programming at the Sixty Forward Center.
- Staff will continue to evaluate opportunities at Fitch Family Indoor Aquatic Center to provide additional programming for the community.

Ames/ISU Ice Arena

Description:

The Ames/ISU Ice Arena is an ice rink jointly owned by the City of Ames and Iowa State University and operated by the City. The facility provides ice activities for Iowa State University, the public, and user groups.

The Ice Arena is operated as a City Enterprise Fund, meaning that its operations are funded by its own revenues. Any profits or losses experienced by the ice arena increase or decrease the operational fund balance instead of being funded through property taxes. Additionally, the City and Iowa State University each contribute annually to a capital reserve fund, which is used for major improvements at the facility.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	294,298	305,877	328,636	345,080	12.8%
Internal Services	47,754	63,903	61,488	64,405	0.8%
Contractual	202,194	184,139	197,004	197,176	7.1%
Commodities	58,255	41,330	57,342	55,245	33.7%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	602,501	595,249	644,470	661,906	11.2%
Funding Sources:					
Admissions	77,090	70,455	78,725	82,866	17.6%
Facility Rentals	507,460	523,354	522,877	537,890	2.8%
Ice Arena Programming	890	7,880	1,000	1,000	-87.3%
Equipment Rental/Fees	30,821	27,015	30,060	33,650	24.6%
Merchandise Sales	651	375	375	375	0.0%
Concessions	36,575	35,150	37,500	38,800	10.4%
Dasher Board Advertising	9,584	24,400	10,000	15,000	-38.5%
Interest Revenue	14,867	5,000	5,000	9,000	80.0%
Miscellaneous	224	966	-	-	-100.0%
Total Revenues	678,162	694,595	685,537	718,581	3.5%
Ice Arena Fund Support	(75,661)	(99,346)	(41,067)	(56,675)	-43.0%
Total Funding Sources	602,501	595,249	644,470	661,906	11.2%
Authorized FTEs	2.72	2.72	2.72	2.72	

Ames/ISU Ice Arena

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner **A fun, vibrant community that attracts and retains people**	Provide a quality ice arena for the community in a fiscally responsible manner	Winter:				
		Prime-time ice hours rented	1,401	1,614	1,615	1,650
		Non-prime-time ice hours rented	137	159	160	165
		Prime-time public session hours	307	202	202	214
		Public skate session user visits	10,249	8,958	9,100	9,400
		Utilized prime-time ice	46%	53%	53%	54%
		Summer:				
		Ice hours rented	179	271	271	280
		Public session hours	166	98	98	98
		Public skate session user visits	950	1,000	1,176	1,275
		Ice utilized	19%	28%	28%	28%
		Maintain fund balance of at least 15% of operating expenses	Yes	Yes	Yes	Yes

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- In Spring 2025, shift lead and cashier positions received a 29% and 19% raise. FY 2025/26 is the first full fiscal year with these new wages.
- A 3% service charge has been implemented on all credit card payments for ice rentals to offset merchant processing fees.
- In FY 2025/26, ice rental fees increased by 5% and will increase an additional 5% in FY 2026/27.
- In FY 2026/27 birthday party packages will increase approximately 4% and admissions and skate rentals will increase $0.50.
- In FY 2025/26 Ames Figure Skating Club returned to renting morning ice time during the week, guaranteeing ice rental revenue compared to the facility offering admission-based figure freestyle sessions.
- Less advertising (dasher boards, scoreboards, etc.) has been sold than anticipated by user groups and City. Staff will continue to promote these marketing opportunities.

FY 2025/26 Activities

- To keep the refrigeration system fully stocked and have available inventory onsite, additional freon was purchased.
- Staff has purchased additional ice rink glass for the purposes of replacing any broken pieces, should emergent replacements be needed.

FY 2026/27 Activities

- Staff is continuing to explore rental and program opportunities to fill vacant ice times.
- Staff will be developing a plan to obtain additional facility advertisements to increase revenue.

Homewood Golf Course

Description:

Homewood Golf Course is a municipal 9-hole golf course which offers outdoor recreational enjoyment for all ages. The course also includes a clubhouse/concession facility, which hosts space for a community rental room and pro shop area.

Homewood Golf Course is operated as a City Enterprise Fund, meaning that its operations are funded by its generated revenues. Any profits or losses experienced by the golf course increase or decrease the fund's balance, instead of being funded through property taxes. Traditionally, capital improvements at Homewood Golf Course have been funded through Local Option Sales Tax revenue.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	189,488	227,395	225,748	237,380	4.4%
Internal Services	52,825	63,561	77,553	80,356	26.4%
Contractual	62,022	59,998	60,606	63,337	5.6%
Commodities	56,187	55,275	56,095	59,795	8.2%
Capital	-	-	-	-	
Other Expenditures	481	-	-	-	
Total Expenditures	361,003	406,229	420,002	440,868	8.5%
Funding Sources:					
Fees/Season Passes	355,955	350,186	348,886	371,531	6.1%
Equipment Rental	118,416	112,000	118,000	120,000	7.1%
Clubhouse Rental	21,721	20,370	20,370	20,370	0.0%
Merchandise Sales	4,458	4,500	4,500	4,500	0.0%
Concessions	45,854	47,000	47,000	47,000	0.0%
Cell Tower Lease	24,136	24,000	24,000	24,000	0.0%
Interest Revenue	43,939	20,000	24,000	26,000	30.0%
Miscellaneous Revenue	475	900	900	900	0.0%
Total Program Revenues	614,954	578,956	587,656	614,301	6.1%
Homewood Fund Support	(253,951)	(172,727)	(167,654)	(173,433)	0.4%
Total Funding Sources	361,003	406,229	420,002	440,868	8.5%
Authorized FTEs	1.38	1.38	1.38	1.38	

Homewood Golf Course

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner **A fun, vibrant community that attracts and retains people**	Provide a quality municipal golf course for the community in a fiscally responsible manner	Rounds of golf played	24,609	25,975	26,700	27,000
		Golf leagues/ tournaments	5	6	6	6
		User group meetings held	5	6	6	6
		Clubhouse private rental hours	169	190	194	200
		Program hours	158	184	184	192
		Respondents rating course conditions as “very good” or “good”	97%	97%	97%	100%
		Respondents rating courtesy of staff as “very good” or “good”	96%	100%	100%	100%
		Maintain fund balance of at least 25% of operating expenses	Yes	Yes	Yes	Yes

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The number of yearly golf rounds continues to increase, along with green fees revenue, food and beverage sales, and golf cart rentals.
- Daily greens fees and season passes are planned to increase approximately 5% in spring 2026, which will affect the FY 2025/26 and FY 2026/27 budgets.
- The Youth Golf League increased by 42% in 2025 with a total of 27 youth.
- Staff implemented a Sixty Forward Golf League during the 2025 summer season with 16 participants (8 teams).
- A purchase of a seeder for tees, greens, fairways, and roughs for $14,000 has been added to the FY 2025/26 adjusted budget. This machine will help maintain dense, healthy, vibrant turf by filling worn or thin areas, improving the composition, and ensuring consistent play.

FY 2025/26 Activities

- Youth golf lessons have been held at Veenker Golf Course, and the City pays a fee to use the driving range. In FY 2025/26 (2026 summer golf season), lessons will be held at Homewood Golf Course. This will reduce rental fees and allow youth to get familiar with playing on a course versus a driving range only. Additionally, when inclement weather threatens, the lesson can be moved to the clubhouse to review rules, etiquette, fundaments, and more, instead of canceling.
- Hole #9 bridge renovations are scheduled for construction in spring of 2026, which will allow carts to travel across the bridge.
- Winter programming, including special events like Painting with a Twist, Homewood for the Holidays, and card leagues, continues to be developed to take advantage of the year-round Homewood Golf Course Clubhouse.

FY 2026/27 Activities

- Staff is exploring avenues to better communicate with customers and market all of Homewood’s offerings throughout the year.

Park Maintenance

Description:

The Park Maintenance activity is responsible for the maintenance of 41 parks and woodland/open spaces in the City of Ames. These areas cover 1,268 acres of land and include facilities where residents may participate in a variety of active and passive pursuits in a safe, clean environment. These activities include picnicking, bicycling, walking, fishing, playing on play equipment, viewing wildlife, playing sports, and a variety of other leisure time activities.

The Parks and Recreation Department maintenance workers who maintain the City parks and facilities are also responsible for the maintenance of the Ames Municipal Cemetery and the City's street right-of-way. Activities involved include tree maintenance, mowing, trail maintenance, and maintaining all park structures and amenities.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Parks Administration	351,769	408,939	393,079	412,328	0.8%
Turf Maintenance	281,079	284,215	315,509	303,037	6.6%
Tree Maintenance	205,584	430,947	316,893	267,769	-37.9%
Structure/Playground Maint	928,173	835,926	1,042,231	833,986	-0.2%
Dog Park Operations	9,643	19,600	18,520	18,290	-6.7%
Downtown Plaza Operations	12,760	27,825	24,125	32,525	16.9%
Daley Park Splash Pad	-	-	14,000	40,000	
Mosquito Control	11,812	19,795	21,165	21,577	9.0%
Total Expenditures	1,800,820	2,027,247	2,145,522	1,929,512	-4.8%
Expenditures by Category:					
Personal Services	970,182	1,036,054	1,064,503	1,061,095	2.4%
Internal Services	349,721	365,468	406,125	382,522	4.7%
Contractual	302,500	282,025	285,233	307,795	9.1%
Commodities	178,417	343,700	389,661	178,100	-48.2%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,800,820	2,027,247	2,145,522	1,929,512	-4.8%
Funding Sources:					
Shelter/Facility Rentals	56,344	59,000	56,300	56,300	-4.6%
Dog Park Fees	29,348	38,400	29,200	29,200	-24.0%
Concessions	285	100	250	250	150.0%
Miscellaneous	4,933	2,000	3,025	1,000	-50.0%
Total Revenues	90,910	99,500	88,775	86,750	-12.8%
General Fund Support	1,640,551	1,751,347	1,840,031	1,830,762	4.5%
P&R Donations/Grants Fund	69,359	176,400	216,716	12,000	-93.2%
Total Funding Sources	1,800,820	2,027,247	2,145,522	1,929,512	-4.8%
Authorized FTEs	9.60	9.60	9.75	9.05	

Park Maintenance

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner **A fun, vibrant community that attracts and retains people**	Provide a quality park system and facilities for use by the entire community	City parks	40	41	41	41
		Acres in City parks	1,267	1,268	1,268	1,268
		Developed acres	292	293	293	295
		Undeveloped acres	975	975	975	973
		Cost to maintain parks per acre	$1,319	$1,420	$1,622	$1,508
		Frequency of mowing*	8 days	8 days	8 days	8 days
		Trim-free parks	20	23	27	28
		Citizens ratings for park maintenance as “very good” or “good”:				
		Park appearance	98%	99%	99%	99%
		Wooded areas	96%	94%	95%	95%
		Playground equipment	93%	95%	95%	96%
		Park restrooms	77%	80%	80%	81%
		Hard surface trails	98%	98%	98%	98%
		Shelters	94%	93%	95%	96%
		Picnic areas	94%	93%	95%	96%

*The mowing frequency goal is 7 to 10 days

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The adjusted FY 2025/26 budget includes Fleet funding (internal services) of $25,000 for the early replacement and upgrade of a tractor, as well as $70,000 to add an additional truck with a snowplow to the Park Maintenance fleet.
- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.
- The City was notified in February 2025 that the USDA Forest Service terminated its grant with the City that totaled approximately $810,000 to be used over a five-year period. The funds designated for updating the current tree inventory, constructing a gravel bed nursery, removing invasive vegetation in woodlands, planting new trees, and covering temporary employee salaries. The FY 2025/26 adjusted budget reflects the termination of the grant.
- The Daley Park Splash pad will be open to the public in June 2026. The added increase in expenses for the FY 2025/26 adjusted budget is $14,000 and for FY 2026/27 the increase is $40,000. Expenses include chemicals, water/sewer, and electric charges.
- The FY 2026/27 budget reflects expenditures for the Downtown Plaza for the anticipated opening of the splash pad in the spring of 2026.

FY 2025/26 Activities

- A maintenance worker position was filled to cover the Tuesday – Saturday schedule. As of November 2025, all positions within Park Maintenance are filled.
- Staff will be replacing the shingle roof with a metal roof on Hickory Shelter at Brookside Park as well as replacing the roof on the shelter in Lloyd Kurtz Park in FY 2025/26.
- Staff is scheduled to replace the playground structure in the northern section of Parkview Park, 1730 Buchanan Drive, in the spring of FY 2025/26. The rest of the time will be filled with renovating mini shelters at Ada Hayden Heritage Park and continuing to make park amenities no-trim by installing grills, garbage cans, and picnic tables on concrete surfaces.

FY 2026/27 Activities

- With the heavy activity taking place at the park playgrounds, the engineered wood fiber will be refreshed in multiple playgrounds including Gateway Hills, Brookside, Emma McCarthy Lee, Northridge, Inis Grove, Hutchison, North River Valley Parks, and other parks as needed.

Library Services

Description:

Ames Public Library's mission statement is: We connect you to the world of ideas. The library strives to provide facilities, technology, collections, and programs to meet the educational and recreational needs of all people in the community. The library serves the needs of the community through divisions that work directly with the public, such as Youth Services, Adult Services, and Customer Account Services, as well as back-of-house divisions, including Resource Services, which provides support and ensures that library operations run smoothly. Library Administration provides direction and oversight to all library operations. The library operates out of the main library building at 515 Douglas Avenue, offers mobile services through the Bookmobile and offers online remote access to a wide range of resources.

The Library Strategic Plan was adopted in 2025 after much community and stakeholder engagement and input. It maps out Core, Build and Reach goals in the key areas:

Connecting Ames - Creating opportunities for the community to engage and connect.

Serving Ames - Providing access to resources that serve diverse needs.

A Place for Ames - Enhancing the physical library building, property, and bookmobile to create an accessible, welcoming, and safe space for all users.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Administration	1,622,212	1,732,207	1,779,190	1,776,177	2.5%
Resource Services	1,296,953	1,338,701	1,341,577	1,407,701	5.2%
Youth Services	821,578	979,834	906,687	1,007,952	2.9%
Adult Services	826,578	917,334	950,455	948,692	3.4%
Customer Account Services	1,080,590	1,134,810	1,136,146	1,210,186	6.6%
Total Expenditures	5,647,911	6,102,886	6,114,055	6,350,708	4.1%
Authorized FTEs	38.50	38.50	36.50	36.50	

Library Services

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	3,941,508	4,328,787	4,079,072	4,256,425	-1.7%
Internal Services	147,902	154,529	300,768	481,622	211.7%
Contractual	634,253	636,676	594,513	532,588	-16.4%
Commodities	226,881	279,213	351,378	331,670	18.8%
Collection Materials	695,487	700,681	713,024	745,653	6.4%
Capital	-	-	72,300	-	
Other Expenditures	1,880	3,000	3,000	2,750	-8.3%
Total Expenditures	5,647,911	6,102,886	6,114,055	6,350,708	4.1%
Funding Sources:					
Charges for Services	21,765	18,500	23,000	23,500	27.0%
State of Iowa	40,770	42,000	41,000	39,000	-7.1%
Story County	157,043	150,000	164,895	173,140	15.4%
Library Friends Foundation	331,704	448,581	457,956	458,546	2.2%
Library Direct State Aid	16,706	16,500	16,182	16,000	-3.0%
Library Future Needs Fund	-	-	18,000	-	
Library Donations/Grants	6,493	6,750	16,950	7,500	11.1%
Total Revenues	574,481	682,331	737,983	717,686	5.2%
General Fund Support	5,073,430	5,420,555	5,376,072	5,633,022	3.9%
Total Funding Sources	5,647,911	6,102,886	6,114,055	6,350,708	4.1%

Library Administration

Description:

Library Administration provides leadership to the Ames Public Library. Library Administration plans, directs, and coordinates all Library fiscal, operational and personnel activities to achieve the Library mission, goals, and objectives within the context of community need. The primary areas of responsibility include ensuring a values-driven department (Excellence Through People), visioning and strategic planning, implementation of the operating budget, and administration of the Capital Improvements Plan (CIP). Library Administration is also responsible for coordinating volunteer involvement in the Library, overseeing the maintenance of the Library facilities, and all technology and automated services included in Library operations.

Library Administration works under the direction of the Ames Public Library Board of Trustees and is responsible for carrying out its policies and directives. Library Administration also serves as a liaison to the Library's auxiliary organization, the Ames Public Library Friends Foundation.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	834,821	905,090	739,629	661,964	-26.9%
Internal Services	133,786	146,016	300,768	481,622	229.8%
Contractual	553,852	543,143	500,552	438,951	-19.2%
Commodities	99,753	137,958	165,941	193,640	40.4%
Capital	-	-	72,300	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,622,212	1,732,207	1,779,190	1,776,177	2.5%
Funding Sources:					
Library Friends Foundation	90,146	131,926	95,776	145,776	10.5%
Library Future Needs Fund	-	-	18,000	-	
Library Donations/Grants	5,649	5,750	15,950	6,000	4.4%
Total Revenues	95,795	137,676	129,726	151,776	10.2%
General Fund Support	1,526,417	1,594,531	1,649,464	1,624,401	1.9%
Total Funding Sources	1,622,212	1,732,207	1,779,190	1,776,177	2.5%
Authorized FTEs	6.75	6.75	4.75	4.75	

Library Administration

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
We value a fun, vibrant, and healthy community that attracts and retains people.	Aligning with Strategic Plan priorities:	Library visits	332,355	333,949	334,000	335,000
		Items available for circulation*	418,833	411,562	430,000	430,200
		Checkouts	998,192	984,666	999,000	1,000,000
		Visits per capita**	5.00	5.03	4.97	5.12
		Circulation per capita**	15.03	14.82	15.03	15.05
	Connecting Ames	Community partners	87	101	114	120
		Public computer & iPad uses	46,695	47,405	49,000	50,000
We value communication and engagement with the public.	Serving Ames	Meeting room uses	9,927	9,058	9,500	10,000
		People using meeting rooms	23,306	23,187	23,500	24,000
	A Place for Ames	Library volunteers	344	415	420	425
		Volunteer hours	11,707	10,727	11,500	12,000

* Physical and virtual materials
** Per capita based on Ames' population of 66,427 (US Census: 2020)

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Library Administration budget reflects salary and benefit expenses shifting to internal expenses with the transfer of 2 FTEs to the City Information Technology Division in the Finance Department.
  After reviewing current IT services and considering best practices, the Library and City IT divisions are integrating to offer a more connected and secure environment that will improve functionality and maximize overall effectiveness.
- The increase in commodities is for tables and chairs for the auditorium which will be paid for with Ames Public Library Friends Foundation funding.
- Capital funding in the FY 2025/26 adjusted budget has been included to purchase a graphic quality copier ($29,300), to alter the west employee entrance for accessibility ($25,000), and to convert existing space into two study rooms ($18,000). The cost of the study rooms will be covered out of the Library Future Needs Fund.

FY 2025/26 Activities

- After launching a new community-informed 5-year Strategic Plan, the Library is focusing on key activities that support the priority areas of Connecting Ames, Serving Ames, and a Place for Ames. Activities align with City Council priorities such as community engagement and sustainability.
- Collaborating with City and County partners continues through participation in shared community events, serving as a voting location, and hosting community and partner dialogs centering on issues such as homelessness.
- The Library is updating its self-check machines to comply with new Windows operating system requirements.
- After a longtime employee retired, the Library hired a new Volunteer Coordinator who continues to develop a robust volunteer program for youth and adults that offers meaningful opportunities for over 400 community members annually.

FY 2026/27 Activities

- The Library will review its marketing and promotion strategies to identify creative ways to highlight valuable community resources and share all the ways it supports and positively impacts the community.
- The Library will be looking at ways to adapt its landscaping and outdoor areas to foster a safe and welcoming environment.
- Library staff will continue to collaborate with the Ames Public Library Friends Foundation to highlight needs and services, and to promote community support and giving.

Library Resource Services

Description:

Library Resource Services is responsible for the acquisition, cataloging, processing, and management of all items in the Library's collection. This includes the administration of the Integrated Library System (ILS), management of all electronic resources, and oversight of the Library's online presence. Additionally, this activity handles collection inventory management, as well as the repair or removal of outdated, damaged, or infrequently used materials.

Library Resource Services is also responsible for the Library's public relations, including the Library's website, external communications, promotional materials, displays, and internal signage. Library Resource Services ensures consistent branding and messaging within the Library, as well as coordination with the City of Ames.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	519,446	557,002	553,867	586,038	5.2%
Internal Services	2,450	1,482	-	-	-100.0%
Contractual	48,038	45,846	45,996	44,620	-2.7%
Commodities	30,558	32,190	27,190	30,140	-6.4%
Collection Materials	695,487	700,681	713,024	745,653	6.4%
Capital	-	-	-	-	
Other Expenditures	974	1,500	1,500	1,250	-16.7%
Total Expenditures	1,296,953	1,338,701	1,341,577	1,407,701	5.2%
Funding Sources:					
Library Friends Foundation	118,147	141,676	141,926	141,926	0.2%
Library Direct State Aid	-	5,000	-	-	-100.0%
Library Donations/Grants	844	1,000	1,000	1,500	50.0%
Total Revenues	118,991	147,676	142,926	143,426	-2.9%
General Fund Support	1,177,962	1,191,025	1,198,651	1,264,275	6.2%
Total Funding Sources	1,296,953	1,338,701	1,341,577	1,407,701	5.2%
Authorized FTEs	5.25	5.25	5.25	5.25	

Library Resource Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
We value a fun, vibrant, and healthy community that attracts and retains people.	Aligning with Strategic Plan priorities:	Physical items available for circulation*	217,703	196,653	215,000	215,000
		Electronic items available for circulation	201,130	214,909	215,500	215,700
		Retrievals from electronic databases	207,972	202,906	201,900	201,900
	Connecting Ames	New items processed	19,570	22,516	19,000	19,500
		Percent of new items processed within 24 hours	87%	90%	90%	90%
	Serving Ames	Collection items repaired	12,619	10,967	12,500	12,500
We value communication and engagement with the public.	A Place for Ames	Social media followers	9,476	10,189	10,700	11,200
		Website and catalog views	357,878	363,307	365,000	365,000
		Email subscribers**	1,145	1,213	1,250	1,300

*Excludes newspapers, magazines, and uncatalogued paperbacks
** Open rate for FY 2023/24 was 50.01% - well above the industry average

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The demand for downloadable electronic books and audio outpaces the increasing costs of providing these services. The Library continues to adjust funding from physical collections to electronic collections, which are more costly. This funding increase is reflected in the collection materials expenditure category.
- The Library's primary book vendor suddenly went out of business, and staff quickly pivoted to alternative suppliers to meet purchasing needs. Additional funds were added to the FY 2025/26 commodities budget for processing supplies to cover costs while negotiating with new vendors and exploring alternative options.

FY 2025/26 Budgets Activities

- Marketing and communications staff continue to highlight and promote newer projects like the Iowa Center for the Book and the Library Sustainability Initiative with updates to the website and social media posts.
- The Community Relations Specialist is working with an Iowa State University (ISU) intern during the fall semester. This will be the Library's fifth year participating in this internship collaboration which has proved to be mutually successful for the Library, the students, and the ISU program as the Library receives fresh insights and ideas and students obtain practical experience in graphic design and communications.

FY 2026/27 Activities

- As outlined in its Strategic Plan, the Library will create a social media team with members from different Library workgroups, to identify creative ways to digitally promote the Library's story of community impact.

Library Youth Services

Description:

Library Youth Services serves the community's youngest members and their caregivers by providing collections, programs, and a child-friendly environment designed to assist in the development of early literacy skills, so children enter school ready to read. The Youth Services activity supports school-age readers' growth by providing engaging and accurate collections, programs that encourage lifelong learning and personal enrichment, and a safe, stimulating environment that fosters reading to learn. Additionally, the Youth Services activity offers diverse young adult collections, robust programming, and a welcoming, inclusive space for teens. With the assistance of staff mentoring, teens are encouraged to engage in leadership and volunteer activities. This activity provides outreach to youth, teens, and families.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Youth Services	774,737	939,734	868,530	968,387	3.1%
Books for Babies	15,000	5,000	5,182	6,000	20.0%
Project Smyles	31,841	35,100	32,975	33,565	-4.4%
Total Expenditures	821,578	979,834	906,687	1,007,952	2.9%
Expenditures by Category:					
Personal Services	740,164	884,719	824,360	926,551	4.7%
Internal Services	3,670	2,220	-	-	-100.0%
Contractual	9,100	15,440	15,690	14,051	-9.0%
Commodities	68,644	77,455	66,637	67,350	-13.1%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	821,578	979,834	906,687	1,007,952	2.9%
Funding Sources:					
Library Friends Foundation	90,638	141,303	130,428	131,018	-7.3%
Library Direct State Aid	15,000	5,000	5,182	6,000	20.0%
Total Revenues	105,638	146,303	135,610	137,018	-6.4%
General Fund Support	715,940	833,531	771,077	870,934	4.5%
Total Funding Sources	821,578	979,834	906,687	1,007,952	2.9%
Authorized FTEs	8.25	8.25	8.25	8.25	

Library Youth Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
We value a fun, vibrant, and healthy community that attracts and retains people. **We value communication and engagement with the public.**	Aligning with Strategic Plan priorities: Connecting Ames Serving Ames A Place for Ames	Youth/family programs	1,561	1,522	1,550	1,550
		Youth/family program attendance	39,377	37,614	39,000	39,000
		Teen programs	112	124	110	110
		Teen program attendance	1,489	1,325	1,350	1,350
		Physical youth collection items circulated	436,424	411,695	410,000	407,500
		Electronic youth collection items circulated	52,295	55,821	60,000	65,000
		Circulation per capita (youth population)	70.43	67.37	67.73	68.09
		Books given away (reading incentives/promotions)	12,124	5,365	5,500	5,750
		Participants in reading incentive programs	2,839	4,033	4,000	4,100

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Youth Services Manager works closely with the Ames Public Library Friends Foundation Development Director to identify grant opportunities to support youth initiatives such as STEM Programming and Summer Meals. The Friends Foundation will contribute $130,428 in FY 2025/26 and $131,018 in FY 2026/27 to the Library for youth programming and collections.

FY 2025/26 Activities

- Staff focus on partnering with organizations such as Iowa State University Extension and Outreach, YSS, and United Way, that add value and expertise to programs and services. Partnering with SmallTalk with Raising Readers in Story County features a ten-week parent and child instructional series on ways to increase early literacy skills with their 0-3 year olds. An extensive summer series also helps teens navigate mental health crises, social media safety, building resumes, career choices, and more with Preparing Individuals for Adulthood and Life through Iowa State University.
- The pilot year of deposit collections at area after-school care sites was so successful that the sites asked to double the frequency of deposits for year two. These collections provide reading materials to over two hundred students at five different sites.
- Library staff refreshed and re-branded the 1,000 Books Before Kindergarten program which encourages brain development through reading to get kids ready for school and the Books for Babies kits which provide early literacy materials to every baby born at Mary Greeley Medical Center throughout the year.
- Youth Service staff support the community's youngest learners with weekly story times in the Library and through the Project Smyles initiative that takes storytimes and curated book collections offsite to ninety-seven preschools and daycares every month.
- The Library's services for teens continue to develop. The Teen Advisory Group reached 20 concurrent teens in membership for the first time ever!
- Staff collaborate with other City departments for programming, including special story times at the Ice Arena and a permanent Storywalk at Moore Memorial Park.

FY 2026/27 Activities

- Staff will evaluate its very popular Battle of the Book program to see if there is capacity to expand the number of teams and grades who participate while still maintaining a high-quality program.
- The Youth Servies Team will explore options to offer space and services for children and families with sensory needs.

Library Adult Services

Description:

Library Adult Services is responsible for selecting and managing all physical and virtual materials for adults. Adult Services staff provides reference, referral, and technical services to assist patrons in accessing critical information and resources; reader advisory services to meet diverse interests; and public programs to encourage civic engagement, lifelong learning, and personal enrichment. Adult Services provides a safe and welcoming space for adults. In addition, this activity is responsible for outreach services, including the delivery of collection materials to homebound customers and seniors living in residential centers.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	792,629	882,651	861,842	911,459	3.3%
Internal Services	3,714	2,220	-	-	-100.0%
Contractual	6,817	10,728	11,378	9,963	-7.1%
Commodities	22,512	20,235	75,735	25,770	27.4%
Capital	-	-	-	-	
Other Expenditures	906	1,500	1,500	1,500	0.0%
Total Expenditures	826,578	917,334	950,455	948,692	3.4%
Funding Sources:					
Library Friends Foundation	32,773	33,676	89,826	39,826	18.3%
Total Revenues	32,773	33,676	89,826	39,826	18.3%
General Fund Support	793,805	883,658	860,629	908,866	2.9%
Total Funding Sources	826,578	917,334	950,455	948,692	3.4%
Authorized FTEs	8.50	8.50	8.50	8.50	

Library Adult Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
We value a fun, vibrant, and healthy community that attracts and retains people.	Aligning with Strategic Plan priorities:	Adult programs	493	409	450	440
		Adult program attendance	5,132	6,029	5,200	5,200
		Physical adult collection items circulated	300,293	293,866	290,000	280,000
	Connecting Ames	Electronic adult collection items circulated	209,180	223,284	225,000	230,000
We value communication and engagement with the public.	Serving Ames	Quick Pick collection items circulated	4,985	5,085	5,100	5,200
	A Place for Ames	Virtual readers advisory/reference engagements	3,838	4,537	4,500	4,750
		Home delivery trips	723	769	750	775

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- As part of the adjusted FY 2025/26 budget, the Adult Services area will receive a furniture refresh, with funding of $50,000 from the Ames Public Library Friends Foundation.
- The commodities budget has increased due to additional funding provided by the Friends Foundation for adult program support and additional adult reading incentives.

FY 2025/26 Activities

- The Adult Services workgroup has focused heavily on programs to support creating community and building relationships among Ames's residents. This includes two yearly Speed Friending events, monthly board game meetups, and Ames Repair Café. The workgroup plans to continue growing programming in this community-centered direction.
- The Library has continued to offer space to community social service agencies and non-profits to meet with individuals in need. This space has hosted Mary Greeley Medical Center Behavioral Health Services, which has grown into a partnership with the Homeless Outreach Services Team (HOST). Space is provided for the outreach team to meet with individuals in need and provides a resource for Library staff.
- The Iowa Center for the Book continues to grow in programming and outreach. With an increasing number of proposals for author visits each year the Adult Services workgroup is reviewing its programming criteria to help determine when to offer individual author visit programs vs. participation in the Library's annual Author Fair or other events.
- The Adult Services workgroup is focused on outreach to the community and Iowa State University. They continue to meet with students at campus events to ensure they are aware of Library resources and feel included as members of the Ames community.

FY 2026/27 Activities

- As part of the Library's strategic plan, the IDEA Center will add a recording studio. This will provide a free, public space for recording podcasts, video voiceovers, and other content of community interest.
- The Adult Services workgroup intends to increase in-person outreach to older adults in the Ames community through regular visits to senior living communities.

Library Customer Account Services

Description:

Library Customer Account Services activity is responsible for managing customer accounts and for the circulation of all physical Library collection items. This includes the check-in and check-out of materials, collection of fees, processing items on hold for customers, and re-shelving returned items. Customer Account Services also manages the interlibrary loan process for materials loaned to and borrowed from other libraries. Additionally, the activity is responsible for staffing the Welcome Desk at both the Library and Bookmobile. The Customer Account Services staff work closely with community members to assist them in being successful and responsible Library users.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	1,054,448	1,099,325	1,099,374	1,170,413	6.5%
Internal Services	4,282	2,591	-	-	-100.0%
Contractual	16,446	21,519	20,897	25,003	16.2%
Commodities	5,414	11,375	15,875	14,770	29.9%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,080,590	1,134,810	1,136,146	1,210,186	6.6%
Funding Sources:					
Library Direct State Aid	1,706	6,500	11,000	10,000	53.9%
Total Revenues	1,706	6,500	11,000	10,000	53.9%
General Fund Support	1,078,884	1,128,310	1,125,146	1,200,186	6.4%
Total Funding Sources	1,080,590	1,134,810	1,136,146	1,210,186	6.6%
Authorized FTEs	9.75	9.75	9.75	9.75	

Library Customer Account Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
We value a fun, vibrant, and healthy community that attracts and retains people.	Aligning with Strategic Plan priorities:	Registered Library users	47,068	46,974	48,500	48,000
		New users added	5,199	4,962	5,000	5,500
		Bookmobile visits	7,997	7,639	8,000	8,250
		Physical items circulated through Bookmobile	26,597	25,587	26,000	26,500
	Connecting Ames	Holds processed	128,304	133,007	135,000	138,000
		Interlibrary loans to other libraries	3,236	3,506	3,700	4,000
We value communication and engagement with the public.	Serving Ames	Interlibrary loan items borrowed for Ames Library users	2,193	1,897	2,200	2,550
	A Place for Ames	Physical items checked-in/reshelved	704,976	699,450	710,000	715,000
		Value of materials/fees recovered per dollar spent on recovery*	11:1	11:1	11:1	11:1

*Prior to FY 2019/20 (going fine free) the return on investment was 7:1.

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Customer Accounts Services personal services budget reflects a change in health insurance selection among permanent staff, as well as an increase in Library Aid part-time staff hours to better reflect actual expenditures in this category.
- With the reduction in State support for the Interlibrary Loan Program, postage costs reflected in the contractual budget have been increase for FY 2026/27.
- In the FY 2026/27 contractual budget, funding is included for two staff members to attend a conference to explore desired features for a replacement bookmobile in the next five years.

FY 2025/26 Activities

- Staff have focused on training and educational opportunities this year. The Operations Coordinator presented at a national conference. Another staff member attended a conference to help understand the current landscape for bookmobile service. Three staff members attended a webinar on serving deaf patrons. All staff completed training on de-escalation.
- Staff participate in many community outreach opportunities at events including the Story County Fair, ISU Family Weekend, Cyclone Welcome Weekend, Juneteenth, Ames Anime Con, the Main Street Farmers Market and National Night Out. The Bookmobile continues successful summer outreach at Ames Community School District Summer Enrichment, Ames Parks and Recreation summer camp, and All Aboard for Kids camp.
- Staff support the circulation of non-book items including wi-fi hotspots, tablets, STEM Kits, and Adventure Passes to museums and cultural centers. A current pilot program to check-out monthly bus passes shows demand far surpasses availability, but those served share the positive impact on their daily lives.
- Library Aides, generally responsible for shelving, have undertaken training and skill building to increase their knowledge of Library resources and their ability to provide excellent customer service alongside their commitment to getting materials back to the shelf for use as rapidly as possible.

FY 2026/27 Activities

- A new texting process to message customers about their accounts will be prepared.
- Staff are undertaking a review of internal processes and procedures to ensure information is accurate and up to date.

Cemetery

Description:

The Cemetery activity provides interment services and maintains quiet, attractive grounds and facilities at the Ames Municipal Cemetery (53 acres) and Ontario Cemetery (4 acres). City staff coordinates funerals and interments, lot sales, monument installations, and all grounds maintenance at the cemeteries. This activity also provides maintenance to the "Billy Sunday Cemetery" located in southeast Ames near the Ames Animal Shelter and Ames Dog Park facilities.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	103,098	143,129	151,972	163,746	14.4%
Internal Services	55,211	50,377	48,339	51,199	1.6%
Contractual	60,879	51,690	56,854	60,930	17.9%
Commodities	17,686	12,900	11,931	11,800	-8.5%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	236,874	258,096	269,096	287,675	11.5%
Funding Sources:					
Charges for Services	178,986	216,300	208,000	212,300	-1.9%
Interest Revenue	61,044	12,000	12,000	12,000	0.0%
Total Revenues	240,030	228,300	220,000	224,300	-1.8%
General Fund Support	(3,156)	29,796	49,096	63,375	112.7%
Total Funding Sources	236,874	258,096	269,096	287,675	11.5%
Authorized FTEs	1.40	1.40	1.50	1.50	

Cemetery

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide compassionate cemetery services and maintain the City's three cemeteries in an attractive, fiscally responsible, manner	Regular interments	53	37	52	53
		Cremains interments	69	71	74	73
		Infant interments	3	0	3	0
		Disinterment	2	1	1	0
		Cemetery lots sold	120	112	120	120
		Columbarium niches sold	11	5	5	7
		Markers/ monuments set	74	79	75	75
		Tax support (goal of 0%)	0%	0%	17%	21%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The personal services expenditures represented in this program are impacted by the adjustment in FTEs to better reflect where staff is completing their work.
- Cemetery contract mowing costs continue to be one of the largest expenditures that impact the budget. Due to the large amount of time required to mow and trim the cemeteries, contracting remains more cost-effective than mowing with City staff. In FY 2026/27 mowing costs are projected to increase $5,000, bringing the total mowing contract budget up to $50,000.
- Cemetery fees were increased 7% in FY 2025/26 and again in FY 2026/27.
- Funds were allocated in FY 2026/27 ($6,000) to complete grave marker maintenance in the Garden of Memories section of the Cemetery.
- Cemetery lot sales decreased by 17 in FY 2024/25 compared to FY 2023/24. Staff is projecting a slight increase in FY 2025/26. Sales for FY 2026/27 are projected to be around the 10-year average of 120.

FY 2025/26 Activities

- Staff will be working with a contractor to install perimeter fencing at Ontario Cemetery.

FY 2026/27 Activities

- Staff will be working with a monument company to raise some headstones in the Garden of Memories section of the cemetery.

Art Services

Description:

The Art Services activity supports art in the Ames community through the Public Art Program and through allocations to art agencies and special art programs. Since 1991, the Public Art Commission (PAC) has administered the acquisition and maintenance of art installations on public properties. PAC maintains an active inventory of hundreds of works, including sculptures, paintings, photographs, collages, quilting, and glasswork.

The allocations to art agencies in the community are recommended through the Commission on the Arts (COTA). These community arts programs are non-profit in nature and primarily involve the performing arts. Mini grants are also available for special one-time projects.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Public Art Program	72,458	46,000	260,862	46,000	0.0%
Public Art Pollinator Gardens	1,551	-	-	-	
Art Agency Funding	242,219	252,978	252,978	260,567	3.0%
Total Expenditures	316,228	298,978	513,840	306,567	2.5%
Expenditures by Category:					
Personal Services	3,507	-	-	-	
Internal Services	-	-	-	-	
Contractual	25,006	25,500	36,500	25,500	0.0%
Commodities	1,996	-	-	-	
Capital	43,500	20,500	224,362	20,500	0.0%
Other Expenditures	242,219	252,978	252,978	260,567	3.0%
Total Expenditures	316,228	298,978	513,840	306,567	2.5%
Funding Sources:					
General Fund	-	-	150,000	-	
Local Option Sales Tax	310,727	298,978	356,000	306,567	2.5%
Public Art Donations	3,950	-	7,840	-	
Stormwater Utility Fund	1,551	-	-	-	
Total Funding Sources	316,228	298,978	513,840	306,567	2.5%
Authorized FTEs	0.00	0.00	0.00	0.00	

Art Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Set goals and criteria for arts agency expenditures	COTA agencies receiving an annual grant	19	21	22	23
		Increase of COTA funds over prior year's funding	6.0%	5.0%	5.0%	5.0%
		COTA agencies requesting a Spring or Fall Special Project Grant	10	9	4	8
A fun, vibrant community that attracts and retains people	Expand public art awareness throughout the entire community	Requests for Neighborhood Art	1	2	5	5
		Entries submitted for the Ames Annual Outdoor Sculpture Exhibition	33	48	36	45
		Art acquisitions	3	3	3	3

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Commission on the Arts (COTA) was allocated $260,567 by City Council for FY 2026/27. Most of this funding is allocated to individual agencies. A small amount is also held in reserve to provide spring and fall special project grants. The allocation to COTA for FY 2026/27 is a 3% increase over the amount allocated in FY 2025/26.
- The Public Art Commission (PAC) budget for FY 2026/27 is $46,000, the same amount approved for FY 2025/26.

FY 2025/26 Activities

- Only four applications were received for COTA's FY 2025/26 Fall and Spring Special Project Grant process, resulting in an unspent balance of $6,716. In an effort to fully utilize this funding, COTA has taken the unusual step to create a third round of FY 2025/26 Special Project Grants. This third round of grants will offer a higher maximum award amount ($2,500 compared to the typical $1,000) and will support projects occurring between April and October 2026.
- Through a donation from the Ames Regional Economic Alliance, the City was able to purchase the sculpture entitled "A Big Hello" from the Ames Annual Outdoor Sculpture Exhibition. The sculpture will be retained in its exhibit location at the east end of Main Street. This donation allowed PAC to direct its funds towards the purchase of other artwork for the community.

FY 2026/27 Activities

- The Public Art Commission solicited artist proposals for sculptures to place at bus shelters along the CyRide Red Route as part of the AMES project (Accessible Map-Envisioning Sculptures). A proposal from Tim Adams was selected. Mr. Adams will fabricate and deliver seven sculptures for installation later in calendar year 2026.

Art Services

Public Arts Agencies Receiving City Local Option
Recommendations from COTA (Commission on the Arts)

Agency:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
ACTORS	19,300	20,200	20,200	20,840	3.2%
AIOFA	9,260	8,880	8,880	9,215	3.8%
Ames Chamber Artists	6,000	6,000	6,000	5,875	-2.1%
Ames Youth Choir	15,200	14,940	14,940	14,300	-4.3%
Ames Choral Society	3,950	3,980	3,980	4,000	0.5%
Ames Community Arts Council	12,900	13,200	13,200	12,280	-7.0%
Ames Desi Drama Association	4,545	5,260	5,260	6,200	17.9%
Central Iowa Symphony	13,900	14,000	14,000	12,000	-14.3%
Creative Artists Studios	4,800	4,500	4,500	4,775	6.1%
Dancenter Dance Co Foundation	3,650	5,740	5,740	7,000	22.0%
Des Moines Metro Opera Guild	1,450	1,500	1,500	2,200	46.7%
Friends of Ames Strings	3,950	5,420	5,420	6,800	25.5%
Friends of Roosevelt Park	1,160	-	-	1,850	
Good Company	2,850	3,100	3,100	3,400	9.7%
India Cultural Association	9,149	8,000	8,000	7,200	-10.0%
Iowa Youth Ballet	4,200	4,660	4,660	7,600	63.1%
KHOI Radio	7,800	8,400	8,400	9,150	8.9%
Kids' Co'Motion	-	3,000	3,000	2,850	-5.0%
Octagon Center for the Arts	46,100	44,600	44,600	45,000	0.9%
Senior Variety Show	4,900	4,900	4,900	6,400	30.6%
Story Theater Company	39,516	41,136	41,136	41,500	0.9%
The Buxton Initiative	3,424	-	-	-	
Town & Gown	17,730	17,600	17,600	16,900	-4.0%
Worldly Goods	-	4,400	4,400	6,480	47.3%
Total Agency Allocations	235,734	243,416	243,416	253,815	4.3%
Spring/Fall Special Grants	6,485	9,562	9,562	6,752	-29.4%
Total Allocations	242,219	252,978	252,978	260,567	3.0%

Culture and Recreation CIP

Description:

This is a summary of the Culture and Recreation program capital improvements that are detailed in the City of Ames five-year Capital Improvements Plan (CIP).

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Parks & Recreation:					
Fitch Indoor Aquatic Center	11,917,249	4,879,579	8,701,559	-	
Fitch Indoor Aquatic Center Solar	-	-	-	700,000	
Downtown Plaza	1,134,506	-	302,743	-	
Downtown Plaza Solar	-	-	-	70,000	
Park/Facility Improvements	320,236	175,000	420,600	407,020	
Splash Pad	3,845	-	977,314	-	
Furman Aquatic Center	-	231,500	331,500	-	
Municipal Pool Demolition	79,457	-	-	-	
Ice Arena Improvements	137,607	-	10,135	100,000	
Homewood Improvements	29,609	250,000	371,084	300,000	
Park Maintenance Facility	59,619	-	1,303,920	-	
Playground/Park Equipment	253,831	224,000	278,544	166,480	
Park Agility Equipment	622,521	-	6,962	-	
ADA Transition Plan Improvements	-	100,000	324,496	100,000	
Ada Hayden Improvements	63,963	700,000	1,230,341	-	
Soccer Mini-Pitch	322,875	-	32,961	-	
Ontario Park Development	15	-	131,348	1,300,000	
Rec Center Conceptual Plan	-	100,000	100,000	-	
Moore Park Pedestrian Bridge	-	75,000	75,000	400,000	
Total Parks and Rec. CIP	14,945,333	6,735,079	14,598,507	3,543,500	-47.4%
Library Services:					
Library Carpet Replacement	310,741	-	-	-	
Total Library Services CIP	310,741	-	-	-	
Cemetery:					
Cemetery Improvements	-	75,000	150,000	-	
Scattering Garden	-	-	19,356	-	
Total Cemetery CIP	-	75,000	169,356	-	-100.0%
Total Culture and Rec. CIP	15,256,074	6,810,079	14,767,863	3,543,500	-48.0%

Parks and Recreation ($3,543,500)

The new Fitch Family Indoor Aquatic Center is scheduled to open in the spring of 2026. The ***Fitch Family Indoor Aquatic Center Solar*** project provides funding of $700,000 in FY 2026/27 to add solar panels to the roof of the new facility. The panels will help to reduce carbon emissions, as well as reduce operating costs.

Funding of $70,000 is also allocated in the FY 2026/27 budget for the ***Downtown Plaza Solar*** project. Solar panels that will be installed on the plaza building will produce 37,428 kilowatt hours of electricity for the plaza annually, reducing operating costs by an estimated $4,004 per year.

Park/Facility Improvements is the annual program to add improvements and address maintenance issues in City parks and recreation facilities without specific capital programs. For FY 2026/27, $407,020 is budgeted to add parking near the North River Valley Park soccer fields ($373,520) and install upgrades in Tom Evans Plaza ($33,500).

The ***Ames/ISU Ice Arena***, which the City owns and operates with Iowa State University, is over 24 years old. A schedule of projects has been developed to address needed upgrades and large maintenance projects for the next several years. In FY 2026/27, $100,000 has been budgeted for the complete overhaul of one of the two ice-making system compressors.

Since the addition of the ***Homewood Golf Course*** clubhouse in 2020, clubhouse rentals and high golf course use have made the parking lot inadequate to accommodate all golf course users. Funding of $300,000 is budgeted in FY 2026/27 to replace a portion of the existing asphalt parking lot.

Playground/Park Equipment is the annual program to replace aging play equipment throughout the park system. For FY 2026/27, $166,480 is budgeted to replace both the ages two to five equipment ($74,700) and the ages five to 12 equipment ($91,780) in O'Neil Park.

An assessment of the park system and Parks and Recreation facilities was completed in FY 2022/23 to better understand where improvements need to be made to comply with the 2010 Americans with Disabilities Act Standards for Accessible Design. A transition plan is being developed from the study's recommendations, and the plan will be implemented through the ***ADA Transition Plan Improvements*** program. This program allocates $100,000 annually for improvements to the park system and Parks and Recreation facilities.

The City purchased approximately 50 acres of land in west Ames in 2023 to be developed into a community park. A masterplan is currently being developed, and it's anticipated that the park will be developed in phases. Funding of $1,300,000 is budgeted in FY 2026/27 to begin Phase 1 of the ***Ontario Park Development*** project, which will include improvements to the north end of the park. Possible improvements include demolition of the existing buildings, installation of a parking lot, construction of a bridge over Clear Creek, creation of a trail from the parking lot to the bridge, and the addition of a shelter/restroom.

Moore Memorial Park covers 90 acres, with 50 acres located east of Ioway Creek and the remaining 40 acres west of the creek. In response to community input about connecting parks via hard surface trails, a pedestrian bridge is being planned to connect the two areas of the park. Funding of $75,000 was included in FY 2025/26 for the engineering and design of the bridge, with an additional $400,000 budgeted in FY 2026/27 for the bridge's construction.

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COMMUNITY DEVELOPMENT







CITY OF ames™

Community Development Program

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Community Development Summary

Description:

The Community Development program guides growth and development in the Ames community and supports initiatives that enhance the quality of life for residents. These services include ***Planning Services***, ***Economic Development, and Sustainability***. ***Housing Services*** administers the City's Community Development Block Grant (CDBG) and HOME programs, as well as additional funding received from other federal or state programs. The Community Development program also includes ***Human Services***, which provides funding to non-profit agencies in the community that provide direct assistance to Ames citizens. Activities related to ***Disaster Relief*** through FEMA or other state or federal programs are included in this program when they occur. Capital improvements related to this program are included in the ***Community Development CIP*** activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Planning Services	912,291	1,178,104	1,077,030	1,048,713	-11.0%
Economic Development	3,044,167	2,853,961	3,101,749	3,364,077	17.9%
Council Special Allocations	322,035	339,487	369,487	380,000	11.9%
Sustainability	65,649	24,927	1,166,540	26,747	7.3%
Housing Services	2,649,578	1,600,998	4,296,328	2,042,660	27.6%
Human Services	1,916,943	2,053,976	2,059,469	2,116,460	3.0%
Total Operations	8,910,663	8,051,453	12,070,603	8,978,657	11.5%
Community Development CIP	23,856	175,000	439,248	175,000	0.0%
Total Expenditures	8,934,519	8,226,453	12,509,851	9,153,657	11.3%
Authorized FTEs	8.43	8.43	8.38	8.38	

Community Development Summary

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	1,124,530	1,307,067	1,258,418	1,348,170	3.1%
Internal Services	164,151	171,636	389,376	172,577	0.6%
Contractual	414,921	1,682,134	2,999,910	1,965,593	16.9%
Commodities	12,274	5,575	58,506	4,175	-25.1%
Capital	460,807	-	1,548,931	-	
Other Expenditures	6,832,415	4,984,752	5,914,780	5,595,128	12.2%
Allocations to Other Programs	(98,435)	(99,711)	(99,318)	(106,986)	7.3%
Total Operations	8,910,663	8,051,453	12,070,603	8,978,657	11.5%
Community Development CIP	23,856	175,000	439,248	175,000	0.0%
Total Expenditures	8,934,519	8,226,453	12,509,851	9,153,657	11.3%
Funding Sources:					
Program Revenue	43,849	26,000	47,883	36,200	39.2%
General Fund Support	1,030,793	1,266,206	1,203,363	1,132,397	-10.6%
Local Option Sales Tax	2,211,978	2,378,463	2,383,573	2,481,460	4.3%
Hotel/Motel Tax	2,569,413	2,173,722	2,451,680	2,485,940	14.4%
Road Use Tax	28,032	28,032	28,032	-	-100.0%
City-Wide Housing Fund	33,519	29,410	35,188	29,916	1.7%
CDBG Funds	667,670	684,122	2,359,943	1,102,657	61.2%
HOME Funds	1,948,389	256,483	1,269,492	278,382	8.5%
HOME American Rescue Plan	-	630,983	631,705	631,705	0.1%
Economic Development Fund	28,032	28,032	28,032	-	-100.0%
TIF Funds	347,950	550,000	550,000	800,000	45.5%
Council Priorities Fund	1,038	-	1,081,712	-	
Total Operations Funding	8,910,663	8,051,453	12,070,603	8,978,657	11.5%
CIP Funding:					
Local Option Sales Tax	23,856	175,000	439,248	175,000	0.0%
Total CIP Funding	23,856	175,000	439,248	175,000	0.0%
Total Funding Sources	8,934,519	8,226,453	12,509,851	9,153,657	11.3%

Planning Services

Description:

Planning Services includes both long range and current planning activities for the community. Long range planning assists in the creation of policies related to the development, use, and conservation of land within the city. This includes activities such as the preparation, coordination, and presentation of planning studies, Comprehensive Plan amendments, and substantial text amendments to the Municipal Code. Current planning encompasses the review and analysis of development project site plans, subdivision plans, flood plain permits, and variances and special use permits.

Planning Services provides staff support to the City Council, the Planning and Zoning Commission, the Zoning Board of Adjustment, and the Historic Preservation Commission. Planning staff is also the primary point of contact for preliminary development inquiries, citizen questions on use of property and zoning, and neighborhood inquiries on City activities or plans.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Planning Services	897,060	1,076,104	972,176	1,046,713	-2.7%
Historic Preservation	3,996	2,000	4,004	2,000	0.0%
CLG Historic Preservation Grant	11,235	-	850	-	
Zoning Update	-	100,000	100,000	-	
Total Expenditures	912,291	1,178,104	1,077,030	1,048,713	-11.0%
Expenditures by Category:					
Personal Services	737,761	912,093	806,449	881,544	-3.4%
Internal Services	134,927	136,241	136,146	138,609	1.7%
Contractual	34,590	125,720	128,972	25,860	-79.4%
Commodities	5,013	4,050	3,748	2,700	-33.3%
Capital	-	-	-	-	
Other Expenditures	-	-	1,715	-	
Total Expenditures	912,291	1,178,104	1,077,030	1,048,713	-11.0%
Funding Sources:					
Charges for Services	31,849	26,000	35,500	36,200	39.2%
Historic Preservation Grant	-	-	12,000	-	
General Fund	880,442	1,152,104	1,029,530	1,012,513	-12.1%
Total Funding Sources	912,291	1,178,104	1,077,030	1,048,713	-11.0%
Authorized FTEs	6.00	6.00	5.95	5.95	

Planning Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable and high-quality current planning services	Preliminary plats completed*	4 (55)	3 (50)	7	4 (55)
		Final plats completed*	6 (18)	8 (16)	8	7 (20)
		Minor site development plans*	23 (24)	28 (24)	28	28 (25)
		Major site development plans, including PUD/PRD*	4 (40)	6 (41)	5	6 (60)
		ZBA cases*	10 (19)	9 (20)	15	15 (25)
		Flood plain permits*	10 (7)	6 (7)	10	8 (8)
	Provide reliable and high-quality long-range planning services	Plan 2040 map/text amendments completed	1	1	1	1
		Property rezonings completed	4	6	6	4
		Zoning text amendments completed	12	14	11	7
		City Council referral issues	18	22	20	15
	Implement the Council's Façade programs	Downtown façade grants awarded	2	6	3	5
		Campustown façade grants awarded	0	0	0	1
Diverse housing options for the community	Housing Development Approvals	Single-family attached and detached lots final platted	96	40	100	200
		Annual multi-family housing bedrooms completed**	245	87	176	125
		Acres annexed	0	0	276	280

PUD (Planned Unit Development), PRD (Planned Residence District)
*The metric within parenthesis is the average number of calendar days to process an application from the date of submitting a complete application to the date of staff or Council's approval or first reading. This excludes calendar days while waiting for an applicant's response.
Referrals are responses to Council requests typically as memorandums and staff reports and may include more than one follow up per issue.
**Multi-family completions are measured on a calendar year basis to reflect typical completions occurring within the summer of each year.

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The decrease in personal service costs is due to the retirement of a long-time staff member in December 2025. The position is budgeted to be filled with someone at the mid-point for the salary range for the position, along with family insurance. The position is expected to be vacant for several months in FY 2025/26, resulting in personal service cost savings.
- Beginning in FY 2025/26, 5% of the Planning Director's salary and benefits will be allocated to the Economic Development activity. This change is reflected in the adjusted FY 2025/26 and FY 2026/27 budgets.
- City Council identified within the Planning Division Work Plan a major update of the Zoning Ordinance and the Subdivision Code. The update will primarily be completed by staff. However, the FY 2025/26 budget includes $100,000 for consulting services for formatting and finalizing changes for the final ordinance.
- The Chataqua Ridgewood Neighborhood National Register Nomination will be completed during FY 2025/26 and Historic Preservation funding will return to regular levels.
- Mailing and postage costs will increase due to Council's new policy to notify property owners within 400 feet of a project. Additionally, ZBA cases have increased due to new variance allowances in state code.

Planning Services



FY 2025/26 Activities

- City Council is reviewing development incentive requests for five projects. Individual development agreements will be required for each project.
- City staff is a member of the Ames Main Street's Downtown Vision Implementation committee.
- The Linc mixed-use project will include a development agreement for design, phasing, and public improvements along with use of Urban Renewal Area tax increment financing incentives. FY 2025/26 is expected to include approvals that facilitate the project, including the Site Development Plan for the first phase.
- Planning staff will continue supporting the Climate Action Plan Technical Committee, including upcoming high efficiency home pilot project.
- City Council selected south of campus for the first redirection area neighborhood study that will be completed in FY 2025/26. City Council directed staff to work with a developer to create a new zoning overlay for infill development along Hyland and Sheldon that will be presented for approval in 2026.
- City Council has partnered with a developer for an infill workforce housing PUD project at Harrison Road. Final approval and a development agreement will be reviewed by Council in 2026.
- Council previously initiated an update of the East 13th Street Regional Commercial and Northeast Gateway Overlay zoning with expectations of changes to prior development agreement for the former "regional mall site." Draft changes and consultation with the developer will continue this winter for approval in the spring.
- The Irons Subdivision and Ames Golf and Country Club annexation is planned to proceed in spring 2026.
- Staff is preparing to provide a final scope of work for the comprehensive Zoning Ordinance and Subdivision Code Update during the spring of 2026. The overall project will take 18 months to complete.
- A site development plan was approved for Olive Garden, and it is anticipated that the restaurant will receive a certificate of occupancy in the winter of FY 2025/26.
- City staff will be working with developers who purchased University property at the intersection of Ontario Street and Scholl Road for an infill housing development.

Planning Services



FY 2026/27 Activities

- The comprehensive update of the Zoning Ordinance and Subdivision Code, including public outreach with workshops and online communication, will extend into FY 2026/27.
- The City of Ames applied for a federal planning grant to evaluate the feasibility of a Downtown parking garage located within the CBD lot. If awarded, the grant will assist with preliminary expenses related to study, financial projections, and preliminary design. The overall project is estimated to take 18 months to complete.
- Continue work with residential subdivision platting of new development areas.
- Continue work with the Linc project.



Economic Development

Description:

The Economic Development activity supports both existing and new businesses in their efforts to provide opportunities for quality employment in the Ames community. This activity provides local support for federal and state sponsored economic development programs, and administers and oversees all economic development programs.

This activity also records the pass-through of five sevenths of the seven cent per dollar Hotel/Motel tax to the Ames Convention and Visitors Bureau. This activity also includes the distribution of Tax Increment Financing (TIF) tax revenue as required by various economic development agreements.

A portion of the City Manager (10%), Planning and Housing Director (5%), and Finance Director (16%) positions are allocated to the Economic Development activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Discover Ames Pass-through	2,337,227	1,979,922	2,227,680	2,291,940	15.8%
Econ Development/City Staff	85,740	89,175	89,005	93,137	4.4%
Econ Development/AREA	188,566	175,000	175,000	175,000	0.0%
Chamber of Commerce Dues	3,970	3,800	4,000	4,000	5.3%
Kingland Tax Rebate	-	-	-	-	
Barilla Tax Rebate	347,950	375,000	375,000	350,000	-6.7%
North Dayton Tax Rebate	-	175,000	175,000	450,000	157.1%
RISE Grant Repayment	56,064	56,064	56,064	-	-100.0%
Downtown Urban Renewal	24,650	-	-	-	
Total Expenditures	3,044,167	2,853,961	3,101,749	3,364,077	17.9%
Expenditures by Category:					
Personal Services	82,308	85,155	85,082	89,142	4.7%
Internal Services	3,432	4,020	3,923	3,995	-0.6%
Contractual	217,186	178,800	179,000	179,000	0.1%
Commodities	-	-	-	-	
Capital	-	-	-	-	
Other Expenditures	2,741,241	2,585,986	2,833,744	3,091,940	19.6%
Total Expenditures	3,044,167	2,853,961	3,101,749	3,364,077	17.9%
Funding Sources:					
Hotel/Motel Tax	2,554,413	2,158,722	2,406,680	2,470,940	14.5%
General Fund	85,740	89,175	89,005	93,137	4.4%
Road Use Tax	28,032	28,032	28,032	-	-100.0%
ISU Research Park Reimb	28,032	28,032	28,032	-	-100.0%
TIF/Barilla	347,950	375,000	375,000	350,000	-6.7%
TIF/North Dayton	-	175,000	175,000	450,000	157.1%
Total Funding Sources	3,044,167	2,853,961	3,101,749	3,364,077	17.9%
Authorized FTEs	0.31	0.31	0.31	0.31	

Economic Development

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Promote economic development	Support growth of tax base and high paying employment	Number of TIF payments	2	1	2	2
		Dollar value of TIF payments	$376,836	$347,950	$550,000	$800,000
		Ames MSA* unemployment rate	2.3%	2.4%	2.5%	2.5%
		Population census estimate	69,026	69,629	70,250	70,900

*MSA (Metropolitan Statistical Area)

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The City will make it's final payment to Barilla and the second payment to the developer of the North Dayton industrial subdivision in FY 2026/27.
- Beginning with the adjusted FY 2025/26 budget, 5% of the City Attorney position will no longer be charged to the Economic Development activity. Instead, to more accurately reflect staff time investments, 5% of the Planning Director will be allocated to the activity.

FY 2025/26 Activities

- The City will continue to work closely with the developer on The Linc, a $150 million investment along Lincoln Way between Clark Avenue and Kellogg Avenue. The project is expected to gain momentum in the Spring of 2026, with construction anticipated to begin later in 2026. The development will include a hotel, retail, and restaurant space, with a second phase planned to add residential apartments at a later date.

FY 2026/27 Activities

- Staff continue to work closely with developers to expand the range, design, and availability of housing across the City. Through a coordinated approach that includes targeted public infrastructure investments, development agreements, and strategic partnerships, these efforts are expected to support and accelerate new housing starts.

City Council Special Allocations

Description:

City Council Special Allocations includes the Outside Funding Request Program, which allocates funding to various community groups. Applications are made to a committee that includes City staff and residents, who then make funding recommendations to City Council as part of the budget process.

Also included in this activity is funding provided to the Ames Human Relations Commission for special projects or events, and funding for the City's share of the Sustainability Coordinator, a position shared with Iowa State University. The City's share of this position is funded through four of the City's utility funds.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Council Grant Program:					
American Legion Riders	2,500	3,000	3,000	4,500	50.0%
Ames Historical Society	56,000	59,500	59,500	63,000	5.9%
Ames Int'l Partner Cities	6,000	8,000	8,000	11,000	37.5%
Ames Main Street	54,000	55,500	55,500	63,500	14.4%
Campustown (Ames Chamber)	43,000	43,000	43,000	46,000	7.0%
Farmer's Market	11,000	12,000	12,000	12,000	0.0%
Hunziker Youth Sports Complex	89,035	94,250	94,250	100,000	6.1%
Story County Housing Trust	45,500	49,237	49,237	51,000	3.6%
The Ames Foundation	-	-	-	14,000	
Council Grant Program Total	307,035	324,487	324,487	365,000	12.5%
Ames History Museum	-	-	30,000	-	
AREA/Workforce Development	15,000	15,000	15,000	15,000	0.0%
Total Expenditures	322,035	339,487	369,487	380,000	11.9%
Expenditures by Category:					
Personal Services	-	-	-	-	
Internal Services	-	-	-	-	
Contractual	-	-	-	-	
Commodities	-	-	-	-	
Capital	-	-	-	-	
Other Expenditures	322,035	339,487	369,487	380,000	11.9%
Total Expenditures	322,035	339,487	369,487	380,000	11.9%
Funding Sources:					
Local Option Sales Tax	307,035	324,487	324,487	365,000	12.5%
Hotel/Motel Tax	15,000	15,000	45,000	15,000	0.0%
Total Funding Sources	322,035	339,487	369,487	380,000	11.9%
Authorized FTEs	0.00	0.00	0.00	0.00	

City Council Special Allocations

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Promote and support activities that have a broad-based appeal to the Ames community	Outside Funding Request applications	10	9	11	10
		Applicants awarded grant funding	10	9	9	10

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- For FY 2025/26, contracts totaling $3324,487 were awarded from Local Option Sales Tax funds. An additional $10,000 was allocated in Hotel/Motel Tax funds to be available to reimburse the Parking Fund in instances where an organization wishes to hold an event where parking fees are waived district-wide. When approved by the City Council, the parking reimbursement funds are transferred internally to the Parking Fund to make up for the lost Parking Fund revenue.
- In addition to the outside funding requests financed from the Local Option Sales Tax Fund, $15,000 was allocated in FY 2025/26 in the Hotel/Motel Tax Fund for workforce initiatives undertaken by the Ames Regional Economic Alliance.

FY 2025/26 Activities

- Contracts with each agency are prepared in the spring after the allocation amounts are established. Each contract describes the specific scope of services to be delivered by each agency receiving funds.

FY 2026/27 Activities

- The City Council authorized a total of $365,000 in Local Option Sales Tax funding to support the Outside Funding Requests in FY 2026/27. This represents an increase of approximately 12.5% compared to the FY 2025/26 allocation from Local Option Sales Tax.
- The amount allocated in the Hotel/Motel Tax Fund to reimburse the Parking Fund for metered parking waivers has been increased to $16,500 in FY 2026/27. The additional funding reflects an increase in the number of days during which payment-free parking has been requested in calendar year 2026.

Sustainability

Description:

The Sustainability activity accounts for programs and projects implemented to support the City Council value of Environmental Sustainability. This activity coordinates sustainability efforts across all City departments, develop programs in support of the City's Climate Action Plan, and promote sustainability throughout the community.

The majority of the Sustainability activity is allocated to the Utilities, with 20% of operational costs remaining in the General Fund.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Sustainability	123,044	124,638	124,148	133,733	7.3%
City Facilities Study	41,040	-	61,560	-	
City Council Sustainability	-	-	990,150	-	
Community Grants	-	-	66,500	-	
Youth Mini-Grants	-	-	3,500	-	
Multi-Family Recycling Pilot	-	-	20,000	-	
Total Expenditures	164,084	124,638	1,265,858	133,733	7.3%
Expenditures by Category:					
Personal Services	105,036	117,515	117,525	124,527	6.0%
Internal Services	3,125	2,623	2,623	2,586	-1.4%
Contractual	55,904	4,300	1,055,510	6,520	51.6%
Commodities	19	200	20,200	100	-50.0%
Capital	-	-	-	-	
Other Expenditures	-	-	70,000	-	
Total Expenditures	164,084	124,638	1,265,858	133,733	7.3%
Less: Expenditures Allocated to Other Programs/Activities	(98,435)	(99,711)	(99,318)	(106,986)	7.3%
Total Unallocated Sustainability Expenditures	65,649	24,927	1,166,540	26,747	7.3%
Funding Sources for Unallocated Expenditures:					
General Fund	64,611	24,927	84,828	26,747	7.3%
Council Priorities Fund	1,038	-	1,081,712	-	
Total Funding Sources	65,649	24,927	1,166,540	26,747	7.3%
Authorized FTEs	1.00	1.00	1.00	1.00	

Sustainability

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Value sustainability in the policies that guide the organization's decision making and through the services provided	Progress towards the adopted carbon emissions reduction target	Prioritize and implement strategies	NA	NA	NA	NA

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Funding of $1,000,000 was allocated from the Council Priorities fund for sustainability projects that the City Council was interested in implementing to support the Climate Action Plan. To date, this funding has been used to create the Community Grant ($66,500) and Youth Mini-Grant ($3,500) programs, to fund the multi-family recycling pilot project ($20,000), to cover the funding shortfall for the City facilities study ($2,600), and to provide funding for the FY 2026/27 Downtown Plaza Solar CIP project ($57,500). Additional funding of $140,250 was added to the adjusted FY 2025/26 budget, bringing the sustainability funding balance available for other projects to $990,150.
- Funding of $61,560 was carried over from FY 2024/25 into the adjusted FY 2025/26 budget for the completion of the city building energy audit, which was completed in November 2025.

FY 2025/26 Activities

- Staff continue to identify federal funding (e.g., Inflation Reduction Act) and other grant opportunities to improve energy efficiency and greenhouse gas reduction. Two Five federal grants totaling $15 over $30 million have been applied for thus far.
- Staff will continue to work with builders to roll out the net-zero enhanced tax abatement program for single-family new construction. In addition, staff will collaborate with the Ames Home Builder Association on developing a high-performing home pilot project.
- The Sustainability Coordinator will continue to support Resource Recovery (Public Works) with the implementation of community recycling, including residential curbside recycling, and a multifamily recycling pilot project.
- The Sustainability Coordinator will continue to support Electric Services with implementation of an energy upgrade on-bill financing program.
- The Sustainability Coordinator will continue to oversee additional programs, including the Climate Action Grants, the Green Iowa AmeriCorps home weatherization program, and the update of the community-wide greenhouse gas emissions inventory.

FY 2026/27 Activities

- Progress will continue towards the City Council's goal to reduce emissions by 70% over the 2018 levels by the year 2030 and to reach near-zero by 2050.
- A comprehensive update of the community-wide greenhouse gas emissions inventory is anticipated to be completed in FY 2026/27.

City-Wide Housing Programs

Description:

The goal of the City-Wide Housing Programs activity is to promote better housing and housing related educational opportunities for low- and moderate-income citizens in the Ames community. These housing related efforts could include emergency and disaster-related assistance, housing fairs, and public educational workshops. This activity also provides support for programs and projects funded through the Community Development Block Grant (CDBG) and HOME programs. A portion of the Housing Coordinator position is allocated to this activity along with salary and expenses for additional temporary staffing needs.

Expenditures:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	16,535	11,668	17,638	13,500	15.7%
Internal Services	16,839	17,242	17,050	16,116	-6.5%
Contractual	60	400	400	200	-50.0%
Commodities	85	100	100	100	0.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	33,519	29,410	35,188	29,916	1.7%
Funding Sources:					
City-Wide Housing Fund	33,519	29,410	35,188	29,916	1.7%
Total Funding Sources	33,519	29,410	35,188	29,916	1.7%
Authorized FTEs	0.05	0.05	0.05	0.05	

City-Wide Housing Programs

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Encourage citizen participation by hosting educational events and community-wide meetings regarding housing and community development issues	Community forums or events to educate the public on various housing topics/ awareness, program policies, procedures, etc.	0	n/a	n/a	n/a
Diverse housing options for the community		Attendees at community housing programs, events, or presentations	0	n/a	n/a	n/a

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- This activity will only account for expenses incurred by the City's housing programs that are not eligible for reimbursement under the federal Community Development Block Grant (CDBG) and HOME programs that assist low- and moderate-income households. This includes assistance provided to other City departments and non-profit organizations and administration of non-CDBG federal, state, county, and/or local programs. Salary and benefits of temporary employees, if not reimbursed by the federal grant programs, are also charged to this activity.
- This activity includes 5% of the Housing Coordinator's salary and benefits.

Community Development Block Grant

Description:

This activity administers the City's federally funded Community Development Block Grant (CDBG) program. The CDBG program includes a wide variety of housing, community and economic development activities directed toward affordable housing, neighborhood revitalization, economic development, and improved community facilities and services. The overall goals of the CDBG program are to ensure that at least one of the following three national objectives is met: 1) benefit persons of low and moderate income, 2) aid in the prevention of slums or blight, or 3) meet other community development needs of particular urgency. The majority of the Housing Coordinator position (80%) is allocated to this activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
CDBG Administration	115,630	106,824	216,213	220,531	106.4%
Acquisition Rehabilitation	47,208	-	7,500	-	
321 State Avenue NRSA	3,939	-	7,500	-	
Renter Assistance Program	21,259	-	80,118	-	
Homebuyer Assistance NRSA	-	-	234,000	-	
Single Family Rehabilitation	-	-	248,000	-	
Baker Subdivision Park	92,463	-	70,295	-	
Sidewalk Repair Program	-	-	67,748	-	
Infrastructure Improvements	387,171	-	1,218,033	-	
CDBG Future Programs	-	577,298	210,536	882,126	52.8%
Total Expenditures	667,670	684,122	2,359,943	1,102,657	61.2%
Expenditures:					
Personal Services	101,892	88,996	133,545	140,398	57.8%
Internal Services	5,459	10,413	228,537	9,949	-4.5%
Contractual	71,140	583,988	848,035	951,535	62.9%
Commodities	7,113	725	13,575	775	6.9%
Capital	460,807	-	1,056,133	-	
Other Expenditures	21,259	-	80,118	-	
Total Expenditures	667,670	684,122	2,359,943	1,102,657	61.2%
Funding Sources:					
CDBG Fund	667,670	684,122	2,359,943	1,102,657	61.2%
Total Funding Sources	667,670	684,122	2,359,943	1,102,657	61.2%
Authorized FTEs	0.80	0.80	0.80	0.80	

Community Development Block Grant

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Diverse housing options for the community	Utilize and leverage CDBG funds for Low and Moderate-Income persons through private and public partnerships*	Program expenditures in LMI** households and/or neighborhoods (goal: 70% over 3-year period)	70%	96%	70%	70%
		Existing properties purchased for LMI housing to be rehabilitated and/or demolished	2	1	0	0
		Qualified household assisted with monthly rental assistance	0	13	30	50
Provide quality programs in an efficient and fiscally responsible manner	Utilize and leverage CDBG funds for Non-Low and Moderate-Income Persons through private and public partnerships***	Houses/Land sold/leased to non-profits for rehabilitation or new construction	2	1	3	2
		Market Rate lots sold for new home construction in the Baker Subdivision	0	0	5	6
		Blighted properties acquired and demolished in non LMI Census Tract Areas for Code Enforcement	1	1	0	0
	Administer the CDBG program in compliance with federal regulations	Demonstrated compliance with HUD's monitoring of program reports, etc.	No	Yes	Yes	Yes
		Biannual program audit meets federal compliance standards	Yes	Yes	Yes	Yes

*Achieved using the following steps: 1. Increase supply of single family or two-family housing for ownership in the Neighborhood Revitalization Strategy Area (NRSA). 2. Reduce the cost burden for low-income households to access or maintain rental housing citywide. 3. Increase the affordability, quality, and availability of owner housing for homeowners citywide.
**Low and moderate Income
***Achieved using the following steps: 1. Integrate affordable and market-rate residential developments. 2. Remove blighted and deteriorated housing to reuse into new housing. 3. Support and address code enforcement of deteriorated housing. 4. Remove blighted and deteriorated housing in flood plain and other hazardous areas.

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- In FY 2025/26, the City will receive its 21st allocation of Community Development Block Grant (CDBG) funding in the amount of $552,927. Of that amount, $110,585 can be used for program administration, and $442,342 is available for programming.
- CDBG funding of $1,290,907 is also anticipated to be carried over from FY 2024/25 to FY 2025/26. Additional program income will be generated from the sale of homes and lots in the Baker Subdivision in both FY 2025/26 and FY 2026/27. Currently, $527,826 is projected in FY 2025/26 and $549,730 in FY 2026/27.
- The City's CDBG allocation for FY 2026/27 has not yet been announced. For budgeting purposes, the FY 2025/26 allocation of $552,927 is being projected for FY 2026/27. The budget allocates 20% of the CDBG allocation for administrative expenses ($110,585), with the remaining 80% to be used for programming.

FY 2025/26 Activities

- Staff is working with Public Works to complete the replacement of water lines along South Riverside Drive and South Russell Avenue in LMI Census Tract 10, to be completed in spring 2026.
- Staff is continuing to implement the Renter Affordability Program for FY 2025/26.
- Staff will be preparing a Request for Proposals (RFP) to sell the 18 remaining single-family lots in the Baker Subdivision to qualified housing developers. Of these lots, six are designated as affordable and twelve are designated as market-rate.

FY 2026/27 Activities

- Activities will be determined once HUD announces the FY 2026/27 CDBG funding allocations, and the City determines and prepares its FY 2026/27 Annual Action Plan.

HOME Investment Partnership Program

Description:

This activity administers the City's federally funded HOME Investment Partnership Program (HOME). The HOME program is designed exclusively to create affordable housing for low-income households. The overall goals of the HOME program are to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people, often in partnership with local nonprofit groups. Cities receiving HOME funding are called Participating Jurisdictions (PJs). Up to 10% of the funding can be allocated for program administration. A portion of the Housing Coordinator position (15%) is allocated to administer HOME program activities.

Some special conditions apply to the use of HOME funds. PJs must provide a 25% local dollar match of nonfederal funds (except for administration) on projects. PJs must reserve at least 15% of their allocations to fund housing to be owned, developed, or sponsored by experienced, community-driven nonprofit groups designated as Community Housing Development Organizations (CHDOs). PJs must also ensure that HOME-funded housing units remain affordable in the long term (20 years for new construction of rental housing and 5-15 years for construction of homeownership housing and housing rehabilitation, depending on the amount of the HOME subsidy).

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
HOME Administration	58,389	25,648	177,374	27,838	8.5%
CHDO Allocation	-	38,472	189,320	41,757	8.5%
Single Family Housing	-	-	492,798	-	
LIHTC/Multi-Family	1,890,000	-	210,000	-	
Tenant Based Rental Program	-	-	200,000	-	
HOME Future Programs	-	192,363	-	208,787	8.5%
Total Expenditures	1,948,389	256,483	1,269,492	278,382	8.5%
Expenditures:					
Personal Services	58,074	21,574	24,112	23,572	9.3%
Internal Services	272	949	949	1,116	17.6%
Contractual	11	194,988	151,813	211,437	8.4%
Commodities	32	500	500	500	0.0%
Capital	-	-	492,798	-	
Other Expenditures	1,890,000	38,472	599,320	41,757	8.5%
Total Expenditures	1,948,389	256,483	1,269,492	278,382	8.5%
Funding Sources:					
HOME Fund	1,948,389	256,483	1,269,492	278,382	8.5%
Total Funding Sources	1,948,389	256,483	1,269,492	278,382	8.5%
Authorized FTEs	0.15	0.15	0.15	0.15	

HOME Investment Partnership Program

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner to address housing needs in the community	Build or partner to construct affordable housing units in the designated Neighborhood Revitalization Strategy Area (NRSA) of the Baker Housing Subdivision	Single-family units constructed*	0	0	2	0
		Provided down payment and closing assistance*	0	0	1	1
		HOME assisted for LIHTC units constructed*	0	8	0	0
	Implement the Tenant Based Rental Assistance Program (TBRA)	Qualified low-income household assisted with monthly rental assistance for up to 12-18 months through TBRA.	0	0	3	3
	Administer the HOME program in compliance with Federal regulations	Demonstrated compliance with HUD's monitoring of program reports, etc.	Yes	Yes	Yes	Yes
		Biannual program audit meets federal compliance standards	Yes	Yes	Yes	Yes

*For low- and moderate-income families

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The City anticipates receiving its eighth HOME funding allocation for FY 2026/27 in the amount of $278,382. Under the HOME program, both administration and programming dollars can also be rolled over each year. Approximately $991,110 in rollover funding is being carried over from FY 2024/25 for a total of $1,269,492 in HOME funding for FY 2025/26. Of this amount, $189,320 is set aside for a local Community Housing Development Organization (CHDO) (if designated by the City). Of the remaining FY 2025/26 funding, $177,374 is available for administration, leaving $902,798 available in FY 2025/26 for programming to support the City Council's goal of affordable housing.
- The FY 2026/27 HOME allocation has not yet been announced. For budgeting purposes, the FY 2025/26 funding allocation of $278,382 is being projected for FY 2026/27.
- The HOME program requires a local match of $0.25 for every $1.00 of federal HOME funds spent on housing and services for low and moderate income households. Previously, the City assumed infrastructure paid for by the City within the Baker Subdivision would serve as the match for the Creekside Townhomes project. Staff recently learned that the City may be exempt from the local match due to federal regulations allowing for a reduction of the match requirement due to citywide poverty and/or per capita income levels.

  Staff is seeking verification from HUD staff about the match reduction regulations and how they may apply to 2025 and future HOME expenditures. At this time, no specific match is identified for future HOME expenditures; however, if a match is required the City will need to identify a new source of local matching funds for the future expenditures at the time the City determines to move forward with a project.

FY 2025/26 Activities

- The leasing of the 38 LIHTC townhomes constructed on Lot 27 in the Baker Subdivision will be occurring in fall 2025. This includes the eight units that were financed through City HOME funding.
- It is anticipated in FY 2025/26 that the City will partner with a housing developer or manufacturing company to construct at least two homes in Baker Subdivision. The remaining four affordable lots are anticipated to be sold to qualified LMI housing developers.

FY 2026/27 Activities

- Activities will be determined once HUD announces the FY 2026/27 CDBG funding allocations, and the City determines and prepares its FY 2026/27 Annual Action Plan.

Housing CARES/American Rescue Plan

Description:

The Iowa Economic Development Authority (IEDA) Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was passed in 2020 in response to the growing effects of COVID-19. The grant funding is to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). On March 11, 2021, President Biden signed the American Rescue Plan (ARP) Act into law, which provides grant funding to address the continued impact of the COVID-19 pandemic. As part of this Act, grant funds were allocated to local governments that qualified for HOME Investment Partnerships Program (PJs) allocations for fiscal year 2021. The funding is to provide housing, services, and shelter to individuals experiencing homelessness and other vulnerable populations. All programs are to assist low and moderate-income households with incomes at or below 80% of the Ames Metropolitan Statistical Area.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
HOME/ARP Administration	-	91,553	91,661	91,661	0.1%
HOME/ARP Programming	-	539,430	540,044	540,044	0.1%
Total Expenditures	-	630,983	631,705	631,705	0.1%
Expenditures:					
Personal Services	-	46,109	50,000	50,000	8.4%
Internal Services	-	-	-	-	
Contractual	-	584,874	581,705	581,705	-0.5%
Commodities	-	-	-	-	
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	-	630,983	631,705	631,705	0.1%
Funding Sources:					
HOME/American Rescue Plan	-	630,983	631,705	631,705	0.1%
Total Funding Sources	-	630,983	631,705	631,705	0.1%
Authorized *FTEs*	0.00	0.00	0.00	0.00	

Housing CARES/American Rescue Plan

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Diverse housing options for the community	**IEDA/CARES:** Utilize IEDA/CARES (COVID-19) to assist Human Services and daycares to prevent, prepare for, and respond to the coronavirus pandemic for: 1. housing/shelter/food needs for low and moderate-income households and individuals 2. economic opportunities for local nonprofit organizations **HOME-ARP:** To address the continued impact of the COVID-19 pandemic through providing housing, services and shelter for homelessness and other vulnerable populations **IEDA/CARES/HOME-ARP:** Administer the State CARES/HOME ARP programs in compliance with federal regulations	Human service agencies assisted	1	0	0	0
		Daycares assisted	1	0	0	0
		Acquisition of non-congregate shelter	n/a	0	TBD	0
		Demonstrate compliance with HUD/State of Iowa monitoring of program	Yes	Yes	Yes	Yes
		Program audit meets federal and state compliance standards	Yes	Yes	Yes	Yes

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets.

- HOME-ARP funding of $1,261,966 has been carried over from FY 2024/25. The City was also notified in July 2025 that an additional $1,444 was awarded. The total funding of $1,263,410 will be split over FY 2025/26 and FY 2026/27, with $631,705 budgeted each year. Of each annual amount, $91,661 will be used for administration and $540,044 will be available for programming.

FY 2025/26 Activities

- In 2022, City Council elected to use the City's allocation of HOME-ARP funding for the acquisition of non-congregate shelter housing. The City is preparing program guidelines for City Council review and approval for spring 2026.
- Staff is considering various shelter alternatives that would meet the non-congregate housing needs of homeless and non-housed persons in the community under this program.

FY 2026/27 Activities

- The City anticipates soliciting an organization to administer the day-to-day shelter operations of the facility that has been established.

Human Services

Description:

The Human Services activity accounts for allocations made by the City Council to human service providers in the Ames community. These allocations are made in collaboration with Story County, Iowa State University Student Government, and United Way of Story County, through the Analysis of Social Services Evaluation Team (ASSET). The two main purposes of ASSET are to recommend funding levels for each funder to purchase services from agencies, and to coordinate the provision of human services in Story County.

The services provided by ASSET agencies are divided into the categories of Education, Financial Stability, and Health. Volunteers are appointed by each funder to analyze agency funding requests, conduct agency site visits, review agency outcomes reports, and make funding recommendations. The governing bodies of each funder (including the City Council) jointly set the administrative policies and direction used to coordinate the funding process. A portion of one of the Assistant City Manager positions is allocated to this activity (12%).

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Administration	35,063	33,169	44,073	35,029	5.6%
Homelessness Outreach	24,000	-	15,000	-	
ASSET Strategic Conversations	-	-	15,000	-	
Nonprofit Training	-	-	15,000	-	
Childcare Study	-	-	10,000	-	
Human Services Funding	1,857,880	2,020,807	1,960,396	2,081,431	3.0%
Total Expenditures	1,916,943	2,053,976	2,059,469	2,116,460	3.0%
Expenditures by Category:					
Personal Services	22,924	23,957	24,067	25,487	6.4%
Internal Services	97	148	148	206	39.2%
Contractual	36,030	9,064	54,475	9,336	3.0%
Commodities	12	-	20,383	-	
Capital	-	-	-	-	
Other Expenditures	1,857,880	2,020,807	1,960,396	2,081,431	3.0%
Total Expenditures	1,916,943	2,053,976	2,059,469	2,116,460	3.0%
Funding Sources:					
Story County	12,000	-	383	-	
Local Option Sales Tax	1,904,943	2,053,976	2,059,086	2,116,460	3.0%
Total Funding Sources	1,916,943	2,053,976	2,059,469	2,116,460	3.0%
Authorized FTEs	0.12	0.12	0.12	0.12	

Human Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Strengthen human services	Agencies receiving City funds	25	25	26	29
		Increase from prior year's approved funding	5%	5%	5%	3%
		Council-authorized funding recommended by volunteers	100%	92%	97%	100%
		Allocated funds drawn down by agencies	96%	98%	100%	100%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- In May, June, and July of 2025, the four Analysis on Social Services Evaluation Team (ASSET) funders boards (Ames City Council, Story County Board of Supervisors, United Way of Story County Board, and Iowa State University Student Government) met three times to develop joint funder priorities. Although this objective was not achieved, the funding boards expressed a desire to continue conversations around this collaborative effort to better identify the impact of ASSET funding.
- In November 2025, for FY 2025/26, the City Council allocated $15,000 towards hiring a strategic consultant to assist with strengthening the ASSET process; $15,000 towards supporting nonprofit management training for agencies; $5,000 towards hosting community roundtable discussions around human services; and $10,000 towards homeless outreach.
- For FY 2026/27, the City Council has authorized a 3% increase in ASSET funding for a total of $2,081.431. The City Council is reserving $100,000 of that total amount for case management services, which may be provided through a non-ASSET agency. Before 2026, staff will explore issuing a request for proposal for case management needs.
- For FY 2026/27, the City Council also authorized a 3% increase for ASSET administrative costs for a total of $9,336.

FY 2026/27 Activities

- The ASSET volunteers met in January 2026 to make FY 2026/27 funding recommendations for ASSET agencies. The City Council will authorize individual contracts for FY 2026/27 in May 2026.
- In 2026, the ASSET funder staff will be exploring a technology solution to house ASSET data that can be easily accessible to ASSET funder teams.

Human Service Agencies Receiving City Local Option Tax Funding Through the Asset Process

Agency:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
ACCESS	134,372	143,601	143,601	157,708	9.8%
ACPC	166,482	121,590	121,590	123,005	1.2%
All Aboard For Kids	11,811	16,587	16,587	-	-100.0%
American Red Cross	5,900	2,500	2,500	-	-100.0%
Boys & Girls Club	126,093	130,553	130,553	131,285	0.6%
Campfire Heart of Iowa	6,000	6,000	6,000	7,300	21.7%
Center for Creative Justice	70,823	74,365	74,365	90,043	21.1%
Central Iowa RSVP	37,150	37,350	37,350	37,000	-0.9%
ChildServe	24,200	30,800	24,200	23,990	-22.1%
Creative Counseling Services	-	-	-	25,000	
Good Neighbor Emergency Svcs	47,800	54,369	54,369	58,734	8.0%
Heartland Senior Services	222,368	222,368	222,368	219,743	-1.2%
HIRTA	49,359	49,359	49,359	49,634	0.6%
Legal Aid Society of Story County	149,800	160,000	160,000	160,000	0.0%
Lutheran Services in Iowa	2,000	2,000	2,000	-	-100.0%
MGMC Home Health Services	34,178	34,178	34,178	34,178	0.0%
MICA	33,000	35,000	35,000	50,817	45.2%
NAMI Central Iowa	27,481	27,550	27,550	-	-100.0%
Prairie Flower	-	15,300	15,300	20,750	35.6%
Primary Health Care	88,382	95,388	95,388	106,000	11.1%
Raising Readers	36,838	37,808	37,808	39,259	3.8%
The Arc of Story County	11,365	11,400	11,400	32,418	184.4%
The Community Academy	10,000	16,500	16,500	16,900	2.4%
The Salvation Army	205,200	217,200	217,200	132,474	-39.0%
University Community Childcare	104,250	114,675	114,675	117,470	2.4%
YWCA	2,334	-	-	-	
Youth and Shelter Services	250,694	224,893	224,893	163,878	-27.1%
Total Agency Allocations	1,857,880	1,881,334	1,874,734	1,797,586	-4.5%
ASSET Reserved Funds	-	96,229	45,818	227,843	136.8%
ASSET Unallocated Funds	-	43,244	39,844	56,002	29.5%
Total Allocations	1,857,880	2,020,807	1,960,396	2,081,431	3.0%

Community Development CIP

Description:

This is a summary of the Community Development capital improvements that are detailed in the City of Ames five-year Capital Improvements Plan (CIP).

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Community Development:					
Downtown Façade Program	23,753	75,000	339,248	75,000	
Campustown Façade Program	-	50,000	50,000	50,000	
Neighborhood Improvement Program	103	50,000	50,000	50,000	
Total Community Development CIP	23,856	175,000	439,248	175,000	0.0%

Community Development ($175,000)

The ***Downtown Façade Improvement Program*** is the City's annual program to provide financial incentives for façade improvements consistent with the historic character of Downtown Ames. The program, which was introduced in FY 2001/02, provides up to $23,000 in grant funds to downtown business owners. An additional grant of $2,000 is available to subsidize the cost of architectural services. The grants are matched by building owners for such exterior elements as upper façade restorations, display windows, entrances, signs, and awnings. The annual allocation to this program is $75,000, with 59 grants awarded over the life of the program.

The ***Campustown Façade Improvement Program*** provides financial incentives to enhance the appearance and use of existing buildings with commercial uses in the Campustown district. The program is designed to encourage and maintain the eclectic culture and "uniqueness" of Campustown, to increase safety and security, to promote investment by property and business owners, and to add to the vitality of Campustown. Funding of $50,000 is allocated annually to this program.

The ***Neighborhood Improvement Program*** was designed to enhance the appearance of City neighborhoods with the addition of permanent physical improvements and to promote a greater sense of community through resident participation in neighborhood projects. The program provides neighborhood grants to help residents accomplish those projects that they have identified as top priorities for their neighborhoods. Neighborhood residents are expected to provide a local match for the grants in the form of money, materials, and/or labor. Since the program was initiated in FY 1996/97, 126 projects have been funded, including such diverse projects as tree plantings, playground equipment, basketball courts, and prairie and pond restorations. The annual allocation to this program is $50,000.

GENERAL GOVERNMENT







CITY OF ames™

General Government Program

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General Government Summary

Description:

The General Government program is comprised of leadership, management, and support activities for all City of Ames departments. These activities give direction and necessary background assistance to the City's "frontline" services.

The General Government program includes the following activities: City Council, which includes the legislative and policy-making leadership provided by the Mayor and City Council as well as special allocations made by Council and the oversight of a Council Contingency Fund, City Clerk who records and maintains the records of the City Council and various appointed commissions and committees; and City Manager who provides day-to-day administration and coordination of all the City's service programs. The remainder of this program includes a wide array of support services, including Communications and Outreach, Financial Services, Legal Services, and Human Resources. General Government CIP projects are also included in this program.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
City Council	261,583	269,546	329,228	277,524	3.0%
City Clerk	286,125	312,095	355,351	336,114	7.7%
City Manager	532,604	611,789	537,026	637,321	4.2%
Communications/Outreach	386,574	400,852	423,875	420,185	4.8%
Financial Services	568,845	596,981	681,080	608,859	2.0%
Legal Services	573,755	609,546	603,106	639,665	4.9%
Human Resources	405,592	493,804	519,162	510,877	3.5%
Facilities	436,508	410,591	560,243	417,255	1.6%
Total Operations	3,451,586	3,705,204	4,009,071	3,847,800	3.9%
General Government CIP	1,200,933	75,000	1,190,664	90,000	20.0%
Total Expenditures	4,652,519	3,780,204	5,199,735	3,937,800	4.2%
Authorized FTEs	48.87	48.87	48.92	48.92	

General Government Summary

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	6,065,141	6,669,854	6,524,097	7,016,945	5.2%
Internal Services	642,078	625,237	643,248	644,427	3.1%
Contractual	948,294	1,038,911	1,246,564	1,034,180	-0.5%
Commodities	135,064	138,141	145,797	134,209	-2.9%
Capital	-	-	161,320	-	
Other Expenditures	34,724	58,000	112,839	59,150	2.0%
Allocations to Other Programs	(4,373,715)	(4,824,939)	(4,824,794)	(5,041,111)	4.5%
Total Operations	3,451,586	3,705,204	4,009,071	3,847,800	3.9%
General Government CIP	1,200,933	75,000	1,190,664	90,000	20.0%
Total Expenditures	4,652,519	3,780,204	5,199,735	3,937,800	4.2%
Funding Sources:					
Program Revenue	142,200	174,045	176,369	176,983	1.7%
General Fund	3,281,350	3,516,156	3,801,244	3,664,397	4.2%
Local Option Sales Tax	6,758	5,420	6,420	6,420	18.5%
Hotel/Motel Tax	12,300	-	25,038	-	
G.O. Bond Funds	8,978	9,583	-	-	
Total Operating Funding	3,451,586	3,705,204	4,009,071	3,847,800	3.9%
CIP Funding:					
General Fund	896,170	-	599,358	-	
Local Option Sales Tax	220,580	75,000	143,408	90,000	20.0%
American Rescue Plan	41,480	-	158,520	-	
Council Priorities Fund	42,703	-	289,378	-	
Total CIP Funding	1,200,933	75,000	1,190,664	90,000	20.0%
Total Funding Sources	4,652,519	3,780,204	5,199,735	3,937,800	4.2%

City Council

Description:

The City Council is the legislative and policymaking body of the City of Ames municipal government. The Mayor and two City Council members are elected at-large, while the four remaining Council members are elected from their respective wards. An Iowa State University student also serves as a non-voting ex officio member of the City Council to represent student interests in various City processes and projects. Major responsibilities of the City Council include enacting City ordinances and policies, setting property tax levels, approving City service levels with the related budgets needed to support those services, and directing community development efforts for the City of Ames. The Mayor, with the approval of the City Council, appoints members to serve on various policymaking and advisory boards and commissions. Regular City Council meetings are held on the second and fourth Tuesday of each month, with special meetings and work sessions scheduled as needed.

City Council Contingency is an annual appropriation to allow the City Council to respond to opportunities or special requests that occur after the budget has been approved. Funding of $50,000 is allocated annually, with unspent amounts carried forward at the end of each fiscal year, as necessary. Additional funding can also be added at budget amendment time if needed.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
City Council	206,613	214,126	213,572	221,104	3.3%
City Council Contingency	48,212	50,000	109,236	50,000	0.0%
Human Relations	6,758	5,420	6,420	6,420	18.5%
Total Expenditures	261,583	269,546	329,228	277,524	3.0%
Expenditures by Category:					
Personal Services	78,168	78,169	78,169	78,169	0.0%
Internal Services	35,207	40,119	37,502	42,383	5.6%
Contractual	84,615	65,463	75,399	73,702	12.6%
Commodities	28,884	27,795	25,419	24,220	-12.9%
Capital	-	-	-	-	
Other Expenditures	34,709	58,000	112,739	59,050	1.8%
Total Expenditures	261,583	269,546	329,228	277,524	3.0%
Funding Sources:					
General Fund	254,825	264,126	322,808	271,104	2.6%
Local Option Sales Tax	6,758	5,420	6,420	6,420	18.5%
Total Funding Sources	261,583	269,546	329,228	277,524	3.0%
Authorized FTEs	0.00	0.00	0.00	0.00	

City Council

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Enhance opportunities for everyone to thrive by fostering a culture that embraces creativity and innovation	Expenditures/capita*	$3,564	$4,059	$6,491	$5,019
		Property tax rate/$1,000 valuation	$10.20	$10.09	$10.30	$10.27
		General levy rate/$1,000 valuation	$6.34	$6.22	$6.39	$6.26
		Total outstanding debt per capita	$2,054	$2,338	$3,116	$3,608
		Ordinances adopted	31	31	31	34
		Resolutions passed	643	643	645	650
Communication and engagement with the public		City Council goal-setting tasks completed**	CY 2024: 47%	CY 2025: 80%	CY 2026: 100%	CY 2027: 50%
		Mayoral Proclamations issued	22	22	23	25
	Increase public feedback	Number of individual speakers providing input at regular Council meetings	90	90	90	115

*Expenditures before transfers; using Ames' population of 66,427 (US Census: 2020)
**By Calendar Year (CY)

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The City Council held a goal review session on January 11, 2025, and August 19, 2025.
- As is customary following each regular local election, in January 2026, the Council members will set new goals for January 2026-December 2028.
- The City Council voted in September 2025 to put on the November 2025 ballot public measure B: to enter into a loan agreement and issue general obligation bonds in an amount not exceeding $10,500,000 for the purpose of constructing, furnishing and equipping a new municipal fire station as a replacement for Fire Station #2. The measure passed with 86% of voters in favor.

FY 2025/26 Activities

- The City Council continues to provide direction regarding several major initiatives, including the Animal Control Shelter, pet licensing, indoor or outdoor recreational spaces, Climate Action Plan, and waste reduction strategies including residential curbside recycling.
- Council Connect, a branded engagement initiative started in January 2025, focuses on building relationships between underrepresented community members and the City Council. In 2025, roughly 12 engagements were Council Connect events, although Council has had several other engagements with community members. Some new events included participating in the ISU Arab Students Eid Celebration and speaking engagement with the Ames Human Relations Commission to encourage community conversations.

FY 2026/27 Activities

- The City Council will continue to provide direction regarding several major initiatives including the downtown vision, waste management, developer incentives, and utility infrastructure upgrades.

City Clerk

Description:

The City Clerk activity records and maintains proceedings of the City Council. This activity also prepares agendas, takes meeting minutes, publishes proceedings and claims, certifies legal assessments, issues cemetery deeds and fifteen types of permits and licenses, maintains the City's official documents, and provides public information and notification on various items. A portion of City Clerk expenditures are allocated to Electric Services (10%) and Water and Pollution Control (10%). The balance of City Clerk expenditures remains in the General Fund.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
City Clerk	357,643	380,117	413,116	420,142	10.5%
Elections	-	10,000	31,072	-	-100.0%
Total Expenditures	357,643	390,117	444,188	420,142	7.7%
Expenditures by Category:					
Personal Services	292,348	307,348	344,455	351,832	14.5%
Internal Services	23,485	20,894	20,677	19,669	-5.9%
Contractual	40,601	60,375	77,956	47,541	-21.3%
Commodities	1,209	1,500	1,100	1,100	-26.7%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	357,643	390,117	444,188	420,142	7.7%
Less: Expenditures Allocated to Other Programs/Activities	(71,518)	(78,022)	(88,837)	(84,028)	7.7%
Total Unallocated City Clerk Expenditures	286,125	312,095	355,351	336,114	7.7%
Funding Sources for Unallocated Expenditures:					
Licenses and Permits	82,220	81,600	84,750	84,750	3.9%
General Fund	203,905	230,495	270,601	251,364	9.1%
Total Funding Sources	286,125	312,095	355,351	336,114	7.7%
Authorized FTEs	3.00	3.00	3.00	3.00	

City Clerk

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide support for City Council and the City Manager's Office, and act as the official record keeper for all City documents and records in an accurate and fiscally responsible manner	City Council minutes published within timeframe prescribed by Code of Iowa	100%	100%	100%	100%
		Meetings reported	53	52	46	50
		Resolutions finalized	779	688	635	650
		Legal notices published	232	240	228	250
		Documents recorded	98	133	120	130
		Council action summaries	212	147	140	150
		Licenses/ permits processed	505	486	490	495
		Open records requests processed	65	96	120	125
		Cemetery deeds issued	94	90	80	85
		Notary services provided	N/A	N/A	228	235
		Election petitions accepted	0	0	6	0

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The 14.5% increase in personal services is due to turnover in a City Clerk position. A staff member who had not selected City health insurance was replaced by someone who selected family insurance. The additional cost of the insurance is $20,048 for FY 2025/26 and $23,621 for FY 2026/27.
- Personal service costs are also higher in FY 2025/26 because a City Manager's Office staff member worked in the City Clerk's office while the City Clerk position was vacant, and for several weeks after the position was filled, to assist with training and managing the workload.
- Projected election costs have been increased in the FY 2025/26 adjusted budget. The $21,072 increase is due to the costs associated with adding the Fire Station No. 2 relocation project to the ballot.

FY 2025/26 Activities

- The City Clerk's Office collaborated with IT to develop a solution to extract and migrate 20,000 files from Docuware, an outdated file management system, into the current management file system, Laserfiche. This avoided the use of external vendors and saving approximately $13,500. Older records previously stored in Docuware are now easily accessible upon request.
- City Clerk staff assisted several other City departments with transitioning to the new website and setting up online application forms using the platform OpenForms. and supported various departments in their implementation of OpenForms. Staff also developed a process for boards and commission support staff to enter board materials directly in Laserfiche, streaming records management and promoting accountability.

FY 2026/27 Activities

- The Clerk's Office will focus on developing workflows and automated notifications for our OpenForms applications to streamline the resident experience of applying for permits and licenses. Some staff will also serve on the ADA Digital Task Force to ensure compliance with new digital accessibility standards.
- The City Clerk's Office will collaborate with Finance and Purchasing to implement a DocuSign (electronic signature) process for document approvals. Using electronic signatures will streamline turnaround times, reduce printing and integrate seamlessly with our Laserfiche records management system.

City Manager

Description:

It is the responsibility of the City Manager's Office to provide the overall administrative direction for the City organization in accordance with policies established by the City Council. Other responsibilities of this activity are ensuring that City operations are conducted economically, efficiently, and effectively, and that City Council and citizen concerns are addressed. The City Manager champions "Excellence Through People", the mindset and values that guide employee service throughout the organization. The City Manager's Office also develops recommendations to the City Council for changes in programs, operations, and policies. In addition, this activity presents, reviews, and monitors the annual operating budget and Capital Improvements Plan (CIP) program for the City. A portion of overall City Manager expenditures is allocated to Electric Services (22%) and Water and Pollution Control (22.8%). A portion of the City Manager's position (10%) is also charged directly to the Economic Development activity and a portion of one of the Assistant City Manager positions (12%) is allocated directly to Human Services.

The City Manager's Office also oversees the Engagement activity for the City. This activity, which provides services to all City departments, is allocated to various programs and activities based on the number of full-time equivalents (FTEs) in each activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
City Manager	818,086	947,590	855,019	986,454	4.1%
Employee Council	9,046	9,500	9,500	9,500	0.0%
Engagement	128,670	139,342	136,956	144,794	3.9%
Total Expenditures	955,802	1,096,432	1,001,475	1,140,748	4.0%
Expenditures by Category:					
Personal Services	867,206	1,010,750	911,380	1,058,389	4.7%
Internal Services	44,083	44,151	42,290	40,713	-7.8%
Contractual	32,579	29,531	33,905	29,646	0.4%
Commodities	11,934	12,000	13,900	12,000	0.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	955,802	1,096,432	1,001,475	1,140,748	4.0%
Less: Expenditures Allocated to Other Programs/Activities	(423,198)	(484,643)	(464,449)	(503,427)	3.9%
Total Unallocated City Manager Expenditures	532,604	611,789	537,026	637,321	4.2%
Funding Sources for Unallocated Expenditures:					
City Assessor	1,762	1,616	2,020	1,652	2.2%
General Fund	530,842	610,173	535,006	635,669	4.2%
Total Funding Sources	532,604	611,789	537,026	637,321	4.2%
Authorized FTEs	5.53	5.53	5.53	5.53	

City Manager

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide overall leadership and direction for the city organization so that the community needs, and desires are met, City Council policies are implemented, and City Council goals are accomplished	Respondents rating quality of City services as "very good" or "good"	98%	98%	98%	98%
		Council referrals to City staff	147	147	148	148
		Referrals to City Manager's Office	22%	22%	22%	22%
		Referrals to Planning & Housing	28%	28%	29%	29%
		Referrals to Public Works	22%	22%	22%	22%
		Referrals to other City departments	27%	28%	27%	27%
		Union contracts negotiated	1	3	1	0
We value a diverse, equitable, and inclusive community	Create a community where everyone has opportunities to discover and thrive	Respondents who agree with "I am knowledgeable about the issues facing my community"	79%	79%	80%	80%
		Respondents who agree with "I feel I belong at this town"	92%	80%	82%	82%
		Respondents who agree with "I feel valued as an individual in the Ames community"	86%	70%	87%	87%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Management Analyst position is not being filled in FY 2025/26. The vacancy has resulted in some savings in personal services expenses in the adjusted budget; however, a less than 20-hour part time position is being piloted starting in February 2025. This position will assist the Assistant City Manager with housing-related initiatives.

FY 2025/26 Activities

- The City of Ames will need to be compliant with the new Department of Justice ADA digital accessibility standards by April 2026. The Engagement Coordinator has been leading employees through digital accessibility trainings and creating resources for staff.

FY 2026/27 Activities

- The City Manager's Office continues to work with the Linc project developer to accomplish a successful development. Additionally, staff is coordinating responses to industrial prospects for the Prairie View Industrial Center regarding utilities and other infrastructure, and engaging in conversations with developers around workforce housing.
- With the transition of the City's waste management strategies from waste-to-energy towards the Resource and Recovery Campus, the City Manager's Office has been involved in this transformative project that will have a significant impact on the community.
- The Assistant City Manager is also involved in planning for the new Ames Energy Center.

Communications and Outreach

Description:

The purpose of the Communications and Outreach activity is to promote a positive identity for the City of Ames, provide information about local government to citizens, and promote City programs and services. Information is channeled through the City of Ames website, social media, City Side (the utility bill insert), email, and press releases to radio, television, newspapers, and other media outlets. The Communications and Outreach activity also includes Media Production Services, which provides live coverage on the Government Access Channel (12) of Ames City Council and other select boards and commissions meetings, as well as developing original programming to promote the City of Ames government in an enlightening and engaging manner. Printing and Graphics Services designs and prints publications, flyers, signs, and brochures which are used to educate the public. A portion of Communications and Outreach expenses are allocated to other programs and activities using the services.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Communications/Outreach	322,430	350,394	366,619	397,360	13.4%
Media Production Services	213,059	242,174	233,859	241,372	-0.3%
Printing/Graphics Services	114,871	139,877	140,649	144,188	3.1%
City Website Upgrade	12,300	-	25,038	-	
Total Expenditures	662,660	732,445	766,165	782,920	6.9%
Expenditures by Category:					
Personal Services	519,286	550,016	565,006	599,613	9.0%
Internal Services	58,622	68,695	67,818	75,441	9.8%
Contractual	74,744	90,934	110,541	85,066	-6.5%
Commodities	10,008	22,800	22,800	22,800	0.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Expenditure Subtotal	662,660	732,445	766,165	782,920	6.9%
Less: Expenditures Allocated to Other Programs/Activities	(276,086)	(331,593)	(342,290)	(362,735)	9.4%
Total Unallocated Comm/ Outreach Expenditures	386,574	400,852	423,875	420,185	4.8%
Funding Sources for Unallocated Expenditures:					
Outside Printing Revenue	-	1,000	-	-	-100.0%
General Fund	374,274	399,852	398,837	420,185	5.1%
Hotel/Motel Tax	12,300	-	25,038	-	
Total Funding Sources	386,574	400,852	423,875	420,185	4.8%
Authorized *FTEs*	4.25	4.25	4.25	4.25	

Communications and Outreach

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner **Communication and engagement with the public**	Provide relevant, accurate, and timely information in multiple formats about City programs, services, policies, and projects that educate citizens and encourage participation. Promote City programs and services in a compelling and engaging manner.	Press releases distributed	238	240	245	245
		City events/recognitions	8	6	8	7
		Facebook followers	15,355	17,655	19,955	22,255
		Facebook posts views from main City of Ames page	876,050	1.7M	2.9M	3.3M
		Twitter followers	11,322	11,283	10,662	10,500
		Instagram followers	3,686	4,308	4,930	6,174
		Instagram posts views from main City of Ames page	51,592	127,294	539,039	650,000
		Threads	438	792	960	1,000
		City sources are the primary source of news for citizens	Yes	Yes	Yes	Yes
		Rating of website as a news source*	2.5	2.4	2.4	2.5
		Rating of Facebook as a news source*	N/A	2.6	2.5	2.5
		Rating of Instagram as a news source*	N/A	2.3	2.4	2.4
		Rating of the CitySide utility bill insert as a news source*	2.4	2.4	2.4	2.4
		Divisions/departments assisted with printing and graphics	21	21	21	21
		Logos created	8	8	10	10
		Social media graphics created	72	72	80	85
		Construction notices printed	14	14	14	15
		Postcards/direct mail distributed	9	9	10	10
		Live meetings broadcast	99	126	130	136
		Original media production services videos	374	393	430	500
		Live/archive meeting online views (Granicus total page views)	1,969	3,478	3,500	3,650
		Original program YouTube views	396,225	424,789	500,000	550,00

*Data per the most recent Resident Satisfaction Survey (3 = very useful; 2 = somewhat useful; 1 = not useful)

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Personal Services have a 9% increase due to a change in health insurance costs. A communications team member who had previously not elected City health insurance transitioned to family health insurance. This change increased Communications health insurance by $21,871 in FY 2025/26 and $23,621 in FY 2026/27.
- The 9.8% increase in internal service costs is due to increased computer services costs associated with the City's new website.

FY 2025/26 Activities

- This is the second budget cycle with Public Relations, Media Production Services, and Printing and Graphics Services combined into Communications and Outreach division. The transition has been well received across the organization. It consolidates communication services into one team and encourages a comprehensive, strategic multimedia approach to outreach.

Communications and Outreach

- Closed captioning services for live meetings have been purchased and will be implemented in 2026 to replace the manually captioning staff is currently doing on all produced videos before distribution.
- The division continues to research additional tools, including software, to encourage and capture public feedback. These engagement hubs provide platforms for residents to share thoughts and concerns, as well as encourage diverse voices in decision-making. Another feature is streamlining the collection and analysis of public input, which helps provide data for policy and recommendations.
- Developing an education campaign about curbside recycling and the Resource Recovery and Recycling Campus (R3C) is an important focus for FY 2025/26. This will require community-wide outreach with the goal of launching a successful program to encourage participation, reduce contamination, and protect the City's investment in a new program focused on waste reduction.
- The Website Improvement Team, led by the Communications and Outreach division, in partnership with Information Technology, launched a new website in spring 2025. More than 70 web administrators have been trained to use the new website. The new backend is WCAG (Website Content and Accessibility Guidelines) compliant and meet the new ADA requirements.
- Communications and Outreach has worked in partnership with the Ames Animal Shelter to support a $7.5 million fundraising campaign, of which the Ames City Council contributed $3 million. Through events, press releases, social media, direct mailing, posters, and community tabling, the fundraiser is close to reaching its $4.5 million goal.
- Video programs continue to be a push for social media. More on-going series have been created such as: You Asked. We Answered.; Did You Know?; and Meet Your City Staff.
- The City of Ames' podcasts includes two shows that have been active for a year. Ames in Focus highlights City programs, initiatives, and people. Each episode holds an informative conversation with City staff aimed to help get residents in touch with the activities of Ames. The Up Close program focuses on building connections.
- The Communications and Outreach team provides organization-wide oversight of City departments to ensure compliance with the Visual Standards Guide, maintaining a professional reputation, and ensuring compliance with ADA guidelines.



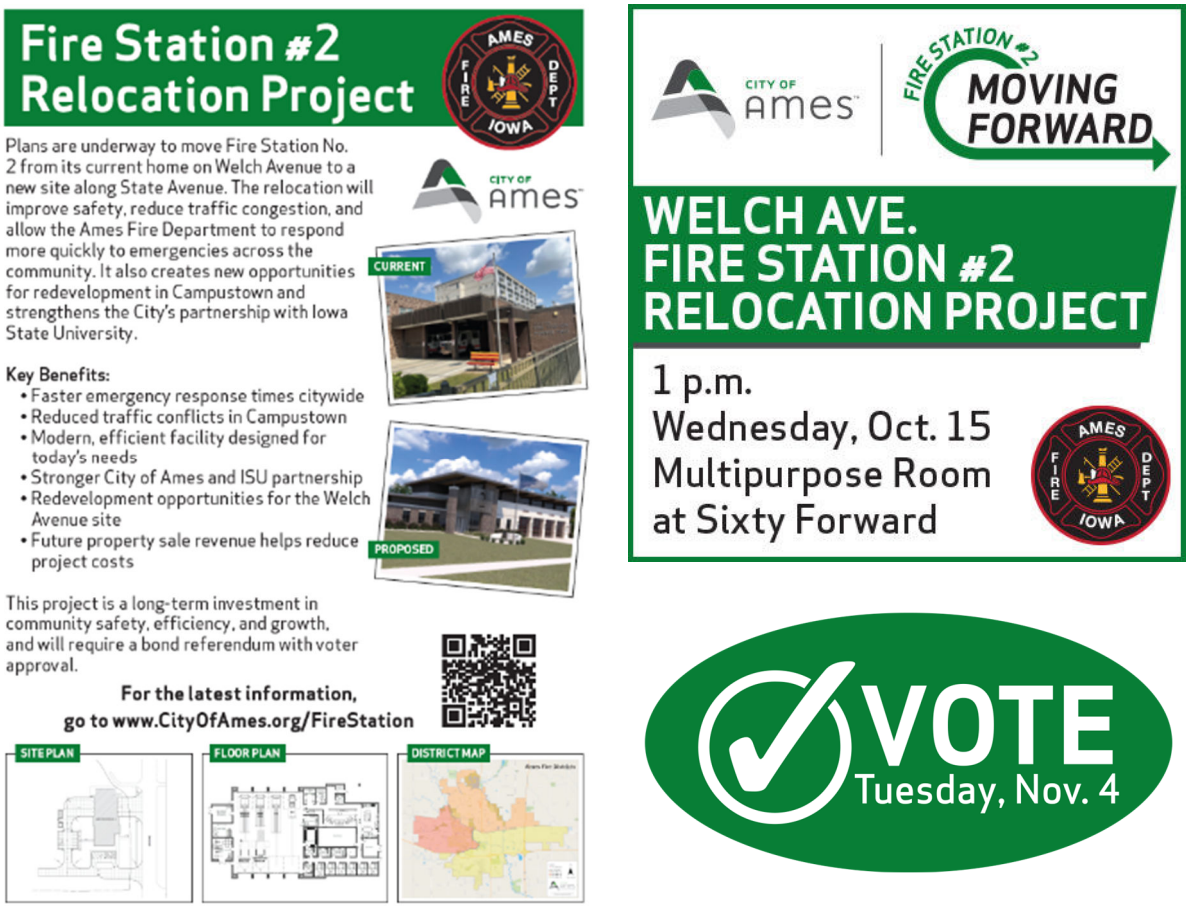


Examples of Ames Animal Shelter Fundraising Campaign

Communications and Outreach

FY 2026/27 Activities

- The expanded Communications and Outreach team is now better prepared for emergency communications with team members going through additional National Incident Management System training.
- The division will continue working with departments to strategically message and use a variety of communications tools. Anticipated outreach efforts include promoting the new Fitch Family Indoor Aquatics Center, public feedback on new Ontario Park, continued waste reduction education, utility conservation outreach, and any new programs and services.
- Three more City departments have begun to explore the use of podcasts. Human Resources, Ames Auditorium, and Police/Mental Health Advocate are all exploring ideas and themes for potential podcasts programs.
- Work is continuing to upgrade the technology equipment in the City Council Chambers. This includes IT and Facilities re-wiring and routing cables, improving audio (utilizing Bluetooth capabilities), and incorporating new visualization modes.
- Printing and Graphics Services continues to convert hard copy printing requests to digital formats when possible and pursue more sustainable options. Labor-intensive print requests such as perforated pieces and multi-carbon forms have been outsourced.



Examples of Fire Station #2 Relocation Campaign

Administrative Support Services

Description:

The Administrative Support Services activity provides administrative support for the Fire Administration, Building Safety, Public Works Administration, City-Wide Housing, and Planning Services activities. This support includes being the first point of contact for customers, processing building permit applications, providing support for various board and commission meetings, distributing plans and specifications for City projects, and scheduling building and rental housing inspections.

The cost of the Administrative Support Services activity is allocated to the various activities it supports on a percentage basis determined by the workload associated with each activity.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	467,293	502,406	500,655	529,395	5.4%
Internal Services	18,893	18,061	18,064	18,761	3.9%
Contractual	924	1,500	1,200	1,200	-20.0%
Commodities	1,094	1,550	2,700	2,530	63.2%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	488,204	523,517	522,619	551,886	5.4%
Less: Expenditures Allocated to Other Programs/Activities					
Fire Administration	(40,520)	(43,452)	(43,378)	(45,807)	5.4%
Building Safety	(92,759)	(99,468)	(99,298)	(104,858)	5.4%
Rental Housing	(78,113)	(83,763)	(83,619)	(88,302)	5.4%
Public Works Administration	(179,171)	(192,131)	(191,801)	(202,542)	5.4%
Planning Services	(87,877)	(94,233)	(94,071)	(99,339)	5.4%
City-Wide Housing	(9,764)	(10,470)	(10,452)	(11,038)	5.4%
Total Allocations	(488,204)	(523,517)	(522,619)	(551,886)	5.4%
Total Unallocated Admin Services Expenditures	-	-	-	-	
Authorized FTEs	5.00	5.00	5.00	5.00	

Administrative Support Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Building Safety support	Building and trade permits processed	3,822	4,012	3,100	3,500
		Permit expiration emails sent	757	736	810	750
		Building and trade inspections scheduled	6,405	6,661	6,234	6,500
		Code cases processed	972	1,157	2,130	1,500
		Rental inspections scheduled	3,484	3,230	3,687	3,500
		Rental advance billing notices	1,325	1,375	1,300	1,350
		New rental registrations	111	109	51	70
		Ames on the Go service requests acknowledged	1,560	2,384	2,673	2,500
	Public Works support	Driveway/curb cut applications processed	97	139	171	160
		Parking waivers processed	55	32	60	50
		Parking permits issued	208	347	726	300
		Late permit payment notices distributed	54	43	65	55
		Meter hood rentals processed	69	50	96	75
		Bid letting projects entered	17	18	12	15
	Planning support	Development Review Committee (DRC) cases distributed	135	125	120	125
		Other Planning cases distributed*	89	191	243	210
		Board/commission meetings staffed**	37	35	40	40
Communication and engagement with the public	Increase public awareness of proposed major projects, studies, and policy changes	Public notices mailed out	1,990	1,039	2,700	2,500
		Construction website updates	316	470	390	400

* Final plats, flood plain permits, Zoning Board of Adjustment (ZBA), etc.
** ZBA, Planning and Zoning, and Historic Preservation Commission

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The 63.2% increase in commodity costs is due to moving the costs of a shared copier to the Administrative Services budget. The copier, shared by Public Works, Planning and Housing, and Inspections, was formerly budgeted in the Purchasing activity and allocated to the departments based on usage. It was determined to be more efficient to move the copier to Administrative Services, which is also allocated to the same programs and activities.

FY 2025/26 Activities

- Administrative Services continues to play a pivotal role in website migration and the rebuilding of multiple web pages for the Planning, Public Works, and Fire Departments. Missing links and documents continue to be discovered and need to be rebuilt on the new website.
- Administrative Services will publish and distribute the new Access and Paving permit application to implement City Council's new driveway standards.
- Administrative Services is working closely with the Community Codes Liaison in order to help more efficiently enter the dramatic increase in code cases that get reported on City of Ames public platform reporting system, Ames on the Go.
- All employee parking permits for City Hall expire in December 2025. Administrative Services will be cataloging and issuing all new parking permits to City employees for the beginning of 2026.

FY 2026/27 Activities

- Administrative Services will be helping to develop a more efficient parking waiver system in FY 2026/27.
- Administrative Services will play a pivotal role in making sure all Planning and Housing, Public Works, and Fire and Inspections webpages and online documents meet the new requirements of ADA compliance.

Finance Administration and Budget

Description:

The Finance Administration and Budget activity is responsible for the overall fiscal management of the City. This includes budget preparation, debt issuance, and financial analysis as required by City Council, the City Manager's Office, other City departments, or outside agencies. This activity also provides direct oversight for the Utility Customer Service, Parking Violation Collection, Accounting and Reporting, Purchasing Services, Debt Service, and Information Technology activities.

Finance Administration expenditures are allocated to Electric Services (42%), Water and Pollution Control (30%), Resource Recovery (4%), Fleet Services (2%), and Parking Enforcement (1%). Sixteen percent of the Finance Director position is also allocated directly to the Economic Development activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Finance Administration	621,090	656,938	654,891	689,889	5.0%
Budgeting/Reporting System	-	-	99,820	-	
Total Expenditures	621,090	656,938	754,711	689,889	5.0%
Expenditures by Category:					
Personal Services	560,076	593,288	586,315	620,388	4.6%
Internal Services	37,685	39,720	38,981	38,456	-3.2%
Contractual	21,633	23,105	128,590	30,220	30.8%
Commodities	1,696	825	825	825	0.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Expenditure Subtotal	621,090	656,938	754,711	689,889	5.0%
Less: Expenditures Allocated to Other Programs/Activities	(490,661)	(518,981)	(523,913)	(551,911)	6.4%
Total Unallocated Finance Administration Expenditures	130,429	137,957	230,798	137,978	0.0%
Funding Sources for Unallocated Expenditures:					
General Fund	124,218	131,388	230,798	137,978	5.0%
G.O. Bond Funds	6,211	6,569	-	-	-100.0%
Total Funding Sources	130,429	137,957	230,798	137,978	0.0%
Authorized FTEs	3.84	3.84	3.84	3.84	

Finance Administration and Budget

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide fiscal oversight for all City departments and initiatives Develop financial strategies and identify the necessary resources to successfully achieve the City's missions.	Annual expenditures*	$271.70	$299.46	$461.35	$361.59
		General Fund balance at fiscal year-end*	$17.0	$14.4	$11.1	$11.1
		General Fund balance meets Council-approved minimum fund balance requirement	Yes	Yes	Yes	Yes
		General Obligation (G.O.) Bond indebtedness*	$67.0	$74.2	$75.9	$111.4
		Bond rating (Moody's)	Aa1	Aa1	Aa1	Aa1
		Utility revenue bond indebtedness*	$69.5	$81.1	$131.1	$128.3
		GFOA Distinguished Budget Awards	37	38	39	40
		Budget document rated as outstanding or proficient by GFOA reviewers	Yes	Yes	Yes	Yes
		General Fund unrestricted fund balance ratio (Available fund balance ÷ Revenue less pass through)	40.7%	35.0%	26.3%	25.0%

*In millions

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The FY 2025/26 Adjusted Budget and FY 2026/27 Budget both include funding to support staff in pursuing educational goals and advancing succession planning within the City's budget division. To manage costs, the division will prioritize free or reduced-cost training opportunities that can be completed remotely, while also emphasizing skill development and leadership growth to ensure long-term continuity and a balanced workload.

FY 2025/26 Activities

- The Division is now fully staffed, allowing the division to focus on training and professional development. Experienced staff work closely with newer employees to ensure responsibilities are distributed equitably and effectively. As part of this effort, the additional personnel also play a key role in reviewing existing processes and procedures, bringing fresh perspectives to ask critical questions and identify opportunities for improvement.
- As part of the City's efforts to improve financial transparency, staff began producing and presenting quarterly financial reports. Following the presentation of the information to the City Council, the reports are posted to the City's Finance Department webpage for public viewing.
- Staff evaluated the method of allocating governmental services. Given the historic allocations that have been in use for several years, with minimal modification, staff believes that new logic-based allocations will provide a more accurate reflection of the use of City resources, thereby enhancing the accuracy of the City's program budget.

FY 2026/27 Activities

- With several large-scale initiatives underway, such as the relocation of Fire Station #2, construction of the Resource, Recovery, and Recycling Campus, and the expansion of electric generation for the City's utility, Staff anticipates an increased need for evaluation and support. Key responsibilities will include financial modeling, debt issuance, and project tracking to ensure that resources are effectively managed and long-term financial stability is maintained.

Accounting Services

Description:

The purpose of the Accounting Services activity is to manage processing and reporting of all financial transactions for the City of Ames. This activity includes three sub-activities. The Accounting sub-activity is responsible for all financial reporting, including the preparation of the City's Annual Comprehensive Financial Report (ACFR). It also encompasses accounts payable, accounts receivable, and cash receipt functions. The Payroll sub-activity manages the payment of all City employees, as well as the preparation of required quarterly and annual tax reports and the issuance of employee W-2 forms. The Treasury sub-activity provides investment and cash management services within the parameters set by the City of Ames Investment Policy. Accounting Services is allocated on a percentage basis to other City programs and activities that utilize the services.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Accounting Services	940,115	1,004,683	975,514	1,020,442	1.6%
Payroll Services	111,569	126,558	126,861	132,019	4.3%
Treasury Service	167,701	179,075	177,923	187,194	4.5%
Total Expenditures	1,219,385	1,310,316	1,280,298	1,339,655	2.2%
Expenditures by Category:					
Personal Services	837,517	934,458	905,768	958,974	2.6%
Internal Services	243,506	214,545	214,000	220,660	2.9%
Contractual	134,238	157,200	152,425	155,771	-0.9%
Commodities	4,109	4,113	8,005	4,150	0.9%
Capital	-	-	-	-	
Other Expenditures	15	-	100	100	
Total Expenditures	1,219,385	1,310,316	1,280,298	1,339,655	2.2%
Less: Expenditures Allocated to Other Programs/Activities	(825,033)	(898,195)	(877,627)	(918,604)	2.3%
Total Unallocated Accounting Services Expenditures	394,352	412,121	402,671	421,051	2.2%
Funding Sources for Unallocated Expenditures:					
City Assessor	3,528	3,354	3,362	3,499	4.3%
General Fund	388,057	405,753	399,309	417,552	2.9%
G.O. Bond Funds	2,767	3,014	-	-	-100.0%
Total Funding Sources	394,352	412,121	402,671	421,051	2.2%
Authorized FTEs	8.00	8.00	8.00	8.00	

Accounting Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Peer-reviewed Financial Report that meets standard	Unqualified audit opinion received	Yes	Yes	Yes	Yes
		Years GFOA award received for Excellence in Financial Reporting	45	46	47	48
		Days after year end audit is finalized (Goal ≤ 180)	209	180	180	180
	Process financial transactions in a timely, efficient, and accurate manner	Average monthly checks issued to vendors	1,040	962	950	900
		Average monthly electronic payments to vendors	115	171	200	250
		Payments to vendors issued within 7 days of appropriate internal approval	100%	100%	100%	100%
		W-2 forms issued	1,270	1,315	1,315	1,315
		Accurate payroll reports filed on a timely basis	100%	100%	100%	100%
		Average rate of return on investments	3.32%	4.03%	3.75%	3.60%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Personal services includes a lower-than-normal increase due to turnover in an Accounting position. The replacement staff person was hired at a lower salary than the staff member who was replaced.
- Staff implemented an electronic invoice approval routing system to replace the prior paper- and mail-based processes. The City Clerk's Office has also selected this software for records retention, which reduces the number of Accounting user licenses required in FY 2025/26 by seven compared to the original estimate.
- Adjustments to software subscription allocations result in a decrease in the budget for software licenses and subscription for FY 2026/27.

FY 2025/26 Activities

- Following the federal government's increase in the grant capital asset threshold from $5,000 to $10,000, the City raised its own internal threshold for capital asset classification. This update aligns City policy with federal standards and reduces the administrative burden of asset categorization and tracking.
- Staff is reviewing existing processes with an emphasis on documenting exceptions to strengthen training resources. These efforts are intended to create comprehensive documentation that centralizes key information, supports staff development, and ensures consistent backup coverage.

FY 2026/27 Activities

- Staff will assist with the implementation of a Human Resource Management System (HRMS) to modernize City-wide operations. This project represents a critical step in advancing the City's payroll and timekeeping modernization efforts.
- Building on the evaluations completed in FY 2025/26, staff will focus on implementing enhanced procedures aligned with industry best practices. This initiative will improve consistency, accountability, and overall process integrity.

Purchasing Services

Description:

The Purchasing Services activity is responsible for the procurement of goods and services necessary for City services to be delivered to the citizens of Ames. This involves obtaining the goods and services in the most cost-effective manner while maintaining compliance with all applicable laws, regulations, policies, and professional standards. Purchasing services are allocated on a predetermined percentage basis based on relative use of service. Messenger Services and Shared Copier Services are allocated to City departments based on usage, with the goal of recovering the cost of the services provided.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Purchasing Services	633,749	675,527	687,288	718,981	6.4%
Messenger Service	119,081	124,854	122,481	129,108	3.4%
Shared Copier Service	2,333	3,910	2,450	2,450	-37.3%
Total Expenditures	755,163	804,291	812,219	850,539	5.8%
Expenditures by Category:					
Personal Services	677,828	717,365	715,489	758,453	5.7%
Internal Services	40,605	35,464	35,437	33,986	-4.2%
Contractual	33,014	45,504	55,532	53,035	16.6%
Commodities	3,716	5,958	5,761	5,065	-15.0%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	755,163	804,291	812,219	850,539	5.8%
Less: Expenditures Allocated to Other Programs/Activities	(711,099)	(757,388)	(764,608)	(800,709)	5.7%
Total Unallocated Purchasing Services Expenditures	44,064	46,903	47,611	49,830	6.2%
Funding Sources for Unallocated Expenditures:					
Outside Messenger Service	2,870	2,994	2,937	3,096	3.4%
General Fund	41,194	43,909	44,674	46,734	6.4%
Total Funding Sources	44,064	46,903	47,611	49,830	6.2%
Authorized FTEs	6.00	6.00	6.00	6.00	

Purchasing Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide timely and cost-effective procurement of goods and services meeting the needs of City programs in compliance with applicable laws, regulations, policies, and professional standards	Annual/term contracts awarded	146	150	152	154
		Value of awarded bids*	$36.1	$80.7	$23.3	$23.8
		Savings realized through bidding process (difference between high bid and low bid)	48%	20%	23%	25%
		Competitive bids	218	200	205	208
		Value of purchase orders*	$85.55	$125.18	$86.20	$86.40
		Vendors registered in AmesBids (City's electronic bidding system)	1,219	1,641	1,750	1,850
		Value of p-card transactions*	$1.36	$1.57	$1.42	$1.46
	Provide reliable, timely, and cost-effective distribution of US mail, internal mail and parcels	Outgoing US mail sent via discount	82.2%	82.8%	81.0%	81.0%
		Total US Mail pieces	82,454	75,406	71,500	69,000
		Library parcels	2,014	1,693	1,695	1,698

* In millions

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Purchasing Division is establishing new templates for Professional Services and Construction Contracts from AIA (Architects) and EJCDC (Engineers). These agreements provide clearer expectations for the parties, reducing the potential for disputes. AIA offers a subscription license for $2,199 per year. A set of more frequently used EJCDC documents will be purchased for the one-time cost of $4,879. These expenses increase the budget for FY 2025/26 by $7,078 and FY 2026/27 by $2,199.
- Staff continues to expand the functionality of "AmesBids", increasing the software licenses to allow Public Works to enter and issue public improvement bids electronically ($5,000).
- The FY 2025/26 budget includes $6,500 to add a "contracts module" to the "AmesBids" platform. This module will improve the City's annual contract renewal process.

FY 2025/26 Activities

- The Division continues to provide training sessions to staff, covering essential topics including procurement policies and procedures, requisition processing, procurement thresholds, conflict of interest reporting, and training for procurement cardholders.
- Final implementation is underway to extend AmesBids to public improvement bids. This electronic bidding and vendor management tool is already being used to issue bids and Requests for Proposals (RFPs), enhancing communication, transparency, and record-keeping, and significantly reducing the risks of non-compliant or incomplete bids.
- Due to increasing repair costs, the Messenger van is being replaced in FY 2025/26. Staff identified a replacement hybrid vehicle in support of the City's Climate Action Plan. Additional funding from Fleet Services was required to support this expenditure.

FY 2026/27 Activities

- The Purchasing Division is set to implement automated routing of purchase orders to vendors and departments, eliminating the need for printing and mailing purchase orders. All documents will be filed in the electronic document management system (Laserfiche).

Legal Services

Description:

The Legal Services activity provides sound and objective legal advice and representation to City officials and departments. Responsibilities include advising the City Council, staff, boards, and commissions on legal and policy matters; drafting ordinances and amendments to the City's Municipal Code; drafting and reviewing contracts, real estate agreements, and other legal documents; litigating claims by and against the City in District and Appellate Court; prosecuting criminal complaints, traffic citations, code enforcement violations, and other municipal infractions as necessary; and representing the City in labor and unemployment matters, housing and licensing issues, and other arbitration and administrative proceedings. Legal Services also provides legal support to Mary Greeley Medical Center (MGMC) and the Ames City Assessor.

A portion of Legal Services expenditures are allocated to Electric Services (15.1%), Water and Pollution Control (19%), Parking Enforcement (4.6%), Resource Recovery (2.5%), and Transit (1.45%). A portion (5%) of the City Attorney position is also allocated directly to the Economic Development activity.

Expenditures by Category:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Personal Services	903,641	951,109	938,829	1,002,363	5.4%
Internal Services	34,034	32,864	32,365	31,895	-3.0%
Contractual	59,132	76,679	77,743	78,793	2.8%
Commodities	3,638	2,200	2,690	2,319	5.4%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	1,000,445	1,062,852	1,051,627	1,115,370	4.9%
Less: Expenditures Allocated to Other Programs/Activities	(426,690)	(453,306)	(448,521)	(475,705)	4.9%
Total Unallocated Legal Services Expenditures	573,755	609,546	603,106	639,665	4.9%
Funding Sources for Unallocated Expenditures:					
Charges for Services	22,770	51,250	51,250	51,250	0.0%
General Fund	550,985	558,296	551,856	588,415	5.4%
Total Funding Sources	573,755	609,546	603,106	639,665	4.9%
Authorized FTEs	5.95	5.95	6.00	6.00	

Legal Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide reliable, high quality legal services to both internal and external customers	New Legal matters:	541	493	748	748
		Electric	31	24	28	28
		Human Resources	8	8	12	12
		Parks and Rec	22	7	8	8
		Planning	46	44	52	52
		Police	14	15	8	8
		Public Works	46	50	76	76
		Water and Pollution Control	13	5	4	4
		Finance	26	22	28	28
		Fire	16	23	4	4
		Board of Review	14	15	76	76
		Other (includes trials)	305	280	452	452

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- Personal service costs for the adjusted FY 2025/26 and FY 2026/27 budgets reflect the retirement of a long-time Legal Services staff member in November 2025. The budget projection for the replacement of the position is estimated at the mid-point for the salary range for the position, including family health insurance.
- For the past several years, 5% of the City Attorney's salary and benefits has been charged to the Economic Development activity. Beginning in FY 2025/26, this 5% allocation is no longer made and those costs are retained in Legal Services.
- Funding of $5,000 has been included in both the adjusted FY 2025/26 and FY 2026/27 budgets for an electronic codification system. This service would replace the manual process of updating the Municipal Code and make the Municipal Code much more accessible and searchable.

FY 2025/26 Activities

- Advice and review of documentation continues for many large City projects, including the Resource Recovery and Recycling Campus, the new Animal Shelter, the Fire Station 2 relocation, the new Electric power generating facility, and the 13th and Grand intersection improvements.
- Legal staff also continues to provide legal support for the sale of lots in Baker Subdivision.

FY 2026/27 Activities

- Legal staff will continue to provide staffing for various City boards and commissions, as well as represent the City at the Board of Review for property assessment appeals.
- Legal staff will continue to be responsible for drafting ordinances, reviewing City contracts, coordinating with outside council on litigation matters, and consulting with the Police Department to prosecute municipal infractions.

Human Resources

Description:

The Human Resources activity is responsible for the hiring and retaining qualified employees using progressive recruitment techniques and competitive compensation and benefit programs. Other responsibilities of Human Resources include monitoring and preparing reports to demonstrate compliance with federal and state regulations, providing training opportunities and resources for employee development, updating and ensuring compliance with City personnel policies, negotiating union contracts, and assuming a leadership role for the City's Excellence Through People (ETP) program.

Human Resources expenditures are allocated to other programs or activities based on the number of full-time equivalents (FTEs) in each of those activities. Human Resources staff is also responsible for the Risk Insurance and Health Insurance activities.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Human Resources	816,264	987,509	990,253	1,035,287	4.8%
Employee Development	44,757	54,122	54,372	54,372	0.5%
Employee Assistance	11,242	12,500	12,500	12,500	0.0%
ETP Program	32,315	43,000	83,000	22,000	-48.8%
Total Expenditures	904,578	1,097,131	1,140,125	1,124,159	2.5%
Expenditures by Category:					
Personal Services	699,114	835,368	807,455	880,708	5.4%
Internal Services	43,993	38,916	66,390	38,485	-1.1%
Contractual	137,288	197,247	240,480	180,166	-8.7%
Commodities	24,183	25,600	25,800	24,800	-3.1%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	904,578	1,097,131	1,140,125	1,124,159	2.5%
Less: Expenditures Allocated to Other Programs/Activities	(498,986)	(603,327)	(620,963)	(613,282)	1.7%
Total Unallocated Human Resources Expenditures	405,592	493,804	519,162	510,877	3.5%
Funding Sources for Unallocated Expenditures:					
City Assessor	10,296	12,288	12,674	12,469	1.5%
General Fund	395,296	481,516	506,488	498,408	3.5%
Total Funding Sources	405,592	493,804	519,162	510,877	3.5%
Authorized FTEs	6.05	6.05	6.05	6.05	

Human Resources

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	To enhance our culture of excellence by maximizing human potential through caring people, quality programs, and exceptional services	Recruitments*	165	188	175	175
		Applications*	1,949	4,730	3,000	3,000
		External hires**	121	325	300	300
		Internal promotions	22	25	20	22
		Hours of leadership development training offered	120	148	150	120
		Employees attending training through Employee Development Center (EDC)	762	440	600	600
		Average employee rating of EDC courses	92%	88%	81%	90%

*Open or promotional
**Full and part-time

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The contractual service budget has been decreased by 8.7% due to the $21,000 decrease in funding for the Excellence Through People (ETP) program. The funding was reduced in FY 2026/27 because of the $40,000 carryover in unspent funding from FY 2024/25 included in the adjusted 2025/26 budget. It is anticipated that a portion of these funds will also remain unspent in FY 2025/26 and will be carried over to FY 2026/27.

FY 2025/26 Activities

- Human Resources and staff from a number of departments selected a Human Resources Management System (HRMS), which includes modules impacting HR data, performance management, time and attendance, and scheduling. The new system will have no impact on the FY 2026/27 Human Resources budget, as funding reserved from prior years as Technology Replacement funds will be used for the initial purchase and implementation costs. Ongoing maintenance costs for the system will be reflected in upcoming budgets. Implementation of the new Human Resources Management System (HRMS) will take place in FY 2025/26, with full utilization expected by July 2026.
- Human Resources staff continues to work with departments to conduct a large number of full-time, part-time, and temporary recruitments annually. Recruitment processes have been evaluated and improvements are being implemented to better align resources.
- Human Resources continues to provide leadership training through Leadership Fundamentals, a six-part series focused on tactical and procedural leadership concepts. All current leaders will have participated in this training by the end of FY 2025/26, with the course being offered for new leaders 1-2 times per year on an ongoing basis.

FY 2026/27 Activities

- Human Resources staff will work with City employees to provide training on the new Human Resources Management System (HRMS). This system will serve as the data resource for employee information, assist with the management of leave requests, and help accurately manage hours worked across the organization. The HRMS will replace many paper-driven processes and create operational efficiencies in Human Resources and departments across the organization.

Facilities

Description:

The Facilities activity is responsible for the maintenance of City Hall, the City Hall grounds and parking lots, and the Veteran's Memorial adjacent to City Hall. City Hall includes office space for City departments, the City Council Chambers, the Ames City Assessor's office, and offices and a court room for Story County, as well as meeting rooms available to the public, the City Auditorium, and the Community Center, which includes a gymnasium, weight room, exercise space, and locker rooms. Facility consultation services and project support are also provided for City facilities that are the direct responsibility of other City departments.

A portion of Facilities expenditures is allocated to other City programs and activities and to the City Assessor's Office.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
City Hall/Veterans Memorial	540,799	586,558	569,890	596,079	1.6%
City Hall Special Projects	57,949	-	161,320	-	
Total Expenditures	598,748	586,558	731,210	596,079	1.6%
Expenditures by Category:					
Personal Services	162,664	189,577	170,576	178,661	-5.8%
Internal Services	61,965	71,808	69,724	83,978	17.0%
Contractual	329,526	291,373	292,793	299,040	2.6%
Commodities	44,593	33,800	36,797	34,400	1.8%
Capital	-	-	161,320	-	
Other Expenditures	-	-	-	-	
Total Expenditures	598,748	586,558	731,210	596,079	1.6%
Less: Expenditures Allocated to Other Programs/Activities	(162,240)	(175,967)	(170,967)	(178,824)	1.6%
Total Unallocated Facilities Expenditures	436,508	410,591	560,243	417,255	1.6%
Funding Sources for Unallocated Expenditures:					
City Assessor	18,754	19,943	19,376	20,267	1.6%
General Fund	417,754	390,648	540,867	396,988	1.6%
Total Funding Sources	436,508	410,591	560,243	417,255	1.6%
Authorized FTEs	1.25	1.25	1.25	1.25	

Facilities

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Maintain an attractive City Hall and Veteran's Memorial	Maintenance cost per square foot (excluding Community Center and Auditorium)	$6.91	$7.12	$7.49	$7.84
A fun, vibrant, and healthy community that attracts and retains people	Help maintain the Ames Annual Outdoor Sculpture Exhibition and neighborhood art	Public Art pieces installed by Facilities staff	13	16	15	15

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- City Hall space needs funding was used to complete the remodel of the former Parks and Recreation multipurpose room into an office space for a portion of the City Manager's Office staff. The funding was also used to upgrade furniture for Police and the City Clerk's Office.
- Funding of $50,000 has been added to the FY 2025/26 adjusted budget to address additional space needs in City Hall. These projects will include such things as the creation of new office spaces to accommodate additional employees, the reconfiguration of existing office spaces to maximize space usage, and the addition or expansion of conference rooms for both City employees and the public.
- An increase of 17.0% was seen in internal services due to increased property insurance and computer services costs.

FY 2025/26 Activities

- Carpet installation, baseboard installation, and painting have been completed in all City Hall office areas. In 2026, the lobby spaces will undergo wallpaper and painting projects.
- The Auditorium HVAC replacement project was completed in fall 2025 with an air-source heat pump that meets the City's Climate Action Plan goals.
- Facilities staff continues to assist and support other City facilities and programs including the Ames Municipal Airport, three fire stations, the Ames Public Library, the Ames Animal Shelter, and the Public Art Program.

FY 2026/27 Activities

- Facilities staff is working with the ADA Coordinator on the Transition Plan committee. Staff will also be working to update all the signage in City Hall to meet current standards.

General Government CIP

Description:

This is a summary of the General Government program capital improvements that are detailed in the City of Ames five-year Capital Improvements Plan (CIP).

Activities:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Facilities:					
City Hall Improvements	346,871	75,000	285,043	75,000	
Auditorium HVAC System	854,062	-	605,621	-	
City Hall Shades	-	-	90,000	-	
City Hall Courtyard Renovation	-	-	150,000	-	
City Hall HVAC Fencing	-	-	60,000	-	
City Hall Door Study	-	-	-	15,000	
Total Facilities CIP	1,200,933	75,000	1,190,664	90,000	20.0%
Total General Government CIP	1,200,933	75,000	1,190,664	90,000	20.0%

Facilities ($90,000)

The ***City Hall Improvements*** program focuses on major maintenance projects or the replacement of structural or decorative items in City Hall, the adjacent Veterans Memorial, or the parking lots on the east and west sides of the building. Many of the building's mechanical, electrical, and other support systems were installed during the renovation of the building in 1990. Annual funding of $75,000 has been allocated to this program for system or building upgrades that are beyond the funding level of the Facilities operating budget.

In FY 2026/27, an additional $15,000 has been allocated to this program. The funding will be used for architectural services to evaluate City Hall's current exterior doors and develop options and estimates for replacement doors that are consistent with the historical look of City Hall while improving energy efficiency and security.

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DEBT SERVICE







CITY OF
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Debt Service

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Debt Service Summary

This program accounts for the payment of principal and interest on bonds issued by the City of Ames. There are two types of bonds covered by the Debt Service program: 1) ***General Obligation Bonds*** which are accounted for in the Debt Service Fund and which are full faith and credit obligation of the City; and 2) ***Revenue Bonds*** which are accounted for from the earnings of the enterprise funds.

The City of Ames' debt is managed in accordance with the Capital Improvement Financing and Debt Management policies adopted by the City Council. The City expects to remain well below the debt limits set by the ***Code of Iowa*** and the reserve limits established by City Council. The City's General Obligation bonds currently have the Aa1 rating from Moody's Investors Service.

All outstanding debt is fully amortized with approximately equal principal and interest payments each year during the term of the bonds.

Use of Funds:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
General Obligation Bonds	13,421,870	14,092,994	14,092,994	15,674,470	11.2%
Electric Revenue Bonds	966,213	966,075	966,075	968,200	0.2%
SRF Loan Payments	5,895,765	6,070,082	6,803,108	7,543,291	24.3%
Bond Costs	186,985	200,222	321,621	-	-100.0%
Total Expenditures	20,470,833	21,329,373	22,183,798	24,185,961	13.4%
Funding Sources:					
Debt Service Fund	13,421,870	14,092,994	14,092,994	15,674,470	11.2%
G.O. Bond Funds	186,985	200,222	321,621	-	-100.0%
Electric Sinking Fund	966,213	966,075	966,075	968,200	0.2%
Water Sinking Fund	4,421,563	4,641,500	4,641,500	4,633,720	-0.2%
Sewer Sinking Fund	1,474,202	1,428,582	2,161,608	2,909,571	103.7%
Total Funding Sources	20,470,833	21,329,373	22,183,798	24,185,961	13.4%
Debt Service Principal and Interest Breakdown:					
G.O. Bonds					
Principal	10,325,000	10,624,354	10,624,354	11,440,000	7.7%
Interest	3,096,870	3,468,640	3,468,640	4,234,470	22.1%
Issuance Costs	186,985	200,222	321,621	-	-100.0%
Total G.O. Bonds	13,608,855	14,293,216	14,414,615	15,674,470	9.7%
Electric Revenue Bonds					
Principal	895,000	915,000	915,000	940,000	2.7%
Interest	71,213	51,075	51,075	28,200	-44.8%
Total Electric Revenue Bonds	966,213	966,075	966,075	968,200	0.2%
State Revolving Fund Loans					
Principal	4,421,953	4,626,000	4,791,497	4,976,818	7.6%
Interest	1,473,812	1,444,082	2,011,611	2,566,473	77.7%
Total SRF Loans	5,895,765	6,070,082	6,803,108	7,543,291	24.3%
Total Debt Service	20,470,833	21,329,373	22,183,798	24,185,961	13.4%

Debt Service Cost Allocation

Debt Service Cost Allocation for the FY 2026/27 Budget

Taxable Valuation for Debt Service: $3,905,064,114

Use of Bond Proceeds	Allocated Debt Service	Debt Service Abatements	Property Tax Support	Rate Per $1,000 Valuation
Airport	300,471	70,976	229,495	0.05877
Fire Department Apparatus	196,426	49,106	147,320	0.03773
Fire Facilities	69,903	-	69,903	0.01790
Indoor Aquatic Center	1,373,468	-	1,373,468	0.35171
Library	1,090,738	-	1,090,738	0.27931
Park Projects	325,422	-	325,422	0.08333
Public Safety Radio	238,323	28,249	210,074	0.05380
Resource Recovery	-	-	-	0.00000
Sewer	406,817	317,617	89,200	0.02284
Storm Sewer	23,194	-	23,194	0.00594
Streets	8,629,512	41,200	8,588,312	2.19928
TIF	337,750	337,750	-	0.00000
Water	103,983	61,237	42,746	0.01095
2026/2027 CIP G.O.	2,578,463	750,000	1,828,463	0.46823
Total G.O. Debt	15,674,470	1,656,135	14,018,335	3.58978
Less: State Replacement Tax			138,320	0.03542
Use of Fund Balance			520,000	0.13316
Total Debt Service Cost	$ 15,674,470	$ 1,656,135	$ 13,360,015	3.42120
FY 2026/2027 Debt Service Levy			**$ 13,360,015**	**3.42120**

2026/2027 CIP G.O. Issue	
Resource Recovery/Recycling Campus (abated)	15,117,620
Fire Station #2 Relocation	6,680,955
Asphalt Street Pavement Improvements	2,340,000
Arterial Street Pavement Improvements	1,260,000
CyRide Route Pavement Improvements	3,800,000
Concrete Pavement Improvements	3,300,000
Seal Coat Street Pavement Improvements	900,000
Collector Street Pavement Improvements	2,800,000
Freel Drive Paving	975,000
Intelligent Transportation System	178,756
Airport Airside Improvements	623,250
Airport Entryway Improvements	140,000
Total FY 2026/27 G.O. Bonds	**$ 38,115,581**
FY 2025/26 CIP G.O. Issue	
Fire Station #2 Relocation	589,725
Resource Recovery/Recycling Campus (abated)	6,889,110
Total FY 2025/26 G.O. Bonds	**7,478,835**
Total Bond Issue	**$ 45,594,416**

Projection of Debt Capacity

City of Ames, Iowa
Projection of Debt Capacity

		2024/25 Actual	2025/26 Budgeted	2026/27 Projected	2027/28 Projected	2028/29 Projected	2029/30 Projected	2030/31 Projected
1.	Total Actual Valuation	6,561,140,157	6,631,161,731	7,288,634,193	7,507,293,219	7,732,512,016	7,964,487,376	8,203,421,997
2.	State Mandated Debt Limit	328,057,008	331,558,087	364,431,710	375,364,661	386,625,601	398,224,369	410,171,100
3.	City Reserve (25% of Limit)	82,014,252	82,889,522	91,107,928	93,841,165	96,656,400	99,556,092	102,542,775
	Un-Reserved Debt Capacity	246,042,756	248,668,565	273,323,782	281,523,496	289,969,201	298,668,277	307,628,325
4.	Outstanding Debt	74,205,000	75,910,000	65,840,000	56,645,000	47,990,000	39,680,000	31,835,000
5.	Proposed Issues	-	-	45,594,416	14,965,750	13,090,044	14,899,496	13,660,000
6.	Balance of Proposed Issues	-	-	-	44,224,416	56,188,928	65,269,853	74,979,909
	Total Debt Subject to Limit	74,205,000	75,910,000	111,434,416	115,835,166	117,268,972	119,849,349	120,474,909
7.	Available Un-Reserved Debt Capacity ($)	171,837,756	172,758,565	161,889,366	165,688,330	172,700,229	178,818,928	187,153,416
8.	Available Un-Reserved Debt Capacity (%)	69.84%	69.47%	59.23%	58.85%	59.56%	59.87%	60.84%
9.	Total Debt Capacity ($)	253,852,008	255,648,087	252,997,294	259,529,495	269,356,629	278,375,020	289,696,191
10.	Total Debt Capacity (%)	77.38%	77.11%	69.42%	69.14%	69.67%	69.90%	70.63%

Assumption Notes

1. Total assessed valuation plus utility valuation growth assumption is 3.0% per year.
2. State of Iowa statutory debt limit is 5% of total actual valuation.
3. City Policy reserves 25% of available debt capacity.
4. Current outstanding debt subject to limit at Fiscal Year End includes all debt in which property taxes are pledged.
5. Debt issues subject to limit proposed are part of Capital Improvement Plan.
6. Debt Balance on Issues in Capital Improvement Plan.
7. Debt capacity available after deducting the reserved capacity.
8. Percentage of debt capacity available after deducting the reserved capacity.
9. Debt capacity available prior to deducting the reserved capacity.
10. Percentage of Debt capacity available prior to deducting the reserved capacity.

Issuance Notes

The FY 2026/27 G.O. Bond Issuance includes Reimbursement for R3C ($6,889,110) and Fire Station expenses incurred in FY 2025/26 ($589,725)

Summary of All Bonds Payable

Summary of All Bonds Payable
at June 30, 2025 for the City of Ames

Bond Type	Date of Issue	Interest Rates	Maturity Date	Amount Originally Issued	Outstanding 30-Jun-25
General Obligation Bonds - Government Activities					
Corporate purpose	2014	2.000-2.500	2026	9,395,000	665,000
Corporate purpose/refunding	2015	3.000-5.000	2035	15,670,000	2,100,000
Corporate purpose	2016	2.000-5.000	2028	9,020,605	2,008,514
Corporate purpose/refunding	2017	2.000-5.000	2029	10,975,000	2,645,000
Corporate purpose	2018	3.000-5.000	2030	7,490,000	3,560,000
Corporate purpose/TIF	2019	1.500-5.000	2031	290,000	175,000
Corporate purpose	2019	1.500-5.000	2031	10,230,000	5,395,000
Corporate purpose	2020	1.000-5.000	2032	9,500,000	5,935,000
Corporate purpose/refunding	2020	1.000-5.000	2032	7,929,118	1,760,000
Corporate purpose	2021	1.375-5.000	2033	9,850,000	7,025,000
Corporate purpose/refunding	2021	1.375-5.000	2033	9,372,505	5,080,000
Corporate purpose	2022	4.000-5.000	2034	12,440,000	9,620,000
Corporate purpose	2023	5.000	2035	12,110,000	10,215,000
Corporate purpose	2024	4.000-5.000	2044	17,495,000	16,495,000
				141,767,228	72,678,514
General Obligation Bonds - Business-Type Activities					
Corporate purpose/refunding	2015	3.000-5.000	2027	1,860,000	375,000
Corporate purpose	2015	3.000-5.000	2027	915,000	540,000
Corporate purpose/refunding	2016	2.000-5.000	2028	2,629,395	461,486
Corporate purpose	2019	1.500-5.000	2031	255,000	150,000
				5,659,395	1,526,486
Revenue Bonds					
Electric	2015	2.125-5.000	2027	9,500,000	1,855,000
Hospital refunding	2016	3.000-5.000	2036	64,790,000	50,325,000
Hospital expansion/remodel	2019	1.990	2034	35,000,000	22,665,000
				109,290,000	74,845,000
Total All Bonds				**256,716,623**	**149,050,000**

Summary of All Bonds Payable – Principal and Interest

Summary of All Bonds Payable – Principal and Interest
at June 30, 2025 for the City of Ames

Debt Service Fund:

Year Ending	General Obligation Bonds	
June 30	Principal	Interest
2026	10,280,000	3,211,864
2027	9,505,000	2,986,662
2028	8,815,000	2,576,762
2029	8,580,000	2,255,788
2030	8,230,000	1,905,038
2031-2035	27,990,000	5,483,938
2036-2044	11,375,000	1,993,900
Total	**84,775,000**	**20,413,952**

Water Utility Fund:

Year Ending	General Obligation Bonds	
June 30	Principal	Interest
2026	99,750	8,805
2027	104,750	5,718
2028	109,750	2,480
2029	4,750	285
2030	4,750	190
2031-2035	4,750	95
2036-2044	-	-
Total	**328,500**	**17,573**

Sewer Utility Fund:

Year Ending	General Obligation Bonds	
June 30	Principal	Interest
2026	384,750	27,955
2027	394,750	16,318
2028	204,750	4,380
2029	4,750	285
2030	4,750	190
2031-2035	4,750	95
2036-2044	-	-
Total	**998,500**	**49,223**

Airport Enterprise Fund:

Year Ending	General Obligation Bonds	
30-Jun	Principal	Interest
2026	45,000	16,644
2027	50,000	15,294
2028	50,000	13,794
2029	50,000	12,294
2030	55,000	10,794
2031-2035	290,000	28,263
2036-2044	-	-
Total	**540,000**	**97,081**

Electric Utility Fund:

Year Ending	General Obligation Bonds		Year Ending	Revenue Bonds	
30-Jun	Principal	Interest	30-Jun	Principal	Interest
2026	15,500	2,790	2026	915,000	51,075
2027	15,500	2,015	2027	940,000	28,200
2028	15,500	1,240	2028	-	-
2029	15,500	930	2029	-	-
2030	15,500	620	2030	-	-
2031-2035	15,500	310	2031-2035	-	-
2036-2044	-	-	2036-2044	-	-
Total	**93,000**	**7,905**	**Total**	**1,855,000**	**79,275**

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INTERNAL SERVICE & TRANSFERS







CITY OF ames™

Internal Services

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Internal Services Summary

Description:

Internal Services are operations which support other City programs. In contrast to the support services in the General Government program, these operations are funded through charges made to other City programs. As these activities represent expenses that are already reflected in other City programs, they are budgeted for accountability and decision-making but are not reported to the State. Fleet Services involves the maintenance and operating costs for City vehicles and other pieces of equipment as well as the acquisition and disposal of that equipment. Information Technology provides support to other City programs for both data processing and communications. Printing Services accounts for the activity of the City's Print Shop and related design services. Messenger Services provides internal messenger service and outside mail service to all City departments. Risk Management is responsible for safety-related work practices and securing the most economical risk insurance coverage for the City. The Health Insurance activity includes the administration of the City's self-insured health insurance plan, as well as the Health Promotion program available to City employees. Capital improvements for Internal Services activities are included in Internal Services CIP.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Fleet Services	5,423,727	5,775,956	8,371,935	5,022,112	-13.1%
Information Technology	3,113,771	2,760,052	3,172,988	3,051,429	10.6%
Risk Management	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Health Insurance	13,624,472	12,175,481	14,409,145	15,284,254	25.5%
Health Promotion	292,392	373,131	332,592	346,775	-7.1%
Total Operations	25,807,355	24,735,049	29,669,609	27,373,805	10.7%
Internal Services CIP	-	-	-	-	
Total Expenditures	25,807,355	24,735,049	29,669,609	27,373,805	10.7%
Authorized FTEs	19.90	19.90	20.90	20.90	

Internal Services Summary

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	2,448,855	2,598,415	2,679,188	2,904,082	11.8%
Internal Services	1,114,289	615,336	646,594	593,829	-3.5%
Contractual	5,645,788	6,251,933	6,127,780	6,524,989	4.4%
Commodities	1,156,458	1,406,350	1,477,380	1,294,855	-7.9%
Capital	2,625,938	2,849,300	5,494,295	2,121,000	-25.6%
Other Expenditures	12,816,027	11,013,715	13,244,372	13,935,050	26.5%
Total Operations	25,807,355	24,735,049	29,669,609	27,373,805	10.7%
Internal Services CIP	-	-	-	-	
Total Expenditures	25,807,355	24,735,049	29,669,609	27,373,805	10.7%
Funding Sources:					
Fleet Services Fund	2,650,183	2,840,656	2,819,675	2,865,112	0.9%
Fleet Reserve Funds	2,773,544	2,935,300	5,552,260	2,157,000	-26.5%
Information Technology Fund	2,314,038	1,979,252	2,085,863	2,224,629	12.4%
Technology Reserve Funds	432,332	380,800	677,125	391,800	2.9%
Shared Communications Fund	367,401	400,000	410,000	435,000	8.8%
Risk Insurance Fund	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Health Insurance Fund	13,916,864	12,548,612	14,741,737	15,631,029	24.6%
Total Operations Funding	25,807,355	24,735,049	29,669,609	27,373,805	10.7%
CIP Funding:					
Fleet Reserve Fund	-	-	-	-	
Total CIP Funding	-	-	-	-	
Total Funding Sources	25,807,355	24,735,049	29,669,609	27,373,805	10.7%

Fleet Services

Description:

The Fleet Services activity provides centralized management and maintenance of the City's fleet. Vehicles and equipment are purchased for City departments to match adopted public service tasks and programs. The useful life of each unit is analyzed, and funds are collected from the using departments over that life for the replacement of the equipment when it becomes obsolete. Each vehicle and piece of equipment is replaced as economically as possible without sacrificing quality and reliability. Utilization of equipment between operating departments is encouraged to maximize the value received from each unit. Green vehicles and equipment are purchased whenever feasible.

Fleet maintenance and repairs are planned, scheduled, and completed using the most efficient and cost-effective methods available. Maintenance, repairs, insurance, fuel, and overhead costs are allocated to the departments and programs utilizing the equipment. Fleet Services also operates a motor pool with vehicles available to all City departments as needed.

The Fleet Services maintenance facility is shared by several Public Works divisions: Engineering, Street Maintenance, and Utility Maintenance. The costs associated with the facility are paid by Fleet Services and allocated to the Public Works activities on a percentage basis.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Fleet Administration	583,624	614,792	609,720	638,086	3.8%
Fleet Maintenance	1,834,678	2,022,958	2,004,258	2,017,722	-0.3%
Motor Pool Services	65,653	38,000	38,000	38,000	0.0%
Fleet Maintenance Facility	166,228	164,906	167,697	171,304	3.9%
Fleet Acquisitions	2,773,544	2,935,300	5,552,260	2,157,000	-26.5%
Total Expenditures	5,423,727	5,775,956	8,371,935	5,022,112	-13.1%
Expenditures by Category:					
Personal Services	1,055,177	1,128,836	1,125,291	1,182,014	4.7%
Internal Services	439,328	414,610	407,769	423,550	2.2%
Contractual	528,352	377,110	380,465	410,448	8.8%
Commodities	882,871	1,076,100	1,109,150	1,005,100	-6.6%
Capital	2,487,178	2,779,300	5,349,260	2,001,000	-28.0%
Other Expenditures	30,821	-	-	-	
Total Expenditures	5,423,727	5,775,956	8,371,935	5,022,112	-13.1%
Funding Sources:					
Fleet Services Fund	2,650,183	2,840,656	2,819,675	2,865,112	0.9%
Fleet Reserve Funds	2,773,544	2,935,300	5,552,260	2,157,000	-26.5%
Total Funding Sources	5,423,727	5,775,956	8,371,935	5,022,112	-13.1%
Authorized FTEs	7.95	7.95	7.95	7.95	

Fleet Services

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide and maintain the City's fleet to support all City activities in a high quality and cost-effective manner	City shop rate compared to private sector shop rate	51%	52%	50%	50%
		Billable hours	6,132	5,962	6,500	6,500
		Number of vehicles & equipment that received service	556	613	620	620
		Percentage of preventative maintenance work completed	82%	99%	100%	100%
Environmental sustainability	Maintain a fleet with green vehicles to reduce carbon footprint	All Electric Vehicles	6	10	15	20
		Hybrid Vehicles	17	31	35	40
		Alternative Fuel Vehicles*	62	64	66	68
		Gallons of fuel purchased	178,365	180,767	185,000	180,000

* Includes 11 Snowplow Trucks using B100

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The City's shop rate will increase from $98.63/hour, which generates $641,095, to $103.00/hour, which generates $669,483. The rate is designed to recover the cost of the Fleet Services technicians' salaries and benefits. This is based on the new reduced estimate of 6,500 billable hours, which reflect actual historical hours worked and the longevity of the workforce.
- Administrative fees will decrease from $771,577 to $764,951 in the FY 2025/26 Adjusted Budget and increase to $804,019 in FY 2026/27 (4.2% increase). Historically, Fleet Services has budgeted to have revenues and expenditures be equal. In the last several fiscal years, expenses have exceeded revenues, requiring the drawdown of available balance. The increased administrative fees will replenish the Fleet Fund.
- Average fuel costs are projected to remain flat at $3.15/gallon in FY 2025/26. Fuel remains the largest component of the Fleet Maintenance operating budget, with $582,750 budgeted for FY 2025/26. The number of gallons used is estimated to decrease from 190,000 to 180,000 in FY 2026/27 due to Mary Greeley not using City contracts for fuel. Staff also anticipate the cost of fuel decreasing to $2.95/gallon in FY 2026/27, for a resulting fuel budget of $531,000.
- Due to an increase in the cost of repairing vehicles with outside vendors, the budget for outside repairs was increased by $25,000 in FY 2026/27.

FY 2025/26 Activities

- Fleet Services has budgeted $50,000 in the Fleet Services Reserve Fund in FY 2025/26 to help departments purchase all-electric or hybrid vehicles. Funding is again being programmed for this purpose in FY 2026/27.
- In anticipation of the upcoming equipment for the R3C, Fleet Services budgeted $200,000 for a drive-on lift, $60,000 for 4 mobile lifts and $7,500 for additional jack stands.
- Due to the Iowa Department of Transportation ending the longstanding fuel contract, Fleet Services implemented a new system for fuel. Diesel fueling now occurs through the use of fuel cards and regular gasoline is served by Iowa State University. Fleet Services will continue to consider changes going forward for fueling.

FY 2026/27 Activities

- Due to the age of the motor pool, $50,000 is being programmed in FY 2026/27 for additional purchases of used vehicles.
- All-electric vehicles continue to increase. The City has seven all-electric pickups, two all-electric SUVs, and two all-electric sedans. Fleet Services will continue to work towards identifying more sustainable vehicle and equipment alternatives.

Information Technology

Description:

The purpose of the Information Technology activity is to provide electronic information and communication systems for internal City of Ames activities to assist in the delivery of programs and services to the citizens of Ames. The services provided by Information Technology include network infrastructure support, desktop computer support, and analysis and implementation of information systems. This activity also provides voice network infrastructure support, Wi-Fi infrastructure support, and cellular and phone system planning, implementation, and maintenance.

Computer Services and Phone System Operations costs are allocated to other City programs based on system use and the number of users and devices supported. Information Technology also assists City departments with planning for future technology needs and collects funds into a reserve, so funding is available when equipment needs to be replaced or updated.

The shared public safety system used by the City of Ames, Iowa State University, Story County, and the E-911 system is also reflected in this activity.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Computer Services	2,036,099	1,810,800	2,085,863	2,224,629	22.9%
Phone Services	277,939	168,452	-	-	-100.0%
Technology Replacement	432,332	380,800	657,125	391,800	2.9%
Finance/HRMS Software Study	-	-	20,000	-	
Shared Communications	367,401	400,000	410,000	435,000	8.8%
Total Expenditures	3,113,771	2,760,052	3,172,988	3,051,429	10.6%
Expenditures by Category:					
Personal Services	1,036,363	1,094,522	1,176,959	1,323,990	21.0%
Internal Services	655,833	177,417	215,257	148,315	-16.4%
Contractual	1,010,147	1,094,513	1,275,157	1,176,244	7.5%
Commodities	268,352	323,600	360,580	282,880	-12.6%
Capital	138,760	70,000	145,035	120,000	71.4%
Other Expenditures	4,316	-	-	-	
Total Expenditures	3,113,771	2,760,052	3,172,988	3,051,429	10.6%
Funding Sources:					
Information Technology Fund	2,314,038	1,979,252	2,085,863	2,224,629	12.4%
Technology Reserve Funds	432,332	380,800	677,125	391,800	2.9%
Shared Communications Fund	367,401	400,000	410,000	435,000	8.8%
Total Funding Sources	3,113,771	2,760,052	3,172,988	3,051,429	10.6%
Authorized FTEs	9.00	9.00	10.00	10.00	

Information Technology

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Establish and maintain secure and reliable IT infrastructure and technology equipment and tools to support service delivery to our citizens	Server downtime	5 min	5 min	4 hr	4 hr
		Core network downtime	5 min	2 hr	4 hr	4 hr
		Primary internet downtime (all services)	13 hr	1.5 hr	4 hr	4 hr
		Internet downtime (full client services, limited server services)	20 min	5 min	1 hr	1 hr
		Phone service downtime	3 days 5 hr	45 min	4 hr	4 hr
		CyberSecurity weekly status (average weekly high or critical vulnerabilities, CISA reports)	0.00	0.00	0.10	0.10
		Client computer patch status	NA	95%	95%	95%

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The FY 2025/26 proposed budget includes funding for a part-time networking intern beginning January 1, 2026. This 20-hour-per-week role is intended for a student pursuing a degree in computer science or a related field and will provide valuable support to the City's network administrator, helping to maintain the stability and security of the City's systems.
- To promote consistency in processes, equipment, and security measures across the City, the proposed budget includes combining the Library's IT staff into the overall City's IT Division effective January 1, 2026. Under this plan, the Library's IT Systems Administrator will assume a vacant Systems Analyst position, and the Library Support Technician will join the team as a Client Support Specialist. By filling a vacant position, this realignment will result in a net reduction of one position. Consolidating all IT support into one workgroup will strengthen standardization, security, and customer service.
- Staff turnover and the inclusion of insurance costs for the employees transitioning to Library IT positions resulted in approximately $40,000 in increased insurance costs.
- In FY 2023/24, IT introduced a new computer cost allocation method to better reflect departmental usage. To ease the varied impacts, adjustments are phased in over five years, which will be completed in FY 2026/27.
- Staff vacancies and efficiencies have allowed reserve fund revenues to exceed expenditures. As a result, no funding for technology replacements is budgeted in FY 2025/26 or FY 2026/27.

FY 2025/26 Activities

- The Department is in the process of transitioning the Furman Aquatic Center from an external internet connection to the City's internal network. This shift improves reliability, reduces costs associated with third-party service providers.
- Staff is currently conducting a comprehensive review of the network configurations for all Police vehicles, Fire apparatus, and public safety firewalls. This review helps identify and resolve potential vulnerabilities, ensures secure communication between emergency response units, and strengthens system resilience in critical public-safety operations.
- IT is actively implementing multi-factor authentication to strengthen security for all Windows logins. This reduces the risk of unauthorized access, protects sensitive City data, and ensures compliance with modern cybersecurity best practices.

FY 2026/27 Activities

- Staff plans to replace outdated on-site backup servers and undertake a comprehensive review of backup protocols to ensure secure, efficient, and resilient data protection both on-site and off-site.

Risk Management

Description:

The Risk Management activity administers the City's risk insurance programs, including general and professional liability, vehicle and property insurance, the Workers' Compensation program, and occupational safety and training. Other responsibilities include exposure analysis and risk financing.

Expenditures by Activity:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Risk Administration	177,490	189,772	188,104	196,194	3.4%
Property Insurance	1,069,807	1,281,304	1,108,863	1,262,273	-1.5%
Liability Insurance	352,809	405,213	374,235	426,491	5.3%
Liability Claims	127,525	200,000	200,000	200,000	0.0%
Auto Insurance	80,307	88,338	84,176	92,594	4.8%
Transit Insurance	250,403	287,963	262,655	302,053	4.9%
Professional Liability Insurance	85,344	98,146	89,499	100,239	2.1%
Police Professional Insurance	58,636	64,500	61,483	70,706	9.6%
Workers Compensation	1,001,178	882,660	861,398	861,398	-2.4%
Internal Safety Training	149,494	152,533	152,536	157,287	3.1%
Total Expenditures	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Expenditures by Category:					
Personal Services	164,493	173,762	172,094	181,881	4.7%
Internal Services	8,662	9,410	9,410	7,413	-21.2%
Contractual	2,219,432	2,592,107	2,326,295	2,604,791	0.5%
Commodities	1	150	150	150	0.0%
Capital	-	-	-	-	
Other Expenditures	960,405	875,000	875,000	875,000	0.0%
Total Expenditures	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Funding Sources:					
Risk Insurance Fund	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Total Funding Sources	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Authorized FTEs	1.25	1.25	1.25	1.25	

Risk Management

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Ensure that the City's risk insurance program protects the City in a cost-effective manner	Value of City's insured buildings/ property*	$767	$618	$674	$714
		Percent increase in actual property insurance paid over the prior year	32.6%	-17.9%	3.7%	13.8%
		Worker's compensation claims	35	33	35	35
		Police/Fire injury claims	20	24	25	25
	Cultivate a safety culture to promote a safe work environment and minimize claims	Safety training classes held	130	129	130	130
		Lost time injuries	4	7	5	5
	Maintain a fund balance of at least $1,000,000 for deductibles and retained risk	Risk Insurance fund balance*	$3.9	$4.1	$4.2	$4.4

*In millions of dollars

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- In FY 2025/26, staff was able to negotiate a two-year guaranteed premium for the City's excess workers' compensation insurance, providing predictable costs for this coverage in FY 2026/27.
- While the insurance market remains tumultuous for reasons including catastrophic weather and uncontrolled fires in other parts of the country, rates are projected to increase 15% for FY 2026/27. Property values are budgeted to increase by 6% in FY 2026/27. The FY 2026/27 Budget also includes property insurance costs for the new Fitch Family Indoor Aquatic Center and WPC administration building.
- Liability insurance costs continue to rise due to claims and settlements affecting other participants in the same liability risk pool.

FY 2025/26 Activities

- A Request for Proposal (RFP) will be issued for property appraisals of new buildings and buildings which were not appraised during the last round of appraisals in FY 2023/24. Buildings such the new Water Pollution Control administrative building and the Fitch Family Aquatic Center will be appraised.

FY 2026/27 Activities

- Risk Management will continue to work with City departments that are involved in building projects while those projects are underway. Coordination during construction is critical to keeping the City's facilities properly insured.
- Continued efforts will take place with the City's safety training vendor to ensure that City employees can prevent workplace injuries wherever possible. Preventing workplace injuries through training and awareness will continue to mitigate significant increases to workers' compensation costs.

Health Insurance

Description:

The Health Insurance Management activity is responsible for the administration of the City's health insurance plan, which involves the accumulation of departmental, employee, and retiree contributions, and the payment of all medical, dental, and prescription drug claims. This activity is also responsible for the selection of third-party administrators for the payment of claims, the preparation of all required financial and regulatory reporting, and the determination of appropriate contribution rates to maintain an adequate Health Insurance fund balance.

Expenditures by Activity:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change From Adopted**
Health Administration	148,365	176,612	175,823	192,147	8.8%
Medical Claims	8,526,349	6,301,788	8,379,006	9,048,261	43.6%
Dental Claims	434,393	443,657	443,657	482,627	8.8%
Pharmacy Claims	2,855,999	3,393,270	3,542,845	3,524,998	3.9%
Excess Insurance	1,171,406	1,418,261	1,418,261	1,564,075	10.3%
Other Health Insurance	487,960	441,893	449,553	472,146	6.9%
Total Expenditures	13,624,472	12,175,481	14,409,145	15,284,254	25.5%
Expenditures by Category:					
Personal Services	80,694	85,397	85,545	90,649	6.2%
Internal Services	5,128	6,290	6,530	7,164	13.9%
Contractual	1,718,149	1,944,704	1,946,323	2,126,016	9.3%
Commodities	16	375	1,375	375	0.0%
Capital	-	-	-	-	
Other Expenditures	11,820,485	10,138,715	12,369,372	13,060,050	28.8%
Total Expenditures	13,624,472	12,175,481	14,409,145	15,284,254	25.5%
Funding Sources:					
Health Insurance Fund	13,624,472	12,175,481	14,409,145	15,284,254	25.5%
Total Funding Sources	13,624,472	12,175,481	14,409,145	15,284,254	25.5%
Authorized FTEs	0.70	0.70	0.70	0.70	

Health Insurance

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Enhance opportunities for everyone to thrive by fostering a culture that embraces creativity and innovation	Total medical claims paid*	$7.5	$8.5	$8.4	$9.0
		Total dental claims paid^	$427	$434	$444	$483
	Improve the health status of all City employees	Total pharmacy claims paid*	$2.8	$2.7	$3.5	$3.5
		Maintain an adequate fund balance to cover reserves*	$7.7	$7.9	$7.4	$7.2

*In millions of dollars
^In thousands of dollars

Issues and Factors Affecting FY 2025/26 and 2026/27 Budgets

- The FY 2026/27 budget includes an 8% increase in health insurance rates for all participants to cover anticipated increases in medical claims. The 8% premium increase is expected to be combined with a drawdown of a portion of the fund balance to cover the claims incurred.
- Based on consultant assistance, the budgeting of claims for FY 2026/27 includes only net claims. This is due to the recovery of funds for each individual whose claims exceed the specific excess insurance limit ($125,000) being an unknown amount each year.
- Wellmark Blue Cross/Blue Shield has provided a pricing and rebate structure using actual claims information from a fixed 6-month period. Projections indicate a potential savings of approximately 22% ($1.3M) over the next three years (including FY 2025/26).
- Stop-loss insurance rates have increased over the last five years due to the claims experience. The City has incurred increases of at least 25% or higher each of these years, and staff is projecting a 20% increase for FY 2026/27, with a total projected cost of $1,651,361.

FY 2025/26 Activities

- A Benefits Fair was held for employees to meet with representatives of vendors that provide services available to City employees. Over 115 employees attended, along with representatives from 11 internal and external benefits programs. This event is anticipated to occur every other year with the support of the Benefit Advisory Team.

FY 2026/27 Activities

- Staff plans to create educational sessions for employees, participating retirees, and COBRA recipients regarding benefit-related topics. Methods being considered to communicate this information include podcasts (to allow all members access outside the organization), videos, and in-person classes.

Health Promotion

Description:

The City's Health Promotion activity offers programs and services to employees and family members included on the City's insurance plan to promote wellness, preventive screenings, and healthy lifestyles.

Expenditures by Category:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Personal Services	112,128	115,898	119,299	125,548	8.3%
Internal Services	5,338	7,609	7,628	7,387	-2.9%
Contractual	169,708	243,499	199,540	207,490	-14.8%
Commodities	5,218	6,125	6,125	6,350	3.7%
Capital	-	-	-	-	
Other Expenditures	-	-	-	-	
Total Expenditures	292,392	373,131	332,592	346,775	-7.1%
Funding Sources:					
Health Insurance Fund	292,392	373,131	332,592	346,775	-7.1%
Total Funding Sources	292,392	373,131	332,592	346,775	-7.1%
Authorized FTEs	1.00	1.00	1.00	1.00	

Health Promotion

City Mission/ Council Value	Department Goals and Core Services	Indicators	2023/24 Actual	2024/25 Actual	2025/26 Adjusted	2026/27 Estimated
Provide quality programs in an efficient and fiscally responsible manner	Provide City employees with the resources and programs to maintain or improve their wellbeing Empower our workforce to share responsibility for the health and wellbeing of our organization	Employees that participated in any wellness program activity (not including vaccine clinics)	366 (62%)	418 (76%)	425 (78%)	430 (79%)
		Healthy4Life program participants that met all participation criteria	159 (80%)	179 (80%)	185 (82%)	190 (83%)
		Employees, insured family members, and insured retirees that received influenza vaccination through onsite clinics or walk ins	299 (19%)	234 (15%)	245 (16%)	255 (17%)
		Employees that completed year-end Health Promotion survey that indicated they feel the City of Ames cares about their wellbeing	87%	91%	93%	95%
		Healthy4Life participants that completed year-end survey that indicated the Healthy4Life program helped them improve or maintain their wellbeing	80%	95%	95%	97%
		Average number of sick leave hours used per person: Healthy4Life members vs. (non-Healthy4Life members)	56.23 (63.32)	58.68 (67.23)	55.50 (60.30)	52.50 (63.30)

Issues and Factors Affecting the FY 2025/26 and 2026/27 Budgets

- The Health Promotion Program is once again anticipating increased usage in the employee fitness subsidy for Parks and Recreation programs and is therefore increasing the budget in FY 2026/27 to $33,000.
- The 8.3% increase in personal service costs is due to additional intern hours being included in both the adjusted FY 2025/26 and FY 2026/27 budgets.
- The 14.8% decrease in contractual services is due to projected reduced costs for vaccinations. COVID-19 vaccinations are now only recommended for those ages 65+ or those who have an at-risk condition. As a result, fewer individuals are eligible for the vaccine. Funding of $45,000 was included for vaccines in the adopted FY 2025/26 budget. That amount has been reduced to $35,000 in the adjusted FY 2025/26 budget and $36,050 in the FY 2026/27 budget. City staff is anticipating vaccine pricing similar to the past few years ($30-$34 for influenza and $140-$150 for COVID-19).

FY 2025/26 Activities

- In FY 2025/26 and into FY 2026/27, the Health Promotion Program will be conducting a variety of “pop up” events, to engage and educate employees on a variety of health topics. A booth will be set up at various worksites for employees to stop by, learn something new, and take something to go (like a healthy snack or beverage). Previous topics include hydration and sun protection. Future topics to explore include mental health/stress reduction, nutrition, staying healthy during the fall/winter, and ergonomics.

FY 2026/27 Activities

- The Health Promotion Program intends to purchase a hand grip dynamometer, which measures grip strength. Emerging research has shown that grip strength is highly correlated with chronic disease risk. The program will pair this assessment with InBody body composition assessments to give employees a fuller picture of their health risks.

Transfers

Description:

This program accounts for the transfer of money between the various City funds. Transfers are shown both as an expense and as a revenue in the respective funds.

Expenditures:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change From Adopted
Transfers	29,831,781	25,030,918	30,188,285	28,193,165	12.6%
Total Expenditures	29,831,781	25,030,918	30,188,285	28,193,165	12.6%
Funding Sources:					
General Fund	8,986,896	5,592,854	7,496,923	6,107,812	9.2%
Local Option Sales Tax	7,243,087	7,580,000	7,580,000	7,760,000	2.4%
Hotel/Motel Tax	443,000	406,539	462,160	475,530	17.0%
Police/Fire Retirement	16,067	-	-	-	
Parks & Rec Donations/Grants	-	-	175,000	-	
TIF/ISU Research Park	300,650	302,400	302,400	303,850	0.5%
TIF/ISU Research Park Dist 2	31,400	30,150	30,150	33,900	12.4%
Special Assessments	44,928	49,400	49,400	48,200	-2.4%
G.O. Bond Funds	270,279	-	1,330,534	-	
Airport Operations	146,288	157,666	143,986	143,986	-8.7%
Airport Sigler Reserve	65,956	67,945	134,645	136,283	100.6%
Water Utility Fund	4,579,337	4,707,694	4,707,694	4,699,736	-0.2%
Water Construction Fund	-	-	260,982	-	
Sewer Utility Fund	1,899,274	1,752,254	2,924,161	3,407,709	94.5%
Sewer Improvements	-	-	300,000	-	
Electric Utility Fund	3,451,311	3,490,250	3,490,250	3,526,159	1.0%
Transit Operations	2,240,145	800,000	800,000	800,000	0.0%
Resource Recovery	113,163	93,766	-	750,000	699.9%
Total Funding Sources	29,831,781	25,030,918	30,188,285	28,193,165	12.6%

Transfers

FY 2025/26 Adjusted Budget Transfer Detail

Funding Sources:	Amount of Transfer	*Reason for Transfer*
General Fund:		
- to Hotel/Motel Tax Fund	3,120,000	*Hotel/Motel Tax receipts*
- to P&R Scholarships Fund	167,523	*Transfer to increase amount available for scholarships*
- to Council Priorities Fund	140,250	*Additional funding for sustainability projects*
- to Council Priorities Fund	619,296	*Funding for future projects prioritized by City Council*
- to Parking Operations Fund	50,000	*Additional funding to build the fund balance*
- to Transit Operations Fund	2,227,370	*Transit Levy receipts*
- to Resource Recovery Fund	592,484	*City of Ames per capita payment*
- to Recycling Services Fund	150,000	*Funding for program implementation costs*
- to Debt Service Fund	430,000	*Transfer to help offset future debt service costs*
Total General Fund Transfers	7,496,923	
Local Option Sales Tax:		
- to General Fund	7,440,000	*Property tax relief*
- to Park Development Fund	100,000	*Park development annual funding*
- to Ice Arena Capital Reserve Fund	40,000	*City's annual contribution to capital reserve*
Total Local Option Sales Tax Transfers	7,580,000	
Hotel/Motel Tax:		
- to General Fund	267,696	*Hotel/Motel share of property tax relief*
- to Local Option Sales Tax Fund	178,464	*Hotel/Motel share of community betterment*
- to Parking Operations Fund	16,000	*Reimbursement for special event parking waivers*
Total Hotel/Motel Tax Transfers	462,160	
Parks & Recreation Grants:		
- to Park Development Fund	175,000	*Grant proceeds for land purchased in Park Dev Fund*
TIF/ISU Research Park:		
- to Debt Service Fund	302,400	*Debt service for ISU Research Park TIF project*
TIF/ISU Research Park District 2		
- to Debt Service Fund	30,150	*Debt service for ISU Research Park TIF project*
Special Assessments:		
- to Debt Service Fund	42,400	*Debt service on projects with special assessments*
- to General Fund	7,000	*Assessments collected on General Fund expenses*
Total Special Assessments	49,400	
G.O. Bond Funds:		
- to Debt Service Fund	1,006,649	*Transfer to Debt Service to close 2019/20 G.O. Bonds*
- to Debt Service Fund	323,885	*Transfer to Debt Service to close 2012/21 G.O. Bonds*
Total G.O. Bond Funds	1,330,534	

FY 2025/26 Adjusted Budget Transfer Detail, continued

Airport Operations:		
- to Debt Service	70,975	*Debt service for Airport terminal building*
- to Airport Improvements	73,011	*Airport operations farm revenue*
Total Airport Operations Transfers	143,986	
Airport Sigler Reserve:		
- to Airport Operations	67,945	*Amount equal to Sigler annual lease payment*
- to Airport Operations	66,700	*Additional amount to balance Airport Operations*
Total Airport Sigler Reserve Transfers	134,645	
Water Utility Fund:		
- to Water Sinking Fund	4,640,852	*Water Utility SRF loan debt service*
- to Debt Service Fund	66,842	*Water Utility G.O. bond debt service*
Total Water Utility Fund Transfers	4,707,694	
Water Construction Fund:		
- to Water Utility Fund	260,982	*SRF funding received for Water Utility expenses*
Sewer Utility Fund:		
- to Sewer Sinking Fund	2,223,938	*Sewer Utility SRF loan debt service*
- to Debt Service Fund	323,722	*Sewer Utility G.O. bond debt service*
- to Sewer Improvements Fund	376,501	*To cover unreimbursed SRF expenses*
Total Sewer Utility Fund Transfers	2,924,161	
Sewer Improvements Fund:		
- to Stormwater Improvements	300,000	*SRF program grant for stormwater improvements*
Electric Utility Fund:		
- to General Fund	2,452,707	*In-Lieu-of-Property Tax payment*
- to Electric Sinking Fund	966,253	*Electric Utility revenue bond debt service*
- to SunSmart Fund	53,000	*Electric Utility share of solar power purchases*
- to Debt Service Fund	18,290	*Electric Utility G.O. bond debt service*
Total Electric Utility Fund Transfers	3,490,250	
Transit Operations:		
- to Transit Capital Reserve Fund	800,000	*Annual Transit Operations capital funding*
Total Transfers	**30,188,285**	

Transfers

FY 2026/27 Adopted Budget Transfer Detail

Funding Sources:	Amount of Transfer	*Reason for Transfer*
General Fund:		
- to Hotel/Motel Tax Fund	3,210,000	*Hotel/Motel Tax receipts*
- to Transit Operations Fund	2,305,328	*Transit Levy receipts*
- to Resource Recovery Fund	592,484	*City of Ames per capita payment*
Total General Fund Transfers	6,107,812	
Local Option Sales Tax:		
- to General Fund	7,620,000	*Property tax relief*
- to Park Development Fund	100,000	*Park development annual funding*
- to Ice Arena Capital Reserve Fund	40,000	*City's annual contribution to capital reserve*
Total Local Option Sales Tax Transfers	7,760,000	
Hotel/Motel Tax:		
- to General Fund	275,418	*Hotel/Motel share of property tax relief*
- to Local Option Sales Tax Fund	183,612	*Hotel/Motel share of community betterment*
- to Parking Operations Fund	16,500	*Reimbursement for special event parking waivers*
Total Hotel/Motel Tax Transfers	475,530	
TIF/ISU Research Park:		
- to Debt Service Fund	303,850	*Debt service for ISU Research Park TIF project*
TIF/ISU Research Park District 2		
- to Debt Service Fund	33,900	*Debt service for ISU Research Park TIF project*
Special Assessments:		
- to Debt Service Fund	41,200	*Debt service on projects with special assessments*
- to General Fund	7,000	*Assessments collected on General Fund expenses*
Total Special Assessment Transfers	48,200	

FY 2026/27 Adopted Budget Transfer Detail, continued

Airport Operations:		
- to Debt Service Fund	70,975	*Debt service for Airport terminal building*
- to Airport Improvements Fund	73,011	*Airport operations farm revenue*
Total Airport Operations Transfers	143,986	
Airport Sigler Reserve:		
- to Airport Operations	69,985	*Amount equal to Sigler annual lease payment*
- to Airport Operations	66,298	*Additional amount to balance Airport Operations*
Total Airport Sigler Reserve Transfers	136,283	
Water Utility Fund:		
- to Water Sinking Fund	4,633,132	*Water Utility SRF loan debt service*
- to Debt Service Fund	66,604	*Water Utility G.O. bond debt service*
Total Water Utility Fund Transfers	4,699,736	
Sewer Utility Fund:		
- to Sewer Sinking Fund	3,084,725	*Sewer Utility SRF loan debt service*
- to Debt Service Fund	322,984	*Sewer Utility G.O. bond debt service*
Total Sewer Utility Fund Transfers	3,407,709	
Electric Utility Fund:		
- to General Fund	2,568,124	*In-Lieu-of-Property Tax payment*
- to Electric Sinking Fund	887,520	*Electric Utility revenue bond debt service*
- to SunSmart Fund	53,000	*Electric Utility share of solar power purchases*
- to Debt Service Fund	17,515	*Electric Utility G.O. bond debt service*
Total Electric Utility Fund Transfers	3,526,159	
Transit Operations:		
- to Transit Capital Reserve Fund	800,000	*Annual Transit Operations capital funding*
Resource Recovery:		
- to Debt Service Fund	750,000	*Resource Recovery G.O. bond debt service*
Total Transfers	**28,193,165**	

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FUND SUMMARIES







CITY OF ames™

Fund Summaries

General Fund 377
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Fund Summaries

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All the funds for the City are listed above and all are appropriated.

A fund balance reserve for minimum fund balances is established for certain funds, based on an evaluation of each fund using the Budget and Fiscal Policies adopted by the City Council. Enterprise Fund balances, and other funds used for capital projects, may significantly exceed the unreserved fund balance due to the balances for future pay-as-you-go capital projects.

General Fund

This fund accounts for programs such as Law Enforcement, Fire Safety, Building Safety, Parks and Recreation, and Library Services, as well as many general government activities such as City Council, Financial Services, and Legal Services. The minimum fund balance reserve is based on the credit rating agency guideline for an Aaa-rated City.

Revenues: ***Property Taxes:***	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
General Levy	21,880,057	23,305,597	23,305,597	24,184,583	3.8%
Utility Excise Tax	130,278	51,706	51,706	56,144	8.6%
Other Taxes	37,991	37,088	37,088	38,841	4.7%
State Replacement Tax	506,414	374,803	374,803	266,309	-28.9%
Transit Levy	2,100,275	2,185,766	2,185,766	2,275,089	4.1%
Transit Excise Tax	12,491	4,848	4,848	5,263	8.6%
Transit State Replacement Tax	48,549	36,756	36,756	24,976	-32.0%
Total Property Taxes	24,716,055	25,996,564	25,996,564	26,851,205	3.3%
Other Revenues:					
Hotel/Motel Tax	3,027,969	2,773,000	3,120,000	3,210,000	15.8%
Metropolitan Planning Organization	171,193	223,330	223,522	229,604	2.8%
Other Governmental Revenue	99,932	84,461	118,963	97,461	15.4%
Cable TV Franchise	183,473	200,000	160,000	160,000	-20.0%
Cell Tower Lease	20,332	20,329	20,332	20,332	0.0%
Billboard Lease	-	-	-	25,000	
City Clerk Licenses/Permits	82,220	81,600	84,750	84,750	3.9%
Planning Services	31,849	26,000	47,500	36,200	39.2%
Legal Services	22,770	51,250	51,250	51,250	0.0%
Fire Services	2,250,673	2,342,575	2,258,656	2,431,534	3.8%
Building Permits	986,437	1,269,662	1,278,906	1,333,145	5.0%
Rental Housing Fees	523,066	537,083	537,083	557,612	3.8%
Police Services	133,684	127,000	132,000	135,000	6.3%
Animal Control	39,970	31,500	31,500	32,000	1.6%
Library Services	219,578	210,500	228,895	235,640	11.9%
Facilities	19,538	19,943	19,376	20,267	1.6%
Parks and Recreation	1,659,920	2,269,521	1,878,351	2,639,748	16.3%
Cemetery	240,030	228,300	220,000	224,300	-1.8%
Human Services	12,000	-	383	-	
Public Works	56,866	52,799	48,523	48,523	-8.1%
Interest Revenue	1,111,006	750,000	750,000	857,840	14.4%
Unrealized Investment Gain	965,875	-	-	-	
Miscellaneous Revenue	45,264	32,190	20,985	20,716	-35.6%
Total Other Revenues	11,903,645	11,331,043	11,230,975	12,450,922	9.9%
Total Before Transfers	36,619,700	37,327,607	37,227,539	39,302,127	5.3%
Transfers:					
Local Option Sales Tax	7,103,087	7,440,000	7,440,000	7,620,000	2.4%
Hotel/Motel Tax	259,800	237,923	267,696	275,418	15.8%
Electric Utility (In Lieu of Taxes)	2,420,784	2,452,707	2,452,707	2,568,124	4.7%
Police/Fire Retirement	16,067	-	-	-	
Special Assessments	6,478	7,000	7,000	7,000	0.0%
Total Transfers	9,806,216	10,137,630	10,167,403	10,470,542	3.3%
Total Revenues	46,425,916	47,465,237	47,394,942	49,772,669	4.9%

Continued from previous page.

Operations Expenses:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change from Adopted
Law Enforcement	10,768,132	12,209,884	11,830,904	12,645,386	3.6%
Fire Safety	8,887,955	9,250,301	8,914,623	9,606,138	3.8%
Building Safety	1,901,328	1,994,042	1,958,197	2,116,318	6.1%
Animal Control	792,337	828,263	848,188	888,369	7.3%
Emergency Management	4,847	2,481	7,890	1,260	-49.2%
Storm Warning System	3,461	13,078	11,621	11,684	-10.7%
Public Works Engineering	4,325	28,000	19,000	19,000	-32.1%
Traffic Engineering	145,569	223,330	223,522	229,604	2.8%
Traffic Operations	26,904	24,799	29,523	29,523	19.0%
Streetlight System	895,463	900,000	952,000	985,000	9.4%
Street Maintenance	9,447	-	-	-	
Park & Rec Administration	497,496	466,809	513,846	530,941	13.7%
Instructional Programs	215,590	252,284	255,188	263,314	4.4%
Athletic Programs	137,183	188,306	177,031	190,294	1.1%
Aquatics	1,055,660	1,773,475	1,574,411	2,249,792	26.9%
Community Center/Auditorium	371,590	441,589	453,585	409,360	-7.3%
Public Wellness Programs	341,087	373,337	378,837	405,048	8.5%
Park Maintenance	1,731,461	1,850,847	1,928,806	1,917,512	3.6%
Library Services	5,293,008	5,631,055	5,604,967	5,868,662	4.2%
Art Services	-	-	150,000	-	
Cemetery	236,874	258,096	269,096	287,675	11.5%
Planning Services	912,291	1,178,104	1,077,030	1,048,713	-11.0%
Economic Development	85,740	89,175	89,005	93,137	4.4%
Sustainability	24,609	24,927	24,830	26,747	7.3%
Sustainability/City Facilities	40,002	-	59,998	-	
Human Services Administration	12,000	-	383	-	
City Council	206,613	214,126	213,572	221,104	3.3%
City Council Contingency	48,212	50,000	109,236	50,000	0.0%
City Clerk	286,125	312,095	355,351	336,114	7.7%
City Manager	473,146	547,455	494,505	569,686	4.1%
Community Engagement	59,458	64,334	42,521	67,635	5.1%
Communications and Outreach	374,274	400,852	398,837	420,185	4.8%
Finance Administration	124,218	131,388	130,978	137,978	5.0%
Budgeting/Reporting System	-	-	99,820	-	
Accounting Services	391,585	409,107	402,671	421,051	2.9%
Purchasing Services	44,064	46,903	47,611	49,830	6.2%
Legal Services	573,755	609,546	603,106	639,665	4.9%
Human Resources	405,592	493,804	519,162	510,877	3.5%
Facilities	378,559	410,591	398,923	417,255	1.6%
City Hall Space Needs	57,949	-	161,320	-	
Total Operations	37,817,909	41,692,383	41,330,094	43,664,857	4.7%

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CIP:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change from Adopted
Fire Location System Upgrade	-	-	80,000	-	
Fire Station 2 Relocation	41,676	-	50,085	-	
Fire Engine 1 Replacement	16,017	-	-	-	
Station 1 Training Room	184	-	-	-	
Fire Station Alerting System	-	80,000	80,000	-	
Station 1 Emergency Circuits	-	-	45,624	-	
Fire Extrication Equipment	6,586	-	28,957	-	
Fire Apartment Training Prop	4,317	-	65,105	-	
New Animal Shelter	75,435	-	24,565	-	
Outdoor Storm Warning System	-	-	-	-	
Bike Trail Signage	11,821	-	147,412	-	
Multi Modal Improv/6th Street	-	-	25,000	-	
Downtown Plaza	657,755	-	64,052	-	
Park Maintenance Facility	9,498	-	459,138	-	
Park Agility Course	173,438	-	-	-	
Soccer Mini Pitch	72,483	-	11,307	-	
Ontario Park Development Plan	-	-	100,000	-	
Community Center Cameras	-	-	30,000	-	
Bandshell Door Reconfiguration	-	-	20,000	-	
Rec Center Conceptual Plan	-	100,000	100,000	-	
Library Carpet Replacement	155,568	-	-	-	
City Hall Improvements	276,391	-	141,635	-	
Auditorium HVAC System	619,779	-	157,723	-	
City Hall Shades	-	-	90,000	-	
City Hall Courtyard Renovation	-	-	150,000	-	
City Hall HVAC Fencing	-	-	60,000	-	
Total CIP	2,120,948	180,000	1,930,603	-	-100.0%
Total Before Transfers	39,938,857	41,872,383	43,260,697	43,664,857	4.3%
Transfers:					
Hotel/Motel Tax	3,027,969	2,773,000	3,120,000	3,210,000	15.8%
Transit Operations (Transit levy)	2,166,443	2,227,370	2,227,370	2,305,328	3.5%
Resource Recovery	592,484	592,484	592,484	592,484	0.0%
Park & Rec Scholarship Fund	200,000	-	167,523	-	
Council Priorities (Sustainability)	-	-	140,250	-	
Council Priorities (Capital Projects)	3,000,000	-	619,296	-	
Parking Operations Fund	-	-	50,000	-	
Recycling Program Fund	-	-	150,000	-	
Debt Service Fund	-	-	430,000	-	
Total Transfers	8,986,896	5,592,854	7,496,923	6,107,812	9.2%
Total Expenses	48,925,753	47,465,237	50,757,620	49,772,669	4.9%
Fund Balance:					
Net Change in Fund	(2,499,837)	-	(3,362,678)	-	
Beginning Balance	16,937,282	10,904,767	14,437,445	11,074,767	1.6%
Ending Balance	14,437,445	10,904,767	11,074,767	11,074,767	1.6%

Minimum fund balance target:	
25% of revenues less pass-throughs	11,064,335
Unreserved fund balance	10,432

Special Revenue – Local Option Sales Tax

This fund accounts for the collection of a 1% local option tax as approved by the voters on November 4, 1986. Revenue is allocated 60% for property tax relief and 40% for community betterment, including human services and arts agency funding. The fund balance is reserved at 25% of budgeted expenditures less the 60% tax relief transfer. Reserves are for cash flow and revenue fluctuations.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Property Tax Relief (60%)	7,103,087	7,440,000	7,440,000	7,620,000	2.4%
Community Betterment (40%)	4,735,391	4,960,000	4,960,000	5,080,000	2.4%
Total Before Transfers	11,838,478	12,400,000	12,400,000	12,700,000	2.4%
Transfers:					
Hotel/Motel Tax	173,200	158,616	178,464	183,612	15.8%
Total Revenues	12,011,678	12,558,616	12,578,464	12,883,612	2.6%
Expenses:					
Operations:					
Municipal Band	30,311	36,016	36,330	37,379	3.8%
Public Art	68,508	46,000	103,022	46,000	0.0%
Art Agency Funding	242,219	252,978	252,978	260,567	3.0%
Human Services Administration	35,063	33,169	43,690	35,029	5.6%
Human Service Agency Funding	1,869,880	2,020,807	2,015,396	2,081,431	3.0%
AHRC Special Events	6,758	5,420	6,420	6,420	18.5%
City Council Allocations	307,035	324,487	324,487	365,000	12.5%
Total Operations	2,559,774	2,718,877	2,782,323	2,831,826	4.2%
CIP:					
Street Maintenance	-	-	800,000	-	
Street Improvements	173,241	-	171,639	-	
Shared Use Path System	840,652	810,000	1,865,851	900,000	11.1%
Traffic Improvements	233,329	100,000	299,955	100,000	0.0%
Parks and Recreation	1,432,936	980,500	2,705,020	873,500	-10.9%
Library Services	147,432	-	-	-	
Cemetery Improvements	-	75,000	169,356	-	-100.0%
Downtown Façade Program	23,753	75,000	339,248	75,000	0.0%
Campustown Façade Program	-	50,000	50,000	50,000	0.0%
Neighborhood Imp. Program	103	50,000	50,000	50,000	0.0%
Facilities Improvements	220,580	75,000	143,408	90,000	20.0%
Total CIP	3,072,026	2,215,500	6,594,477	2,138,500	-3.5%
Total Before Transfers	5,631,800	4,934,377	9,376,800	4,970,326	0.7%

Special Revenue – Local Option Sales Tax

Continued from previous page.

Transfers:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change from Adopted
General Fund	7,103,087	7,440,000	7,440,000	7,620,000	2.4%
Park Development Fund	100,000	100,000	100,000	100,000	0.0%
Ames/ISU Ice Arena	40,000	40,000	40,000	40,000	0.0%
Parking Operations	-	-	-	-	
Total Transfers	7,243,087	7,580,000	7,580,000	7,760,000	2.4%
Total Expenses	12,874,887	12,514,377	16,956,800	12,730,326	1.7%
Fund Balance:					
Net Change in Fund	(863,209)	44,239	(4,378,336)	153,286	246.5%
Beginning Balance	10,693,234	5,369,944	9,830,025	5,451,689	1.5%
Ending Balance	9,830,025	5,414,183	5,451,689	5,604,975	3.5%

Minimum fund balance target:	
25% of expenses less 60% pass-through	1,277,582
Unreserved fund balance	4,327,393

Special Revenue – Hotel/Motel Tax

Hotel/Motel tax revenues are collected in the General Fund and transferred to the Hotel/Motel Tax Fund. Of the 7¢ per dollar tax, 5¢ is provided to the Ames Convention & Visitors Bureau (Discover Ames) for community attractions, 1¢ replaces the local option tax and is split 60% for tax reduction and 40% for community betterment projects. The remaining 1¢ remains in this fund for economic development activities.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Hotel/Motel Tax	3,027,969	2,773,000	3,120,000	3,210,000	15.8%
Total Revenues	3,027,969	2,773,000	3,120,000	3,210,000	15.8%
Expenses:					
Operations:					
Discover Ames Pass Through	2,337,227	1,979,922	2,227,680	2,291,940	15.8%
AREA/Economic Development	188,566	175,000	175,000	175,000	0.0%
AREA/Member Dues	3,970	3,800	4,000	4,000	5.3%
AREA/Council Grant Program	15,000	15,000	15,000	15,000	0.0%
City Website Update	12,300	-	25,038	-	
Reinvestment District Study	24,650	-	-	-	
Ames History Museum Allocation	-	-	30,000	-	
Total Operations	2,581,713	2,173,722	2,476,718	2,485,940	14.4%
CIP:					
Main Street Improvements	-	-	12,888	-	
Downtown Plaza	89,875	-	59,125	-	
Total CIP	89,875	-	72,013	-	
Total Before Transfers	2,671,588	2,173,722	2,548,731	2,485,940	14.4%
Transfers:					
General Fund	259,800	237,923	267,696	275,418	15.8%
Local Option Sales Tax	173,200	158,616	178,464	183,612	15.8%
Parking Operations	10,000	10,000	16,000	16,500	65.0%
Total Transfers	443,000	406,539	462,160	475,530	17.0%
Total Expenses	3,114,588	2,580,261	3,010,891	2,961,470	14.8%
Fund Balance:					
Net Change in Fund	(86,619)	192,739	109,109	248,530	28.9%
Beginning Balance	1,932,602	1,970,751	1,845,983	1,955,092	-0.8%
Ending Balance	1,845,983	2,163,490	1,955,092	2,203,622	1.9%

Special Revenue – Road Use Tax

This fund accounts for activity of the state allocated motor vehicle fuel tax. The fund balance policy is to retain 10% of budgeted expenses as an operating reserve.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Road Use Tax	9,403,759	9,500,000	9,500,000	9,600,000	1.1%
Fees/Charges	3,845	4,055	62,721	4,055	0.0%
Total Revenues	9,407,604	9,504,055	9,562,721	9,604,055	1.1%
Expenses:					
Operations:					
Public Works Administration	362,955	385,167	406,367	419,858	9.0%
Public Works Engineering	34,946	11,017	17,010	21,555	95.7%
Public Works GIS	144,614	180,092	162,378	169,469	-5.9%
Traffic Engineering	246,364	257,590	266,470	273,535	6.2%
Traffic Operations	1,284,719	1,450,723	1,523,099	1,692,869	16.7%
Street Maintenance	2,511,886	2,803,455	2,832,011	2,789,959	-0.5%
Street Cleaning	344,728	415,687	470,322	430,903	3.7%
Snow and Ice Control	1,446,456	1,770,739	1,750,775	1,667,969	-5.8%
Right-of-Way Maintenance	1,006,356	971,817	998,222	993,303	2.2%
Econ Dev (RISE Repayment)	28,032	28,032	28,032	-	-100.0%
Total Operations	7,411,056	8,274,319	8,454,686	8,459,420	2.2%
CIP:					
Street Improvements	(9,040)	125,000	284,040	125,000	0.0%
Shared Use Path System	43,694	360,000	1,168,056	320,000	-11.1%
Traffic Improvements	1,065,379	1,936,460	4,795,636	945,844	-51.2%
Street Rehabilitation	400,141	530,000	2,125,468	600,000	13.2%
Total CIP	1,500,174	2,951,460	8,373,200	1,990,844	-32.5%
Total Expenses	8,911,230	11,225,779	16,827,886	10,450,264	-6.9%
Fund Balance:					
Net Change in Fund	496,374	(1,721,724)	(7,265,165)	(846,209)	-50.9%
Beginning Balance	9,416,396	4,075,607	9,912,770	2,647,605	-35.0%
Ending Balance	9,912,770	2,353,883	2,647,605	1,801,396	-23.5%

Minimum fund balance target:	
10% of operating expenses	845,942
Unreserved fund balance	955,454

Special Revenue – Police Forfeiture

This fund accounts for funds received through investigations when seized property is forfeited or when evidence can be sold, and a portion of the proceeds retained by the Police Department. The funds are limited to being used for law enforcement activities or expenses outside of the normal Law Enforcement operating budget.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Police Forfeiture	22,107	10,000	10,000	10,000	0.0%
Evidence Proceeds	3,808	-	-	-	
Total Revenues	25,915	10,000	10,000	10,000	0.0%
Expenses:					
Operations:					
Law Enforcement	31,272	12,000	12,000	12,000	0.0%
Total Expenses	31,272	12,000	12,000	12,000	0.0%
Fund Balance:					
Net Change in Fund	(5,357)	(2,000)	(2,000)	(2,000)	0.0%
Beginning Balance	172,658	156,657	167,301	165,301	5.5%
Ending Balance	167,301	154,657	165,301	163,301	5.6%

Minimum fund balance target:	
Reserved for vehicle replacement	30,000
Unreserved fund balance	133,301

Special Revenue – Public Safety Donations and Grants

This fund accounts for the revenues and expenses associated with Public Safety grants and donations received by the Police and Fire Departments.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Police Donations/Grants	39,921	48,000	57,000	52,000	8.3%
Fire Donations/Grants	2,318	-	39,515	-	
Total Before Transfers	42,239	48,000	96,515	52,000	8.3%
Transfers:					
Police Donations	-	-	-	-	
Total Revenues	42,239	48,000	96,515	52,000	8.3%
Expenses:					
Operations:					
Law Enforcement	48,638	48,000	52,000	52,000	8.3%
Fire Safety	5,952	-	36,871	-	
Total Expenses	54,590	48,000	88,871	52,000	8.3%
Fund Balance:					
Net Change in Fund	(12,351)	-	7,644	-	
Beginning Balance	5,670	7,494	(6,681)	963	-87.1%
Ending Balance	(6,681)	7,494	963	963	-87.1%

Special Revenue – Animal Shelter Donations

This fund is used to account for donations received by the Ames Animal Shelter and the expenditures funded by the donations.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Animal Shelter Donations	127,024	75,000	75,000	75,000	0.0%
Interest Revenue	4,313	4,000	4,000	5,000	25.0%
Unrealized Investment Gain	3,986	-	-	-	
Miscellaneous Revenue	4,571	-	14,000	4,000	
Total Revenues	139,894	79,000	93,000	84,000	6.3%
Expenses:					
Operations:					
Animal Shelter	120,957	80,500	75,000	75,000	-6.8%
Total Expenses	120,957	80,500	75,000	75,000	-6.8%
Fund Balance:					
Net Change in Fund	18,937	(1,500)	18,000	9,000	-700.0%
Beginning Balance	143,013	152,515	161,950	179,950	18.0%
Ending Balance	161,950	151,015	179,950	188,950	25.1%

Special Revenue – New Animal Shelter Donations

This fund is used to account for donations received for the relocation or construction of a new Animal Shelter and the expenditures funded by the donations.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Animal Shelter Donations	461,058	1,500,000	4,038,942	-	-100.0%
Interest Revenue	955	-	-	-	
Unrealized Investment Gain	337	-	-	-	
Total Revenues	462,350	1,500,000	4,038,942	-	-100.0%
Expenses:					
CIP:					
Animal Shelter Relocation	-	1,500,000	4,500,000	-	
Total Expenses	-	1,500,000	4,500,000	-	-100.0%
Fund Balance:					
Net Change in Fund	462,350	-	(461,058)	-	
Beginning Balance	-	-	462,350	1,292	
Ending Balance	462,350	-	1,292	1,292	

Special Revenue – City-Wide Housing Programs

This fund accounts for miscellaneous housing program activity including housing grant program repayments and proceeds from the sale of housing properties.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Donations	-	500	500	500	0.0%
Mortgage Reimbursement	-	-	-	-	
Total Revenues	-	500	500	500	0.0%
Expenses:					
Housing Programs	33,519	29,410	35,188	29,916	1.7%
Total Expenses	33,519	29,410	35,188	29,916	1.7%
Fund Balance:					
Net Change in Fund	(33,519)	(28,910)	(34,688)	(29,416)	1.8%
Beginning Balance	416,868	388,563	383,349	348,661	-10.3%
Ending Balance	383,349	359,653	348,661	319,245	-11.2%

Special Revenue – Community Development Block Grant

This fund reflects the activity of the City's Community Development Block Grant (CDBG). The fund balance reflects the balance of loans outstanding, in addition to cash and investments held by the fund.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
CDBG Funding	542,708	534,122	552,927	552,927	3.5%
CDBG Rollover	-	-	1,290,907	-	
Program Repayments	938	-	313	-	
Sale of Homes	46,517	150,000	527,826	549,730	266.5%
Miscellaneous Revenue	-	-	-	-	
Total Revenues	590,163	684,122	2,371,973	1,102,657	61.2%
Expenses:					
Operations:					
CDBG Administration	115,630	106,824	216,213	220,531	106.4%
CDBG Programs	552,040	577,298	2,143,730	882,126	52.8%
Total Expenses	667,670	684,122	2,359,943	1,102,657	61.2%
Fund Balance:					
Net Change in Fund	(77,507)	-	12,030	-	
Beginning Balance	65,477	-	(12,030)	-	
Ending Balance	(12,030)	-	-	-	

Special Revenue – HOME Program

This fund is used to account for the revenue and expenditures associated with funding received by the City through the federally funded Home Investment Partnership (HOME) program. This funding is designated to create affordable housing for low-income households.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
HOME Funding	1,948,389	256,483	278,382	278,382	8.5%
HOME Rollover	-	-	991,110	-	
Total Revenues	1,948,389	256,483	1,269,492	278,382	8.5%
Expenses:					
Operations:					
HOME Administration	58,389	25,648	177,374	27,838	8.5%
CHDO Allocation	-	38,472	189,320	41,757	8.5%
HOME Programs	1,890,000	192,363	902,798	208,787	8.5%
Total Expenses	1,948,389	256,483	1,269,492	278,382	8.5%
Fund Balance:					
Net Change in Fund	-	-	-	-	
Beginning Balance	-	-	-	-	
Ending Balance	-	-	-	-	

Special Revenue – HOME American Rescue Plan

This fund is used to account for funding awarded to the City of Ames through the HOME American Rescue Plan Program (ARP). Programs to utilize the funding will be developed and administered by Planning and Housing.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
HOME ARP Funding	-	630,983	631,705	631,705	0.1%
Total Revenues	-	630,983	631,705	631,705	0.1%
Expenses:					
Operations:					
HOME/ARP Administration	-	91,553	91,661	91,661	0.1%
HOME/ARP Programming	-	539,430	540,044	540,044	0.1%
Total Expenses	-	630,983	631,705	631,705	0.1%
Fund Balance:					
Net Change in Fund	-	-	-	-	
Beginning Balance	-	-	-	-	
Ending Balance	-	-	-	-	

Special Revenue – Fire/Police Pension

This fund accounts for the funds remaining from the transition to the Municipal Fire and Police Retirement System of Iowa (MFPRSI). Funds may only be used to offset City contributions to MFPRSI.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	173	-	-	-	
Unrealized Investment Gain	-	-	-	-	
Total Revenues	173	-	-	-	
Expenses:					
Transfers:					
General Fund	16,067	-	-	-	
Total Expenses	16,067	-	-	-	
Fund Balance:					
Net Change in Fund	(15,894)	-	-	-	
Beginning Balance	15,894	-	-	-	
Ending Balance	-	-	-	-	

Special Revenue – Parks and Recreation Donations/Grants

This fund is used to account for revenues to be used for specific park improvements or recreation programs.

Revenues:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change from Adopted
Donations	198,799	91,912	91,912	12,000	-86.9%
Grant Revenue	48,804	567,900	813,083	400,000	-29.6%
Electric Utility Rebate	-	-	-	127,500	
Interest Revenue	6,303	2,000	2,000	5,000	150.0%
Unrealized Investment Gain	5,038	-	-	-	
Total Revenues	258,944	661,812	906,995	544,500	-17.7%
Expenses:					
Operations:					
Block Party Trailer	73	-	782	-	
Community Center	2,413	-	8,687	-	
Auditorium	5,480	3,500	3,500	-	-100.0%
Municipal Band	417	-	275	-	
Public Wellness	-	-	-	-	
Park System Improvements	25,935	12,000	176,002	12,000	0.0%
Tree Planting Grants	43,424	164,400	40,714	-	-100.0%
Total Operations	77,742	179,900	229,960	12,000	-93.3%
CIP:					
Indoor Aquatic Center	-	400,000	400,000	-	
Soccer Mini-Pitch	84,500	-	-	-	
Emma McCarthy Lee Park Shelter	16,872	-	-	-	
Disc Golf Course	-	-	4,500	-	
AHHP Accessible Launch	598	-	-	-	
Comm Ctr Wght Rm Equipment	15	-	-	-	
Brookside Park Play Equipment	-	75,000	75,000	-	
Ontario Park	15	-	9,753	200,000	
Sunset Ridge Park	-	-	-	-	
Hira Park	8,091	-	5,913	-	
Carr Park	155	-	-	-	
Moore Memorial Park Bridge	-	-	-	200,000	
Fitch Aquatic Center Solar	-	-	-	115,000	
Downtown Plaza Solar	-	-	-	12,500	
Total CIP	110,246	475,000	495,166	527,500	11.1%
Total Before Transfers	187,988	654,900	725,126	539,500	-17.6%
Transfers:					
Park Development Fund	-	-	175,000	-	
Total Expenses	187,988	654,900	900,126	539,500	-17.6%
Fund Balance:					
Net Change in Fund	70,956	6,912	6,869	5,000	-27.7%
Beginning Balance	(51,677)	6,912	19,279	26,148	278.3%
Ending Balance	19,279	13,824	26,148	31,148	125.3%

Special Revenue – Parks and Recreation Scholarships

The Parks and Recreation Scholarship Fund will provide reimbursement to the General Fund for recreation program participants receiving scholarships. The Fund, which was established in FY 2023/24 with $250,000 from the General Fund, will make Parks and Recreation programming more accessible to all Ames residents.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Donations	6,816	-	18,000	8,000	
Interest Revenue	9,695	11,000	11,000	11,000	0.0%
Unrealized Investment Gain	7,547	-	-	-	
Total Before Transfers	24,058	11,000	29,000	19,000	72.7%
Transfers:					
General Fund	200,000	-	167,523	-	
Total Revenues	224,058	11,000	196,523	19,000	72.7%
Expenses:					
Operations:					
Parks & Rec Scholarships	-	-	-	-	
Total Expenses	-	-	-	-	
Fund Balance:					
Net Change in Fund	224,058	11,000	196,523	19,000	72.7%
Beginning Balance	281,059	497,059	505,117	701,640	41.2%
Ending Balance	505,117	508,059	701,640	720,640	41.8%

Special Revenue – American Rescue Plan

This fund accounts for all activities related to City of Ames allocation of federal funding from the American Rescue Plan Act of 2021.

Revenues:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change from Adopted
American Rescue Plan	-	-	-	-	
Total Revenues	-	-	-	-	
Expenses:					
CIP:					
Ames 2040 Utility Extensions	2,748,345	-	454,212	-	
Auditorium HVAC System	41,480	-	158,520	-	
Fitch Indoor Aquatic Center	-	-	-	-	
Total Expenses	2,789,825	-	612,732	-	
Fund Balance:					
Net Change in Fund	(2,789,825)	-	(612,732)	-	
Beginning Balance	6,151,307	2,748,750	3,361,482	2,748,750	0.0%
Ending Balance	3,361,482	2,748,750	2,748,750	2,748,750	0.0%

Special Revenue – Library Donations and Grants

This fund accounts for general donations and grants to the Library designated for specific purposes.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Library Friends Foundation	285,004	448,631	405,050	392,050	-12.6%
Library Direct State Aid	16,706	16,500	16,182	16,000	-3.0%
Library Donations/Grants	10,293	6,750	12,500	6,750	0.0%
Interest Revenue	14,272	13,250	13,250	14,250	7.5%
Unrealized Investment Gain	12,563	-	-	-	
Total Revenues	338,838	485,131	446,982	429,050	-11.6%
Expenses:					
Operations:					
Administration	90,146	131,926	113,776	145,776	10.5%
Resource Services	124,640	153,426	158,876	149,426	-2.6%
Youth Services	105,638	146,303	135,610	137,018	-6.3%
Adult Services	32,773	33,676	89,826	39,826	18.3%
Customer Account Services	1,706	6,500	11,000	10,000	53.8%
Total Operations	354,903	471,831	509,088	482,046	2.2%
CIP:					
Library Carpet Replacement	7,741	-	-	-	
Total Expenses	362,644	471,831	509,088	482,046	2.2%
Fund Balance:					
Net Change in Fund	(23,806)	30,754	(62,106)	(52,996)	-272.3%
Beginning Balance	510,855	519,800	487,049	424,943	-18.2%
Ending Balance	487,049	550,554	424,943	371,947	-32.4%

Special Revenue – Utility Assistance

This fund accounts for donations received through Utility Customer Service that are designated for utility payment assistance.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Green Choices Donations	624	-	-	-	
Project Share Donations	23,574	15,500	15,500	22,000	41.9%
Total Revenues	24,198	15,500	15,500	22,000	41.9%
Expenses:					
Operations:					
Utility Assistance	19,275	15,500	15,500	17,500	12.9%
Total Expenses	19,275	15,500	15,500	17,500	12.9%
Fund Balance:					
Net Change in Fund	4,923	-	-	4,500	
Beginning Balance	18,009	18,010	22,932	22,932	27.3%
Ending Balance	22,932	18,010	22,932	27,432	52.3%

Special Revenue – Miscellaneous Donations

This fund accounts for donations and revenues received that are designated for specific projects.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Donations	-	-	7,840	-	
Total Revenues	-	-	7,840	-	
Expenses:					
Operations:					
Public Art	3,950	-	7,840	-	
CIP:					
Shared Use Path CIP	10,026	-	-	-	
Total Expenses	13,976	-	7,840	-	
Fund Balance:					
Net Change in Fund	(13,976)	-	-	-	
Beginning Balance	14,008	32	32	32	0.0%
Ending Balance	32	32	32	32	0.0%

Special Revenue – Developer Projects

This fund accounts for funds received from developers to be used for City infrastructure.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Developer Deposits	-	-	-	-	
Interest Revenue	1,452	1,500	1,500	2,000	33.3%
Unrealized Investment Gain	1,271	-	-	-	
Total Revenues	2,723	1,500	1,500	2,000	33.3%
Expenses:					
CIP:					
Developer Projects	-	-	-	-	
Total Expenses	-	-	-	-	
Fund Balance:					
Net Change in Fund	2,723	1,500	1,500	2,000	33.3%
Beginning Balance	246,258	248,258	248,981	250,481	0.9%

Special Revenue – Economic Development

This fund accounts for revolving loan, community investment, and pass-through State loan activity. Approved loans are shown as expenses. The fund balance reflects the balance of loans outstanding, in addition to cash and investments held by the fund.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
ISU Research Park	28,031	28,032	28,032	-	-100.0%
Total Revenues	28,031	28,032	28,032	-	-100.0%
Expenses:					
Operations:					
RISE Grant Repayment	28,032	28,032	28,032	-	-100.0%
Total Expenses	28,032	28,032	28,032	-	-100.0%
Fund Balance:					
Net Change in Fund	(1)	-	-	-	
Beginning Balance	547,167	547,166	547,166	547,166	0.0%
Ending Balance	547,166	547,166	547,166	547,166	0.0%

Special Revenue – Tax Increment Financing (TIF)

This fund has been established for the receipt of tax revenues from TIF districts. The TIF fund records TIF project expenditures and collects revenue for repayment of debt issued to fund TIF projects.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Property Taxes	347,950	550,000	550,000	800,000	45.5%
Interest Revenue	37,719	45,000	45,000	30,000	-33.3%
Unrealized Investment Gain	34,380	-	-	-	
Total Revenues	420,049	595,000	595,000	830,000	39.5%
Expenses:					
Operations:					
Barilla	347,950	375,000	375,000	350,000	-6.7%
North Dayton Road	-	175,000	175,000	450,000	157.1%
Total Before Transfers	347,950	550,000	550,000	800,000	45.5%
Transfers:					
Debt Service	332,050	332,550	332,550	337,750	1.6%
TIF/ISU Research Park Dist. 2	-	-	-	-	
Total Transfers	332,050	332,550	332,550	337,750	1.6%
				-	
Total Expenses	680,000	882,550	882,550	1,137,750	28.9%
Fund Balance:					
Net Change in Fund	(259,951)	(287,550)	(287,550)	(307,750)	7.0%
Beginning Balance	1,516,958	1,227,909	1,257,007	969,457	-21.0%
Ending Balance	1,257,007	940,359	969,457	661,707	-29.6%

Capital Projects – Special Assessments

This fund accounts for collection of special assessments and payment of principal of abated G.O. bonds, and the construction of streets and sanitary sewers for benefited property special assessment districts.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Assessments	303,875	209,414	190,072	186,144	-11.1%
Total Revenues	303,875	209,414	190,072	186,144	-11.1%
Expenses:					
Transfers:					
General Fund	6,478	7,000	7,000	7,000	0.0%
Debt Service	38,450	42,400	42,400	41,200	-2.8%
Total Expenses	44,928	49,400	49,400	48,200	-2.4%
Fund Balance:					
Net Change in Fund	258,947	160,014	140,672	137,944	-13.8%
Beginning Balance	(841,594)	(659,940)	(582,647)	(441,975)	-33.0%
Ending Balance	(582,647)	(499,926)	(441,975)	(304,031)	-39.2%

Capital Projects – Street Construction

This fund accounts for street construction projects including, but not limited to, bus route reconstruction, signal construction, and associated street construction projects. Projects which have multiple funding sources are budgeted in this fund.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Traffic MPO/Grant Funding	1,530,787	2,696,000	7,587,345	244,000	-90.9%
Street MPO/Grant Funding	2,297,143	700,000	5,177,614	2,880,000	311.4%
Bike Trail MPO/Grant Funding	-	390,000	520,000	-	-100.0%
Iowa State University	-	-	70,200	-	
Story County	-	-	-	-	
Total Before Transfers	3,827,930	3,786,000	13,355,159	3,124,000	-17.5%
Transfers:					
Street Construction Fund	270,279	-	-	-	
Total Revenues	4,098,209	3,786,000	13,355,159	3,124,000	-17.5%
Expenses:					
CIP:					
Street Improvements	1,107,639	700,000	5,087,958	2,880,000	311.4%
Shared Use Path System	-	390,000	520,000	-	-100.0%
Traffic Improvements	2,630,456	2,696,000	5,977,245	244,000	-90.9%
Street Rehabilitation	-	-	70,200	-	
Total Before Transfers	3,738,095	3,786,000	11,655,403	3,124,000	-17.5%
Transfers:					
Debt Service Fund	-	-	-	-	
Total Expenses	3,738,095	3,786,000	11,655,403	3,124,000	-17.5%
Fund Balance:					
Net Change in Fund	360,114	-	1,699,756	-	
Beginning Balance	(1,765,544)	294,325	(1,405,430)	294,326	0.0%
Ending Balance	(1,405,430)	294,325	294,326	294,326	0.0%

Capital Projects – Park Development

This fund accounts for the development of new City parks or new amenities added to existing City parks. Donations and grants for park development will be accounted for in this fund, as well as a $100,000 annual transfer from the Local Option Sales Tax Fund.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	14,110	15,000	15,000	16,000	6.7%
Unrealized Investment Gain	12,290	-	-	-	
Total Before Transfers	26,400	15,000	15,000	16,000	6.7%
Transfers:					
Local Option Sales Tax	100,000	100,000	100,000	100,000	0.0%
P&R Donations/Grants	-	-	175,000	-	
Total Transfers	100,000	100,000	275,000	100,000	0.0%
Total Revenues	126,400	115,000	290,000	116,000	0.9%
Expenses:					
CIP:					
Parks and Recreation	93,884	-	184,866	-	
Total Expenses	93,884	-	184,866	-	
Fund Balance:					
Net Change in Fund	32,516	115,000	105,134	116,000	0.9%
Beginning Balance	551,378	721,469	583,894	689,028	-4.5%
Ending Balance	583,894	836,469	689,028	805,028	-3.8%

Capital Projects – Winakor Donation

This fund accounts for a bequest received from Geitel Winakor to be used for a future Parks and Recreation capital project.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	47,909	45,000	45,000	54,000	20.0%
Unrealized Investment Gain	43,151	-	-	-	
Total Revenues	91,060	45,000	45,000	54,000	20.0%
Expenses:					
CIP:					
Indoor Aquatic Center	-	139,366	-	-	
Ontario Park	-	-	21,595	1,100,000	
Total Expenses	-	139,366	21,595	1,100,000	689.3%
Fund Balance:					
Net Change in Fund	91,060	(94,366)	23,405	(1,046,000)	1008.5%
Beginning Balance	1,948,665	1,996,665	2,039,725	2,063,130	3.3%
Ending Balance	2,039,725	1,902,299	2,063,130	1,017,130	-46.5%

Capital Projects – Indoor Aquatic Center Donations

This fund will be used to account for donations that are received to support the construction of the new Indoor Aquatic Center.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Donations	4,000,000	800,000	800,000	-	-100.0%
Interest Revenue	(12,727)	-	-	-	
Unrealized Investment Loss	(6,935)	-	-	-	
Total Revenues	3,980,338	800,000	800,000	-	-100.0%
Expenses:					
CIP:					
Indoor Aquatic Center	3,413,086	800,000	800,000	-	-100.0%
Total Expenses	3,413,086	800,000	800,000	-	-100.0%
Fund Balance:					
Net Change in Fund	567,252	-	-	-	
Beginning Balance	15,937	54,813	583,189	583,189	964.0%
Ending Balance	583,189	54,813	583,189	583,189	964.0%

Capital Projects – Council Priorities Capital Fund

This fund accounts for funding that has been reserved to pay for capital projects that City Council has determined are of high priority or to cover funding shortfalls for high priority capital projects.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Workiva Penalty	1,424,779	-	-	-	
Interest Revenue	164,494	60,000	60,000	60,000	0.0%
Unrealized Investment Gain	129,532	-	-	-	
Miscellaneous Revenue	3,300	-	-	-	
Total Before Transfers	1,722,105	60,000	60,000	60,000	0.0%
Transfers:					
General Fund	3,000,000	-	759,546	-	
Total Revenues	4,722,105	60,000	819,546	60,000	0.0%
Expenses:					
Operations:					
Sustainability	-	-	990,150	-	
City Facilities Study	1,038	-	1,562	-	
Community Grants	-	-	66,500	-	
Youth Mini-Grants	-	-	3,500	-	
Multi-Family Recycling Pilot	-	-	20,000	-	
Total Operations	1,038	-	1,081,712	-	
CIP:					
Animal Shelter Relocation	1,078,062	1,750,000	1,776,938	-	
Auditorium HVAC	42,703	-	289,378	-	
Downtown Plaza Solar	-	-	-	57,500	
Total CIP	1,120,765	1,750,000	2,066,316	57,500	-96.7%
Total Expenses	1,121,803	1,750,000	3,148,028	57,500	-96.7%
Fund Balance:					
Net Change in Fund	3,600,302	(1,690,000)	(2,328,482)	2,500	-100.1%
Beginning Balance	4,725,680	6,765,399	8,325,982	5,997,500	-11.4%
Ending Balance	8,325,982	5,075,399	5,997,500	6,000,000	18.2%

Capital Projects – Bond Proceeds

This fund accounts for proceeds of general obligation bond issues. G.O. bond sales are planned each year to finance CIP projects. Any undesignated fund balances may be used for certain projects or transferred to the Debt Service fund.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Bond Proceeds	18,732,930	14,700,000	14,700,000	23,587,686	60.5%
Interest Revenue	496,351	570,000	570,000	640,000	12.3%
Unrealized Investment Gain	898,290	-	-	-	
Total Revenues	20,127,571	15,270,000	15,270,000	24,227,686	58.7%
Expenses:					
Operations:					
Bond Issuance Costs	186,985	200,222	321,621	-	-100.0%
Financial Services	8,978	9,583	-	-	-100.0%
Total Operations	195,963	209,805	321,621	-	-100.0%
CIP:					
Fire Safety	368,541	211,905	801,630	6,680,955	3052.8%
Resource Recovery	-	880,000	-	-	-100.0%
Street Improvements	8,383,217	9,950,000	16,658,909	15,375,000	54.5%
Traffic Improvements	589,164	1,887,540	3,142,447	178,756	-90.5%
Street Rehabilitation	26,460	-	673,540	-	
Airport Improvements	72,700	860,750	1,468,050	1,838,250	113.6%
Parks and Recreation	8,754,525	4,240,213	9,463,103	585,000	-86.2%
Total CIP	18,194,607	18,030,408	32,207,679	24,657,961	36.8%
Total Before Transfers	18,390,570	18,240,213	32,529,300	24,657,961	35.2%
Transfers:					
Street Construction Fund	270,279	-	-	-	
Debt Service Fund	-	-	1,330,534	-	
Total Transfers	270,279	-	1,330,534	-	
Total Expenses	18,660,849	18,240,213	33,859,834	24,657,961	35.2%
Fund Balance:					
Net Change in Fund	1,466,722	(2,970,213)	(18,589,834)	(430,275)	-85.5%
Beginning Balance	21,931,512	6,207,447	23,398,234	4,808,400	-22.5%
Ending Balance	23,398,234	3,237,234	4,808,400	4,378,125	35.2%

Permanent Fund - Cemetery

This fund accounts for the 20% portion of cemetery lot sales designated for perpetual care. Interest earnings are transferred to the General Fund for cemetery operations. The fund balance will be retained to provide cemetery maintenance.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Sale of Cemetery Lots	23,305	26,250	24,750	26,250	0.0%
Total Revenues	23,305	26,250	24,750	26,250	0.0%
Expenses:					
Perpetual Care	-	-	-	-	
Total Expenses	-	-	-	-	
Fund Balance:					
Net Change in Fund	23,305	26,250	24,750	26,250	0.0%
Beginning Balance	1,109,260	1,134,830	1,132,565	1,157,315	2.0%
Ending Balance	1,132,565	1,161,080	1,157,315	1,183,565	1.9%

Permanent Fund - Donald and Ruth Furman Aquatic Center Trust

This fund accounts for the one-million-dollar gift from Donald and Ruth Furman to establish an endowment to subsidize the City's ongoing operational costs, to fund future repairs and enhancements, and to replace equipment at the Aquatic Center.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	31,240	35,000	35,000	35,000	0.0%
Unrealized Investment Gain	27,430	-	-	-	
Total Revenues	58,670	35,000	35,000	35,000	0.0%
Expenses:					
Operations:					
Aquatic Center Operations	16,696	-	15,685	-	
Total Expenses	16,696	-	15,685	-	
Fund Balance:					
Net Change in Fund	41,974	35,000	19,315	35,000	0.0%
Beginning Balance	1,123,931	1,134,931	1,165,905	1,185,220	4.4%
Ending Balance	1,165,905	1,169,931	1,185,220	1,220,220	4.3%

Enterprise – Airport Operations

This fund accounts for the operation of the James Herman Banning Airport, a municipally owned airport which provides services to residents of the City of Ames and contiguous areas.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Charges for Services	104,217	123,999	115,499	116,530	-6.0%
Airport Farm	80,110	92,691	79,011	79,011	-14.8%
Iowa State University	66,723	41,832	70,975	70,975	69.7%
Miscellaneous Revenue	20,946	-	-	-	
Total Before Transfers	271,996	258,522	265,485	266,516	3.1%
Transfers:					
Airport Sigler Reserve	65,956	67,945	134,645	136,283	100.6%
Total Revenues	337,952	326,467	400,130	402,799	23.4%
Expenses:					
Operations:					
Airport Operations	170,452	162,801	250,144	252,813	55.3%
Airport Farm Operations	4,806	6,000	6,000	6,000	0.0%
Total Before Transfers	175,258	168,801	256,144	258,813	53.3%
Transfers:					
Debt Service	70,984	70,975	70,975	70,975	0.0%
Airport Improvements	75,304	86,691	73,011	73,011	-15.8%
Total Transfers	146,288	157,666	143,986	143,986	-8.7%
Total Expenses	321,546	326,467	400,130	402,799	23.4%
Fund Balance:					
Net Change in Fund	16,406	-	-	-	
Beginning Balance	65,562	81,967	81,968	81,968	0.0%
Ending Balance	81,968	81,967	81,968	81,968	0.0%

Enterprise – Airport Improvements

This fund is used to account for grants and other outside funding received for capital improvements at the City's James Herman Banning Airport. Profits from the farmland owned by the Airport are also transferred to this fund to serve as the local match for the capital improvement projects. Expenditures for the Capital Improvements are also reflected in this fund.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Federal/State Grants	2,392,153	10,664,250	12,333,858	15,759,250	47.8%
Interest Revenue	(9,624)	20,000	20,000	20,000	0.0%
Unrealized Investment Loss	(3,555)	-	-	-	
Total Before Transfers	2,378,974	10,684,250	12,353,858	15,779,250	47.7%
Transfers:					
Airport Operations	75,304	86,691	73,011	73,011	-15.8%
Total Revenues	2,454,278	10,770,941	12,426,869	15,852,261	47.2%
Expenses:					
CIP:					
Airport Improvements	2,619,376	10,784,250	12,879,179	15,826,750	46.8%
Transfers:					
Airport Sigler Reserve	-	-	-	-	
Total Expenses	2,619,376	10,784,250	12,879,179	15,826,750	46.8%
Fund Balance:					
Net Change in Fund	(165,098)	(13,309)	(452,310)	25,511	-291.7%
Beginning Balance	793,731	338,249	628,633	176,323	-47.9%
Ending Balance	628,633	324,940	176,323	201,834	-37.9%

Enterprise – Airport Sigler Reserve

This fund accounts for the proceeds received from the sale of the Sigler hangar in the spring of 2022. The sale amount was calculated to match the projected lease payments over the life of the lease. These funds are being held in a reserve fund and will be transferred to the Airport Operations Fund over time to replace the long term lease revenue that would have been generated by the rental of the hangar.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	76,811	75,000	75,000	84,000	12.0%
Unrealized Investment Gain	67,544	-	-	-	
Total Before Transfers	144,355	75,000	75,000	84,000	12.0%
Transfers:					
Airport Improvements	-	-	-	-	
Total Revenues	144,355	75,000	75,000	84,000	12.0%
Expenses:					
Transfers:					
Airport Operations	65,956	67,945	134,645	136,283	100.6%
Total Expenses	65,956	67,945	134,645	136,283	100.6%
Fund Balance:					
Net Change in Fund	78,399	7,055	(59,645)	(52,283)	-841.1%
Beginning Balance	2,853,023	2,862,068	2,931,422	2,871,777	0.3%
Ending Balance	2,931,422	2,869,123	2,871,777	2,819,494	-1.7%

Enterprise – Water Utility

This fund accounts for the operation of a municipality owned water utility which provides services to residents of the City and some contiguous areas. Major capital improvements have been financed from the current revenues and the Water Fund balance.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Metered Sales	12,582,796	13,506,700	12,991,100	13,677,100	1.3%
Contract Sales	1,088,673	1,118,000	1,293,000	1,235,000	10.5%
Fees/Service Charges	247,158	169,200	157,200	157,200	-7.1%
Cell Tower Lease	21,917	24,136	24,136	25,946	7.5%
Farmland Rental	18,090	15,761	15,761	15,761	0.0%
Sprint PCS Land Rental	21,571	26,835	26,835	26,835	0.0%
Grant Funding	92,244	984,000	984,000	-	-100.0%
ISU Capital Repayment	514,045	524,326	524,326	534,812	2.0%
PFAS Settlement	-	-	2,782,038	418,300	
Interest Revenue	799,364	796,646	790,646	780,160	-2.1%
Unrealized Investment Gain	553,529	-	-	-	
Miscellaneous Revenue	37,479	16,000	16,000	17,000	6.3%
Total Before Transfers	15,976,866	17,181,604	19,605,042	16,888,114	-1.7%
Transfers:					
Water Construction Fund	-	-	260,982	-	
Total Revenues	15,976,866	17,181,604	19,866,024	16,888,114	-1.7%
Expenses:					
Operations:					
W & PC Administration	477,117	997,616	635,038	699,041	-29.9%
Water Plant Operations	4,300,387	4,705,904	4,872,576	4,925,579	4.7%
W & PC Meter Services	614,894	738,700	724,800	744,486	0.8%
W & PC Laboratory	239,799	259,657	267,672	279,305	7.6%
Public Works Administration	166,193	164,198	151,137	163,524	-0.4%
Public Works Engineering	64,114	58,526	54,015	60,833	3.9%
Public Works GIS	89,853	120,062	108,253	112,980	-5.9%
Distribution System Maintenance	1,520,899	1,632,912	1,582,338	1,783,110	9.2%
Customer Service	479,162	494,364	469,503	452,274	-8.5%
Total Operations	7,952,418	9,171,939	8,865,332	9,221,132	0.5%

Enterprise – Water Utility

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CIP:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change from Adopted
Water Production/Treatment	928,835	3,920,000	5,345,665	816,000	-79.2%
Water Pollution Control	-	47,000	-	-	-100.0%
Water Distribution	1,096,832	2,050,000	3,237,140	1,040,000	-49.3%
Traffic Improvement	-	-	600,000	-	
Right-of-Way Restoration	89,606	75,000	371,061	75,000	0.0%
Street Improvement	-	-	2,053,000	1,460,000	
Total CIP	2,115,273	6,092,000	11,606,866	3,391,000	-44.3%
Total Before Transfers	10,067,691	15,263,939	20,472,198	12,612,132	-17.4%
Transfers:					
Debt Service	67,079	66,842	66,842	66,604	-0.4%
Water Sinking	4,512,258	4,640,852	4,640,852	4,633,132	-0.2%
Total Transfers	4,579,337	4,707,694	4,707,694	4,699,736	-0.2%
Total Expenses	14,647,028	19,971,633	25,179,892	17,311,868	-13.3%
Fund Balance:					
Net Change in Fund	1,329,838	(2,790,029)	(5,313,868)	(423,754)	-84.8%
Beginning Balance	20,438,841	19,959,473	21,768,679	16,454,811	-17.6%
Ending Balance	21,768,679	17,169,444	16,454,811	16,031,057	-6.6%

Minimum fund balance target:	
17% of operating expenses	1,567,592
Unreserved fund balance	14,463,465

Enterprise – Water Construction

This fund accounts for revenue and expenditures for certain major projects of the water utility.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
State Revolving Loan Fund	812,292	-	4,531,036	-	
Total Revenues	812,292	-	4,531,036	-	
Expenses:					
CIP:					
N River Valley Well Field	1,099,010	-	4,457,757	-	
Total Before Transfers	1,099,010	-	4,457,757	-	
Transfers:					
Water Utility Fund	-	-	260,982	-	
Total Expenses	1,099,010	-	4,718,739	-	
Fund Balance:					
Net Change in Fund	(286,718)	-	(187,703)	-	
Beginning Balance	474,421	185,533	187,703	-	-100%
Ending Balance	187,703	185,533	-	-	-100.0%

Enterprise – Water Sinking

This fund is used to account for State Revolving Fund (SRF) loan payments for water utility projects financed with SRF funding.

Revenues: ***Transfers:***	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Water Utility Fund	4,512,258	4,640,852	4,640,852	4,633,132	-0.2%
Total Revenues	4,512,258	4,640,852	4,640,852	4,633,132	-0.2%
Expenses: ***Debt Service:***					
SRF Loan Payments	4,421,563	4,641,500	4,641,500	4,633,720	-0.2%
Total Expenses	4,421,563	4,641,500	4,641,500	4,633,720	-0.2%
Fund Balance:					
Net Change in Fund	90,695	(648)	(648)	(588)	-9.3%
Beginning Balance	175,275	189,605	265,970	265,322	39.9%
Ending Balance	265,970	188,957	265,322	264,734	40.1%

Enterprise – Sewer Utility

This fund accounts for the operation of a municipally owned sewer utility, which provides services to residents of the City and some contiguous areas.

Revenues:	2024/25 Actual	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted	% Change from Adopted
Metered Charges	9,272,185	9,497,000	9,344,000	9,854,000	3.8%
Contract Charges	2,234,897	2,874,300	3,350,536	1,304,500	-54.6%
Fees/Service Charges	464,617	123,900	400,200	166,300	34.2%
Flood Warning System	-	9,900	8,588	23,960	142.0%
Farmland Income	157,213	140,700	142,100	142,100	1.0%
Grant Revenue	123,950	258,000	258,000	325,000	26.0%
Connection District Fee	304,405	-	-	-	
Interest Revenue	567,943	650,000	650,000	600,000	-7.7%
Unrealized Investment Gain	490,738	-	-	-	
Miscellaneous Revenue	5,630	-	-	-	
Total Revenues	13,621,578	13,553,800	14,153,424	12,415,860	-8.4%
Expenses:					
Operations:					
W & PC Administration	477,118	997,617	635,038	699,041	-29.9%
WPC Plant Operations	3,242,507	3,253,851	3,511,006	3,755,956	15.4%
W & PC Meter Services	424,475	520,713	509,391	521,095	0.1%
W & PC Laboratory	445,341	482,221	497,106	518,708	7.6%
Public Works Administration	166,193	164,198	151,137	163,524	-0.4%
Public Works Engineering	74,342	68,280	63,017	70,971	3.9%
Public Works GIS	89,853	120,062	108,253	112,980	-5.9%
Collection System Maintenance	725,910	685,471	640,422	777,012	13.4%
Customer Service	482,208	466,215	442,534	426,016	-8.6%
Total Operations	6,127,947	6,758,628	6,557,904	7,045,303	4.2%
CIP:					
Water Pollution Control	1,515,138	1,687,000	2,392,985	2,665,000	58.0%
Sanitary Sewer System	813,198	400,000	1,623,175	2,550,000	537.5%
Right-of-Way Restoration	82,314	75,000	570,512	75,000	0.0%
Total CIP	2,410,650	2,162,000	4,586,672	5,290,000	144.7%
Total Before Transfers	8,538,597	8,920,628	11,144,576	12,335,303	38.3%

Enterprise – Sewer Utility

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Transfers:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Debt Service	322,752	323,722	323,722	322,984	-0.2%
Sewer Improvements	-	-	376,501	-	
Sewer Sinking	1,576,522	1,428,532	2,223,938	3,084,725	115.9%
Total Transfers	1,899,274	1,752,254	2,924,161	3,407,709	94.5%
Total Expenses	10,437,871	10,672,882	14,068,737	15,743,012	47.5%
Fund Balance:					
Net Change in Fund	3,183,707	2,880,918	84,687	(3,327,152)	-215.5%
Beginning Balance	22,935,544	23,079,768	26,119,251	26,203,938	13.5%
Ending Balance	26,119,251	25,960,686	26,203,938	22,876,786	-11.9%

Minimum fund balance target:	
17% of operating expenses	1,197,702
Unreserved fund balance	21,679,084

Enterprise – Sewer Improvements

This fund accounts for revenue and expenditures for certain major projects of the sanitary sewer utility.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
State Revolving Loan Fund	15,990,677	26,240,000	52,045,120	7,250,000	-72.4%
Stormwater Loan Proceeds	-	-	300,000	-	
Total Before Transfers	15,990,677	26,240,000	52,345,120	7,250,000	-72.4%
Transfers:					
Sewer Utility Fund	-	-	376,501	-	
Total Revenues	15,990,677	26,240,000	52,721,621	7,250,000	-72.4%
Expenses:					
CIP:					
Water Pollution Control	18,573,090	26,240,000	34,359,990	7,250,000	-72.4%
Sanitary Sewer System	59,143	-	10,273,795	-	
Total Before Transfers	18,632,233	26,240,000	44,633,785	7,250,000	-72.4%
Transfers:					
Stormwater Improvements	-	-	300,000	-	
Total Expenses	18,632,233	26,240,000	44,933,785	7,250,000	-72.4%
Fund Balance:					
Net Change in Fund	(2,641,556)	-	7,787,836	-	
Beginning Balance	(5,142,489)	-	(7,784,045)	3,791	
Ending Balance	(7,784,045)	-	3,791	3,791	

Enterprise – Sewer Sinking

This fund is used to account for State Revolving Fund (SRF) loan payments for sewer utility projects financed with SRF funding.

Revenues: ***Transfers:***	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Sewer Utility Fund	1,576,522	1,428,532	2,223,938	3,084,725	115.9%
Total Revenues	1,576,522	1,428,532	2,223,938	3,084,725	115.9%
Expenses: ***Debt Service:***					
SRF Loan Payments	1,474,202	1,428,582	2,161,608	2,909,571	103.7%
Total Expenses	1,474,202	1,428,582	2,161,608	2,909,571	103.7%
Fund Balance:					
Net Change in Fund	102,320	(50)	62,330	175,154	-350408.0%
Beginning Balance	11,861	12,682	114,181	176,511	1291.8%
Ending Balance	114,181	12,632	176,511	351,665	2683.9%

Enterprise – Electric Utility

This fund accounts for the operation of a municipally owned electric utility, which generates and distributes electrical power to customers within the city and some contiguous areas. The fund balance is available for operations and improvements. The transfer to the General Fund constitutes a payment in lieu of taxes.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Metered Sales	59,493,703	62,930,000	63,375,000	65,607,000	4.3%
Iowa State University	3,018,013	4,037,500	4,678,223	4,673,950	15.8%
MEC Zonal Transmission	1,392,379	1,500,000	1,500,000	1,500,000	0.0%
Gas Trading Revenue	898,530	250,000	1,250,000	500,000	100.0%
Streetlights	893,714	900,000	952,000	985,000	9.4%
Security Lighting Rental	138,440	155,000	147,400	152,000	-1.9%
Subdivision Construction	55,988	40,000	40,000	40,000	0.0%
Fees/Service Charges	369,050	283,000	381,358	350,865	24.0%
Bond Proceeds	-	5,527,500	6,116,500	4,000,000	-27.6%
Grant Revenue	616,157	50,000	-	50,000	0.0%
Iowa Dept. of Transportation	2,127,771	50,000	397,000	1,500,000	2900.0%
Interest Revenue	1,434,792	1,350,000	1,350,000	1,395,000	3.3%
Unrealized Investment Gain	1,290,831	-	-	-	
Miscellaneous Revenue	144,253	25,000	795,914	-	-100.0%
Total Revenues	71,873,621	77,098,000	80,983,395	80,753,815	4.7%
Expenses:					
Operations:					
Electric Administration	2,954,729	3,173,497	3,164,122	3,390,662	6.8%
Demand-Side Management	582,636	907,079	943,920	841,580	-7.2%
Electric Production	12,196,223	14,420,090	14,290,939	13,966,931	-3.1%
Fuel/Purchased Power	35,978,142	36,636,931	39,743,069	39,714,688	8.4%
Distribution/Operations	4,142,295	3,924,358	4,834,831	5,157,203	31.4%
Distribution/Improvements	1,734,646	2,440,601	1,898,881	2,273,451	-6.8%
Electric Technical Services	1,566,459	1,675,585	849,730	731,919	-56.3%
Electric Engineering	804,437	989,696	839,745	949,303	-4.1%
Customer Service	871,791	909,270	862,554	802,805	-11.7%
Public Works GIS	40,842	54,574	49,206	51,354	-5.9%
Utility Deposit Interest	51,333	-	-	-	
Total Operations	60,923,533	65,131,681	67,476,997	67,879,896	4.2%

Enterprise – Electric Utility

Continued from previous page.

CIP:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Electric Services	6,233,913	11,790,000	27,896,444	18,968,535	60.9%
Resource Recovery	-	-	-	2,340,000	
Total CIP	6,233,913	11,790,000	27,896,444	21,308,535	80.7%
Total Before Transfers	67,157,446	76,921,681	95,373,441	89,188,431	15.9%
Transfers:					
General Fund (In Lieu of Taxes)	2,420,784	2,452,707	2,452,707	2,568,124	4.7%
Electric Sinking	966,213	966,253	966,253	887,520	-8.1%
SunSmart	45,249	53,000	53,000	53,000	0.0%
Electric Sustainability Reserve	-	-	-	-	
Debt Service	19,065	18,290	18,290	17,515	-4.2%
Total Transfers	3,451,311	3,490,250	3,490,250	3,526,159	1.0%
Total Expenses	70,608,757	80,411,931	98,863,691	92,714,590	15.3%
Fund Balance:					
Net Change in Fund	1,264,864	(3,313,931)	(17,880,296)	(11,960,775)	260.9%
Beginning Balance	56,757,560	41,784,675	58,022,424	40,142,128	-3.9%
Ending Balance	58,022,424	38,470,744	40,142,128	28,181,353	-26.7%

Minimum fund balance target:	
Consultant recommended minimum fund balance	20,300,000
Unreserved fund balance	7,881,353

Enterprise – Electric Sinking

This fund is used to account for principal and interest payments for Electric Revenue Bonds.

Revenues: ***Transfers:***	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Electric Utility Fund	966,213	966,253	966,253	887,520	-8.1%
Total Revenues	966,213	966,253	966,253	887,520	-8.1%
Expenses: ***Debt Service:***					
Bond Principal / Interest	966,213	966,075	966,075	968,200	0.2%
Total Expenses	966,213	966,075	966,075	968,200	0.2%
Fund Balance:					
Net Change in Fund	-	178	178	(80,680)	-45425.8%
Beginning Balance	80,518	80,507	80,518	80,696	0.2%
Ending Balance	80,518	80,685	80,696	16	-100.0%

Enterprise – SunSmart Community Solar

This fund is used to account for contributions to the SunSmart Community Solar program. The revenue is primarily contributions for a share of the energy production from the solar farm. Expenses are primarily to pay the developer of the solar farm for the energy produced. The Ames Electric Service activity related to the solar farm is accounted for in the Electric Utility Fund.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
SunSmart Power Packs	13,451	5,000	13,500	5,000	0.0%
ISU/Solar Energy	79,069	80,000	80,000	80,000	0.0%
Interest Revenue	31,549	40,000	40,000	33,000	-17.5%
Unrealized Investment Gain	24,429	-	-	-	
Total Before Transfers	148,498	125,000	133,500	118,000	-5.6%
Transfers:					
Electric Utility Fund	45,249	53,000	53,000	53,000	0.0%
Total Revenues	193,747	178,000	186,500	171,000	-3.9%
Expenses:					
Solar Energy	189,638	185,602	186,862	190,000	2.4%
Total Expenses	189,638	185,602	186,862	190,000	2.4%
Fund Balance:					
Net Change in Fund	4,109	(7,602)	(362)	(19,000)	149.9%
Beginning Balance	1,000,721	967,134	1,004,830	1,004,468	3.9%
Ending Balance	1,004,830	959,532	1,004,468	985,468	2.7%

Enterprise – Electric Sustainability Reserve

This fund is accounts for the proceeds received from a litigation settlement involving the Electric Utility's service area. The funds are being held in reserve for Electric Utility sustainability projects.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	66,689	70,000	70,000	73,000	4.3%
Unrealized Investment Gain	58,364	-	-	-	
Total Revenues	125,053	70,000	70,000	73,000	4.3%
Expenses:					
Electric Administration	-	-	150,000	-	
Total Expenses	-	-	150,000	-	
Fund Balance:					
Net Change in Fund	125,053	70,000	(80,000)	73,000	4.3%
Beginning Balance	2,430,107	2,500,107	2,555,160	2,475,160	-1.0%
Ending Balance	2,555,160	2,570,107	2,475,160	2,548,160	-0.9%

Enterprise – Parking Operations

This fund accounts for the operation of the City parking system including maintenance of meters and lots, collection of meter coin, parking enforcement, and collection of parking fines. Parking rates are set at a level to cover operations and contribute to funding of capital improvements for the parking system. Revenues in excess of operations and the operating fund balance are transferred to the Parking Capital Reserve Fund to fund capital improvements.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Illegal Parking	254,910	400,000	307,690	400,000	0.0%
Overtime Parking	99,790	85,000	95,000	95,000	11.8%
East District - Downtown	306,973	315,700	303,400	309,900	-1.8%
West District - Campustown	179,949	215,100	196,700	203,400	-5.4%
Interest Revenue	4,310	5,000	5,000	5,000	0.0%
Unrealized Investment Gain	4,036	-	-	-	
Miscellaneous Revenue	1,144	-	-	-	
Total Before Transfers	851,112	1,020,800	907,790	1,013,300	-0.7%
Transfers:					
General Fund	-	-	50,000	-	
Hotel/Motel Tax Fund	10,000	10,000	16,000	16,500	65.0%
Total Transfers	10,000	10,000	66,000	16,500	65.0%
Total Revenues	861,112	1,030,800	973,790	1,029,800	-0.1%
Expenses:					
Operations:					
Parking Enforcement	494,240	626,418	551,799	638,078	1.9%
Parking Operations	236,372	262,977	279,925	226,947	-13.7%
Customer Service	151,733	142,212	142,582	148,725	4.6%
Total Expenses	882,345	1,031,607	974,306	1,013,750	-1.7%
Fund Balance:					
Net Change in Fund	(21,233)	(807)	(516)	16,050	-2088.8%
Beginning Balance	127,723	129,985	106,490	105,974	-18.5%
Ending Balance	106,490	129,178	105,974	122,024	-5.5%

Minimum fund balance target:	
10% of operating expenses	101,375
Unreserved fund balance	20,649

Enterprise – Parking Capital Reserve

This fund accounts for accumulated Parking Fund revenue being held for capital improvement projects. Funds in excess of Parking Operation's minimum fund balance requirement are transferred to the Parking Capital Reserve Fund to fund future Parking capital projects.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	33,584	30,000	30,000	37,000	23.3%
Unrealized Investment Gain	29,391	-	-	-	
Total Before Transfers	62,975	30,000	30,000	37,000	0.233
Transfers:					
Parking Operations	-	-	-	-	
Total Revenues	62,975	30,000	30,000	37,000	23.3%
Expenses:					
CIP:					
Parking CIP	-	-	-	-	
Total Expenses	-	-	-	-	
Fund Balance:					
Net Change in Fund	62,975	30,000	30,000	37,000	23.3%
Beginning Balance	1,227,579	1,252,578	1,290,554	1,320,554	5.4%
Ending Balance	1,290,554	1,282,578	1,320,554	1,357,554	5.8%

Enterprise – Transit Operations

This fund accounts for the operation of the City's transit bus system. The Transit Board consists of representatives from Iowa State University (ISU), the ISU Student, and the City of Ames. Funding is provided through student fees, a property tax levy, ISU, passenger fares, and grants received through the Iowa Department of Transportation and the Federal Government. The Transit Board has adopted a minimum ending fund balance policy of 7.5% of total expenditures less transfers, with a goal to maintain a balance between 7.5% and 10%.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Federal/State Funding	6,056,257	5,370,821	5,370,821	5,444,449	1.4%
ISU Administration	952,966	976,790	976,790	1,010,978	3.5%
ISU Student Fees	5,670,196	6,152,792	6,152,792	6,368,140	3.5%
Fees/Service Charges	647,423	675,296	675,296	672,014	-0.5%
Metro Planning Organization	36,968	30,000	30,000	30,000	0.0%
Interest Revenue	224,317	225,000	225,000	245,000	8.9%
Unrealized Investment Gain	202,929	-	-	-	
Miscellaneous Revenue	67,438	28,000	28,000	28,000	0.0%
Total Before Transfers	13,858,494	13,458,699	13,458,699	13,798,581	2.5%
Transfers:					
General Fund (Transit Levy)	2,166,443	2,227,370	2,227,370	2,305,328	3.5%
Total Revenues	16,024,937	15,686,069	15,686,069	16,103,909	2.7%
Expenses:					
Operations:					
Transit Administration	2,706,536	2,814,082	2,840,505	2,956,992	5.1%
Fixed Route Service	11,918,430	12,585,715	12,696,769	13,062,871	3.8%
Dial-A-Ride Service	310,420	292,333	342,996	380,864	30.3%
Total Operations	14,935,386	15,692,130	15,880,270	16,400,727	4.5%
Transfers:					
Transit Capital Reserve	1,800,000	800,000	800,000	800,000	0.0%
Student Government Trust	440,145	-	-	-	
Total Transfers	2,240,145	800,000	800,000	800,000	0.0%
Total Expenses	17,175,531	16,492,130	16,680,270	17,200,727	4.3%
Fund Balance:					
Net Change in Fund	(1,150,594)	(806,061)	(994,201)	(1,096,818)	36.1%
Beginning Balance	9,857,837	7,477,584	8,707,243	7,713,042	3.1%
Ending Balance	8,707,243	6,671,523	7,713,042	6,616,224	-0.8%

Minimum fund balance target:	
Reserve for cash flow	2,000,000
10% of operating expenses	1,640,073
Unreserved fund balance	2,976,151

Enterprise – Transit Student Government Trust

This fund is used for the stabilization of the contributions from the ISU Student Government at Iowa State University to the Transit operating budget. The fund balance fluctuates based on fee approval, enrollment, and service levels.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	32,695	19,000	19,000	36,000	89.5%
Unrealized Investment Gain	26,652	-	-	-	
Total Before Transfers	59,347	19,000	19,000	36,000	89.5%
Transfers:					
Transit Operations	440,145	-	-	-	
Total Revenues	499,492	19,000	19,000	36,000	89.5%
Expenses:					
Transfers:					
Transit Operations	-	-	-	-	
Total Expenses	-	-	-	-	
Fund Balance:					
Net Change in Fund	499,492	19,000	19,000	36,000	89.5%
Beginning Balance	1,030,330	1,489,475	1,529,822	1,548,822	4.0%
Ending Balance	1,529,822	1,508,475	1,548,822	1,584,822	5.1%

Minimum fund balance target:	
10% of ISU Student Fees	636,814
Unreserved fund balance	948,008

Enterprise – Transit Capital Reserve

This fund accounts for CyRide grant and capital activities.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Federal/State Funding	307,920	4,337,056	12,006,405	3,749,360	-13.6%
ISU Parking	17,000	17,000	17,000	17,000	0.0%
Interest Revenue	371,559	255,000	255,000	300,000	17.6%
Unrealized Investment Gain	319,729	-	-	-	
Miscellaneous Revenue	24,128	-	-	-	
Total Before Transfers	1,040,336	4,609,056	12,278,405	4,066,360	-11.8%
Transfers:					
Transit Operations	1,800,000	800,000	800,000	800,000	0.0%
Total Revenues	2,840,336	5,409,056	13,078,405	4,866,360	-10.0%
Expenses:					
CIP:					
Transit	992,814	6,510,563	17,741,373	5,278,737	-18.9%
Total Expenses	992,814	6,510,563	17,741,373	5,278,737	-18.9%
Fund Balance:					
Net Change in Fund	1,847,522	(1,101,507)	(4,662,968)	(412,377)	-62.6%
Beginning Balance	13,436,453	11,501,049	15,283,975	10,621,007	-7.7%
Ending Balance	15,283,975	10,399,542	10,621,007	10,208,630	-1.8%

Minimum fund balance target:	
Facility Expansion Local Match Reserve	3,715,166
Electric Bus Local Match Reserve	1,147,902
40' Bus Local Match Reserve	3,314,071
Accessibility Technology Reserve	750,000
Unreserved fund balance	1,281,491

Enterprise – Stormwater Utility

The Stormwater Utility Fund accounts for receipt of stormwater fees and grants and expenditure of funds for maintenance and capital improvements in the stormwater system.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Stormwater Fees	1,966,792	1,960,000	1,960,000	1,967,000	0.4%
Permits and Plan Reviews	24,300	23,500	23,500	23,500	0.0%
Fees/Service Charges	6,005	10,000	8,000	8,000	-20.0%
Interest Revenue	228,108	225,000	225,000	249,000	10.7%
Unrealized Investment Gain	197,269	-	-	-	
Miscellaneous Revenue	98,000	-	-	-	
Total Revenues	2,520,474	2,218,500	2,216,500	2,247,500	1.3%
Expenses:					
Operations:					
Storm Sewer Maintenance	273,997	433,085	432,713	485,341	12.1%
Stormwater Permit Program	389,652	446,961	454,289	475,062	6.3%
Public Works Engineering	31,652	29,263	27,007	30,416	3.9%
Public Works GIS	53,095	70,946	63,967	66,761	-5.9%
Customer Service	2,828	7,000	7,000	7,000	0.0%
Art Services	1,551	-	-	-	
Total Operations	752,775	987,255	984,976	1,064,580	7.8%
CIP:					
Stormwater Improvements	803,705	2,100,000	7,206,443	2,050,000	-2.4%
Street Improvements	135,040	50,000	475,755	50,000	0.0%
Total CIP	938,745	2,150,000	7,682,198	2,100,000	-2.3%
Total Expenses	1,691,520	3,137,255	8,667,174	3,164,580	0.9%
Fund Balance:					
Net Change in Fund	828,954	(918,755)	(6,450,674)	(917,080)	-0.2%
Beginning Balance	7,924,074	2,611,122	8,753,028	2,302,354	-11.8%
Ending Balance	8,753,028	1,692,367	2,302,354	1,385,274	-18.1%

Minimum fund balance target:	
10% of operating expenses	106,458
Unreserved fund balance	1,278,816

Enterprise – Stormwater Improvements

This fund is used to account for grant and developer funding related to stormwater capital improvement projects.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Federal/State Grants	-	400,000	1,000,000	-	-100.0%
Total Before Transfers	-	400,000	1,000,000	-	
Transfers:					
Sewer Improvements	-	-	300,000	-	
Total Revenues	-	400,000	1,300,000	-	-100.0%
Expenses:					
CIP:					
Stormwater Improvements	40,000	400,000	1,260,000	-	-100.0%
Total Expenses	40,000	400,000	1,260,000	-	-100.0%
Fund Balance:					
Net Change in Fund	(40,000)	-	40,000	-	
Beginning Balance	-	-	(40,000)	-	
Ending Balance	(40,000)	-	-	-	

Enterprise – Ames/ISU Ice Arena

This fund accounts for the operation of the Ice Arena.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Admissions	77,090	70,455	78,725	82,866	17.6%
Ice Rink Rental	507,460	523,354	522,877	537,890	2.8%
Ice Arena Programming	890	7,880	1,000	1,000	-87.3%
Equipment Rental/Fees	30,821	27,015	30,060	33,650	24.6%
Dasher Board Advertising	9,584	24,400	10,000	15,000	-38.5%
Pro Shop Sales	651	375	375	375	0.0%
Concessions	36,575	35,150	37,500	38,800	10.4%
Interest Revenue	8,149	5,000	5,000	9,000	80.0%
Unrealized Investment Gain	6,718	-	-	-	
Miscellaneous Revenue	224	966	-	-	-100.0%
Total Revenues	678,162	694,595	685,537	718,581	3.5%
Expenses:					
Operations:					
Ice Arena Operations	602,501	595,249	644,470	661,906	11.2%
Total Expenses	602,501	595,249	644,470	661,906	11.2%
Fund Balance:					
Net Change in Fund	75,661	99,346	41,067	56,675	-43.0%
Beginning Balance	283,384	359,847	359,045	400,112	11.2%
Ending Balance	359,045	459,193	400,112	456,787	-0.5%

Minimum fund balance target:	
15% of operating expenses	99,286
Unreserved fund balance	357,501

Enterprise – Ice Arena Capital Reserve

This fund accounts for capital replacement contributions from the City of Ames and Iowa State University (ISU). Both the City of Ames and ISU contribute $40,000 annually. Funds may only be spent on approved capital improvements at the Ice Arena. Interest earned by the reserve is credited to the Ice Arena Operations Fund to improve the fund balance and reduce rate increases required to fund operations.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Iowa State University	40,000	40,000	40,000	40,000	0.0%
Interest Revenue	2,319	3,000	3,000	3,000	0.0%
Unrealized Investment Gain	2,485	-	-	-	
Total Before Transfers	44,804	43,000	43,000	43,000	0.0%
Transfers:					
Local Option Sales Tax	40,000	40,000	40,000	40,000	0.0%
Total Revenues	84,804	83,000	83,000	83,000	0.0%
Expenses:					
CIP:					
Ice Arena Improvements	137,607	-	10,135	100,000	
Total Expenses	137,607	-	10,135	100,000	
Fund Balance:					
Net Change in Fund	(52,803)	83,000	72,865	(17,000)	-120.5%
Beginning Balance	124,086	52,317	71,283	144,148	175.5%
Ending Balance	71,283	135,317	144,148	127,148	-6.0%

Enterprise – Homewood Golf Course

This fund accounts for the operation of a 9-hole municipal golf course.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Green Fees	238,804	240,431	240,431	247,644	3.0%
Season Passes/Punch Cards	106,687	101,045	99,745	112,987	11.8%
League Entry Fees	4,982	3,510	3,510	5,700	62.4%
Program Fees	5,482	5,200	5,200	5,200	0.0%
Equipment Rental	118,416	112,000	118,000	120,000	7.1%
Clubhouse Rental	21,721	20,370	20,370	20,370	0.0%
Pro Shop Sales	4,458	4,500	4,500	4,500	0.0%
Concessions	45,854	47,000	47,000	47,000	0.0%
Cell Tower Lease	24,136	24,000	24,000	24,000	0.0%
Interest Revenue	23,973	20,000	24,000	26,000	30.0%
Unrealized Investment Gain	19,966	-	-	-	
Miscellaneous Revenue	475	900	900	900	
Total Revenues	614,954	578,956	587,656	614,301	6.1%
Expenses:					
Operations:					
Administration/Concessions	226,137	267,042	263,669	284,136	6.4%
Golf Course Maintenance	134,866	139,187	156,333	156,732	12.6%
Total Operations	361,003	406,229	420,002	440,868	8.5%
CIP:					
Homewood Improvements	-	-	75,000	300,000	
Total Expenses	361,003	406,229	495,002	740,868	82.4%
Fund Balance:					
Net Change in Fund	253,951	172,727	92,654	(126,567)	-173.3%
Beginning Balance	710,463	812,326	964,414	1,057,068	30.1%
Ending Balance	964,414	985,053	1,057,068	930,501	-5.5%

Minimum fund balance target:	
25% of operating expenses	110,217
Unreserved fund balance	820,284

Enterprise – Resource Recovery

This fund accounts for the operation of a municipally owned Resource Recovery Plant that provides service to 12 communities and several governmental organizations on a contractual basis. The member organizations contribute a per capita fee. The transfer from the General Fund is the Ames share of the per capita.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Commercial Accounts	2,848,570	3,000,000	2,800,000	3,173,333	5.8%
Iowa State University	269,323	275,000	275,000	311,667	13.3%
Other Contracts	9,195	7,040	8,040	9,112	29.4%
Public Fees	181,567	188,000	204,000	231,200	23.0%
FWD Pilot Program	160	250	250	283	13.2%
Per Capita Revenue	255,306	319,966	319,666	319,666	-0.1%
Electric RDF Revenue	883,073	901,688	901,688	901,688	0.0%
Sale of Metals	201,919	180,400	160,000	160,000	-11.3%
Sale of Recyclables	14,404	25,000	20,000	25,000	0.0%
Interest Revenue	27,814	25,000	25,000	29,000	16.0%
Unrealized Investment Gain	22,686	-	-	-	
Miscellaneous Revenue	1,834	3,000	3,000	3,000	0.0%
Total Before Transfers	4,715,851	4,925,344	4,716,644	5,163,949	4.8%
Transfers:					
General Fund (Ames Per Capita)	592,484	592,484	592,484	592,484	0.0%
Total Revenues	5,308,335	5,517,828	5,309,128	5,756,433	4.3%
Expenses:					
Operations:					
Public Works Administration	166,193	164,198	151,137	163,524	-0.4%
Resource Recovery Operations	3,108,596	3,658,539	3,497,965	3,708,378	1.4%
Reject Disposal	1,161,235	1,144,630	1,198,000	1,220,500	6.6%
Yard Waste Management	47,228	52,000	52,000	52,000	0.0%
Landfill Monitoring	3,792	5,500	9,000	9,000	63.6%
Total Operations	4,487,044	5,024,867	4,908,102	5,153,402	2.6%
CIP:					
Resource Recovery	331,756	459,000	815,163	465,000	1.3%
Total Before Transfers	4,818,800	5,483,867	5,723,265	5,618,402	2.5%
Transfers:					
Debt Service	113,163	93,766	-	750,000	699.9%
Total Expenses	4,931,963	5,577,633	5,723,265	6,368,402	14.2%
Fund Balance:					
Net Change in Fund	376,372	(59,805)	(414,137)	(611,969)	923.3%
Beginning Balance	1,449,124	1,135,515	1,825,496	1,411,359	24.3%
Ending Balance	1,825,496	1,075,710	1,411,359	799,390	-25.7%

Minimum fund balance target:	
10% of operating expenses	515,340
Unreserved fund balance	284,050

Enterprise – Resource Recovery Improvements

This fund accounts for revenue and expenditures for certain major projects of the resource recovery utility.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Bond Proceeds	-	-	6,954,697	15,117,620	
Interest Revenue	-	-	-	-	
Unrealized Investment Loss	-	-	-	-	
Total Revenues	-	-	6,954,697	15,117,620	
Expenses:					
CIP:					
Res Recov/Recycling Campus	65,587	-	6,889,110	15,117,620	
Total Expenses	65,587	-	6,889,110	15,117,620	
Fund Balance:					
Net Change in Fund	(65,587)	-	65,587	-	
Beginning Balance	-	-	(65,587)	-	
Bonds Payable Adjustment	-	-	-	-	
Rounding Adjustment	-	-	-	-	
Ending Balance	(65,587)	-	-	-	

Enterprise – Recycling Services

The Recycling Services Fund accounts for operation of the City's single stream Curbside Recycling Program.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Customer Charges	-	-	-	1,522,500	
Interest Revenue	-	-	-	-	
Unrealized Investment Gain	-	-	-	-	
Miscellaneous Revenue	-	-	-	-	
Total Before Transfers	-	-	-	1,522,500	
Transfers:					
General Fund	-	-	150,000	-	
Total Revenues	-	-	150,000	1,522,500	
Expenses:					
Operations:					
Recycling Operations	-	-	-	1,492,000	
Customer Service	-	-	-	20,000	
Total Expenses	-	-	-	1,512,000	
Fund Balance:					
Net Change in Fund	-	-	150,000	10,500	
Beginning Balance	-	-	-	150,000	
Ending Balance	-	-	150,000	160,500	

Debt Service

This fund accounts for payment of principal and interest on general obligation bonds. Iowa State University participates in the repayment of bonds issued to fund Fire capital acquisitions. The available fund balance will be used to reduce future debt service.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Property Taxes	11,615,627	12,180,953	12,180,953	13,329,347	9.4%
Excise Tax	68,760	26,839	26,839	30,671	14.3%
State Replacement Tax	267,801	198,757	198,757	138,320	-30.4%
Iowa State University	51,132	49,602	49,602	49,106	-1.0%
Interest Revenue	223,836	75,000	75,000	229,000	205.3%
Unrealized Investment Gain	194,789	-	-	-	
Total Before Transfers	12,421,945	12,531,151	12,531,151	13,776,444	9.9%
Transfers:					
General Fund	-	-	430,000	-	
TIF/ISU Research Park	300,650	302,400	302,400	303,850	0.5%
TIF/ISU RP Phase 2	31,400	30,150	30,150	33,900	12.4%
Special Assessments	38,450	42,400	42,400	41,200	-2.8%
G.O. Bonds	-	-	1,330,534	-	
Airport Operations Fund	70,984	70,975	70,975	70,975	0.0%
Water Utility Fund	67,079	66,842	66,842	66,604	-0.4%
Sewer Utility Fund	322,752	323,722	323,722	322,984	-0.2%
Electric Utility Fund	19,065	18,290	18,290	17,515	-4.2%
Resource Recovery	113,163	93,766	-	750,000	699.9%
Total Transfers	963,543	948,545	2,615,313	1,607,028	69.4%
Total Revenues	13,385,488	13,479,696	15,146,464	15,383,472	14.1%
Expenses:					
Debt Service:					
G.O. Bond Principal	10,325,000	10,624,354	10,624,354	11,440,000	7.7%
G.O. Bond Interest	3,096,870	3,468,640	3,468,640	4,234,470	22.1%
G.O. Bond Costs	-	-	-	-	
Total Expenses	13,421,870	14,092,994	14,092,994	15,674,470	11.2%
Fund Balance:					
Net Change in Fund	(36,382)	(613,298)	1,053,470	(290,998)	-52.6%
Beginning Balance	3,870,710	4,528,442	3,834,328	4,887,798	7.9%
Ending Balance	3,834,328	3,915,144	4,887,798	4,596,800	17.4%

Internal Services – Fleet Services

This fund accounts for the operations of the City's Fleet Services activity, which provides maintenance and support for vehicles and equipment used by all City departments, apart from Transit (CyRide).

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Fleet Maintenance Charges	2,485,941	2,733,203	2,710,827	2,754,459	0.8%
Maintenance Facility Charges	83,114	82,453	83,848	85,653	3.9%
Motor Pool Charges	68,112	65,000	65,000	65,000	0.0%
Miscellaneous Revenue	128	-	-	-	
Total Revenues	2,637,295	2,880,656	2,859,675	2,905,112	0.8%
Expenses:					
Internal Services:					
Fleet Administration	583,624	614,792	609,720	638,086	3.8%
Fleet Maintenance	1,834,678	2,022,958	2,004,258	2,017,722	-0.3%
Fleet Maintenance Facility	166,228	164,906	167,697	171,304	3.9%
Motor Pool Operations	65,653	38,000	38,000	38,000	0.0%
Total Expenses	2,650,183	2,840,656	2,819,675	2,865,112	0.9%
Fund Balance:					
Net Change in Fund	(12,888)	40,000	40,000	40,000	0.0%
Beginning Balance	113,266	143,511	100,378	140,378	-2.2%
Ending Balance	100,378	183,511	140,378	180,378	-1.7%

Internal Services – Fleet Replacement Reserve

This fund accounts for the accumulation of funds for the replacement of City fleet vehicles and equipment. Having a replacement reserve fund allows City departments to accumulate funds through their operating budgets over the useful lives of the equipment. These funds are then available to replace the equipment at the end of its useful life.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Fleet Replacement Funds	2,483,572	2,458,721	2,927,330	2,663,689	8.3%
Sale of Equipment	160,132	-	-	-	
Miscellaneous Revenue	-	-	-	-	
Total Revenues	2,643,704	2,458,721	2,927,330	2,663,689	8.3%
Expenses:					
Internal Services:					
Fleet Acquisitions	2,638,004	2,835,300	5,225,260	2,057,000	-27.5%
Fleet Disposal	7,201	-	-	-	
Total Before Transfers	2,645,205	2,835,300	5,225,260	2,057,000	-27.5%
Transfers:					
Technology Replacement	-	-	-	-	
Total Transfers	-	-	-	-	
Total Expenses	2,645,205	2,835,300	5,225,260	2,057,000	-27.5%
Fund Balance:					
Net Change in Fund	(1,501)	(376,579)	(2,297,930)	606,689	-261.1%
Beginning Balance	13,351,954	12,820,568	13,350,453	11,052,523	-13.8%
Ending Balance	13,350,453	12,443,989	11,052,523	11,659,212	-6.3%

Internal Services – Fleet Services Reserve

This fund accounts for the accumulation of interest earned by funds held in the Fleet Replacement Reserve fund. Revenues in excess of expenses in the Fleet Services operations fund are also transferred to this fund at the end of each fiscal year. These funds are used for equipment upgrades and capital improvements for Fleet Services.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Interest Revenue	389,591	400,000	400,000	400,000	0.0%
Unrealized Investment Gain	340,798	-	-	-	
Total Revenues	730,389	400,000	400,000	400,000	0.0%
Expenses:					
Internal Services:					
Fleet Acquisitions	100,000	100,000	100,000	100,000	0.0%
Fleet Services	28,339	-	227,000	-	
Total Expenses	128,339	100,000	327,000	100,000	0.0%
Fund Balance:					
Net Change in Fund	602,050	300,000	73,000	300,000	0.0%
Beginning Balance	1,159,702	1,339,703	1,761,752	1,834,752	37.0%
Ending Balance	1,761,752	1,639,703	1,834,752	2,134,752	30.2%

Internal Services – Information Technology

Information Technology accounts for all information technology and communication services provided to City departments.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Computer Charges	2,310,369	1,979,252	2,085,863	2,224,629	12.4%
Miscellaneous Revenue	3,669	-	-	-	
Total Revenues	2,314,038	1,979,252	2,085,863	2,224,629	12.4%
Expenses:					
Internal Services:					
Computer Services	2,240,199	1,883,305	1,978,319	2,119,213	12.5%
Network Services	73,839	95,947	107,544	105,416	9.9%
Total Expenses	2,314,038	1,979,252	2,085,863	2,224,629	12.4%
Fund Balance:					
Net Change in Fund	-	-	-	-	
Beginning Balance	120,000	120,000	120,000	120,000	0.0%
Ending Balance	120,000	120,000	120,000	120,000	0.0%

Internal Services – Technology Replacement Reserve

This fund accounts for the accumulation of funds to use for the replacement of City departmental computers and other technology equipment. Having a replacement reserve fund allows City departments to accumulate funds through their operating budgets over the useful lives of the equipment. These funds are then available to replace the equipment at the end of its useful life.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Departmental Replacement	334,913	326,676	350,098	322,136	-1.4%
Total Revenues	334,913	326,676	350,098	322,136	-1.4%
Expenses:					
Internal Services:					
Technology Replacement	262,814	250,800	411,350	226,800	-9.6%
Total Expenses	262,814	250,800	411,350	226,800	-9.6%
Fund Balance:					
Net Change in Fund	72,099	75,876	(61,252)	95,336	25.6%
Beginning Balance	2,292,497	2,249,131	2,364,596	2,303,344	2.4%
Ending Balance	2,364,596	2,325,007	2,303,344	2,398,680	3.2%

Internal Services – Technology Reserve

This fund accounts for the accumulation of interest earned by funds held in the Technology Replacement Reserve fund. Revenues in excess of expenses in the Information Technology operations fund are also transferred to this fund at the end of each fiscal year. These funds are used for the replacement of network and computer equipment for Information Technology.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
IT Technology Replacement	454,723	-	-	-	
Interest Revenue	95,179	70,000	70,000	106,000	51.4%
Unrealized Investment Gain	79,974	-	-	-	
Total Revenues	629,876	70,000	70,000	106,000	51.4%
Expenses:					
Internal Services:					
IT Technology Replacement	71,245	130,000	245,775	165,000	26.9%
Finance/HRMS Software Study	-	-	20,000	-	
Phone System	98,273	-	-	-	
Total Expenses	169,518	130,000	265,775	165,000	26.9%
Fund Balance:					
Net Change in Fund	460,358	(60,000)	(195,775)	(59,000)	-1.7%
Beginning Balance	1,458,745	1,512,069	1,919,103	1,723,328	14.0%
Ending Balance	1,919,103	1,452,069	1,723,328	1,664,328	14.6%

Internal Services – Shared Communications System

This fund accounts for the communication system that the City shares with Iowa State University, Story County, the E911 system, and several other neighboring communities.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Iowa State University	95,117	102,324	104,874	111,269	8.7%
Story County	72,117	103,554	106,227	112,704	8.8%
E911 System	85,152	75,290	76,636	81,309	8.0%
MGMC	2,806	2,927	3,077	3,265	11.5%
Ames Police Department	99,113	106,474	109,278	115,941	8.9%
Ames Fire Department	6,629	5,821	6,100	6,472	11.2%
City of Story City	1,674	1,740	1,841	1,953	12.2%
City of Huxley	1,793	1,870	1,967	2,087	11.6%
City of Nevada	3,000	-	-	-	
Total Revenues	367,401	400,000	410,000	435,000	8.8%
Expenses:					
Internal Services:					
Shared Communications System	367,401	400,000	410,000	435,000	8.8%
Total Expenses	367,401	400,000	410,000	435,000	8.8%
Fund Balance:					
Net Change in Fund	-	-	-	-	
Beginning Balance	-	-	-	-	
Ending Balance	-	-	-	-	

Internal Services – Risk Management

This fund accounts for payment of insurance premiums for Workers' Compensation, comprehensive liability and other insurance covered by the Risk Management Program. Loss prevention is also included in the program. The fund balance includes the required reserves plus an accrual calculation for unreported claims.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Departmental Charges	3,340,313	3,705,829	3,480,502	3,755,762	1.3%
Interest Revenue	80,572	40,000	40,000	89,000	122.5%
Unrealized Investment Gain	69,617	-	-	-	
Miscellaneous Revenue	-	-	-	-	
Total Revenues	3,490,502	3,745,829	3,520,502	3,844,762	2.6%
Expenses:					
Internal Services:					
Risk Administration	177,490	189,772	188,104	196,194	3.4%
Liability Insurance	352,809	405,213	374,235	426,491	5.3%
Liability Claims	127,525	200,000	200,000	200,000	0.0%
Automobile Insurance	80,307	88,338	84,176	92,594	4.8%
Transit Insurance	250,403	287,963	262,655	302,053	4.9%
Property Insurance	1,069,807	1,281,304	1,108,863	1,262,273	-1.5%
Professional Liability Ins.	85,344	98,146	89,499	100,239	2.1%
Police Professional Ins.	58,636	64,500	61,483	70,706	9.6%
Internal Safety Training	149,494	152,533	152,536	157,287	3.1%
Workers Compensation	1,001,178	882,660	861,398	861,398	-2.4%
Total Expenses	3,352,993	3,650,429	3,382,949	3,669,235	0.5%
Fund Balance:					
Net Change in Fund	137,509	95,400	137,553	175,527	84.0%
Beginning Balance	3,955,991	4,047,280	4,093,500	4,231,053	4.5%
Ending Balance	4,093,500	4,142,680	4,231,053	4,406,580	6.4%

Minimum fund balance target:	
Reserved for deductibles and retained risk	1,000,000
Unreserved fund balance	3,406,580

Internal Services – Health Insurance

This fund accounts for City and employee contributions for the City's health benefits plan. The City began self-insurance in July 2000. The reserve for post-employment health care benefits reflects the City's liability for funding post-employment health care benefits.

Revenues:	**2024/25 Actual**	**2025/26 Adopted**	**2025/26 Adjusted**	**2026/27 Adopted**	**% Change from Adopted**
Department Contributions	10,790,219	11,695,567	11,618,999	12,526,134	7.1%
Employee Contributions	887,290	949,437	954,008	1,027,557	8.2%
Retiree Contributions	231,936	287,687	250,491	270,530	-6.0%
COBRA Contributions	17,401	21,470	18,793	20,296	-5.5%
Stop Loss Recoveries	555,183	-	228,750	276,622	
Pharmacy Refunds	856,320	-	975,000	1,000,000	
Interest Revenue	219,387	200,000	200,000	243,000	21.5%
Unrealized Investment Gain	192,839	-	-	-	
Miscellaneous Revenue	13,490	-	-	-	
Total Revenues	13,764,065	13,154,161	14,246,041	15,364,139	16.8%
Expenses:					
Internal Services:					
Health Insurance Admin.	148,365	176,612	175,823	192,147	8.8%
Medical Claims	8,526,349	6,301,788	8,379,006	9,048,261	43.6%
Dental Claims	434,393	443,657	443,657	482,627	8.8%
Pharmacy Claims	2,855,999	3,393,270	3,542,845	3,524,998	3.9%
Other Insurance/Fees	1,659,366	1,860,154	1,867,814	2,036,221	9.5%
Health Promotion Program	292,392	373,131	332,592	346,775	-7.1%
Total Expenses	13,916,864	12,548,612	14,741,737	15,631,029	24.6%
Fund Balance:					
Net Change in Fund	(152,799)	605,549	(495,696)	(266,890)	-144.1%
Beginning Balance	8,072,056	7,245,151	7,919,257	7,423,561	2.5%
Ending Balance	7,919,257	7,850,700	7,423,561	7,156,671	-8.8%

Minimum fund balance target:	
Claims reserve	5,217,138
Unreserved fund balance	1,939,533

SUPPLEMENTARY INFORMATION







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Supplementary Information

Authorized Employment Levels 452

Glossary 456

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Authorized Employment Levels

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
City Manager			
City Manager	1.00	1.00	1.00
Assistant City Manager	2.00	2.00	2.00
City Clerk/Records Manager	1.00	1.00	1.00
Communications/Outreach Mgr	1.00	1.00	1.00
Communications Specialist	1.00	1.00	1.00
Media Services Coordinator	1.00	1.00	1.00
Printing/Graphics Specialist	1.00	1.00	1.00
Engagement Coordinator	1.00	1.00	1.00
Sustainability Coordinator	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Secretary I	2.00	2.00	2.00
Principal Clerk	1.00	1.00	1.00
City Manager Total	**14.00**	**14.00**	**14.00**
Legal Services			
City Attorney	1.00	1.00	1.00
Assistant City Attorney I	2.00	2.00	2.00
Administrative Assistant	1.00	-	-
Office Manager	-	1.00	1.00
Legal Secretary	2.00	2.00	2.00
Legal Services Total	**6.00**	**6.00**	**6.00**
Human Resources			
HR Director	1.00	1.00	1.00
HR Officer II	1.00	1.00	1.00
HR Officer I	2.00	2.00	2.00
Risk Manager	1.00	1.00	1.00
Health Promotion Coordinator	1.00	1.00	1.00
Human Resources Specialist	1.00	1.00	1.00
Secretary I	1.00	1.00	1.00
HR Assistant	1.00	1.00	1.00
Human Resources Total	**9.00**	**9.00**	**9.00**
Planning & Housing			
Planning/Housing Director	1.00	1.00	1.00
Housing Coordinator	1.00	1.00	1.00
Planner	5.00	5.00	5.00
Planning/Housing Total	**7.00**	**7.00**	**7.00**
Administrative Services			
Admin Svcs. Coordinator	1.00	1.00	1.00
Principal Clerk	4.00	4.00	4.00
Admin. Services Total	**5.00**	**5.00**	**5.00**
Finance			
Finance Administration			
Finance Director	1.00	1.00	1.00
Budget Manager	1.00	1.00	1.00
Budget Analyst	1.00	1.00	1.00
Secretary I	1.00	1.00	1.00
Finance Admin. Subtotal	**4.00**	**4.00**	**4.00**
Accounting			
Accounting/Reporting Mgr	1.00	1.00	1.00
Investment Officer	1.00	1.00	1.00
Accountant	2.00	2.00	2.00
Payroll Coordinator	1.00	1.00	1.00
Account Clerk	2.00	2.00	2.00
Treasury Cashier	1.00	1.00	1.00
Accounting Subtotal	**8.00**	**8.00**	**8.00**

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Utility Customer Service			
Utility Accounts Supervisor	1.00	1.00	1.00
Utility Accounts Technician	2.00	2.00	2.00
Utility Customer Svcs Clerk	5.00	4.00	4.00
Meter Reader/Cust Svc Clerk		1.00	1.00
Senior Meter Reader	1.00	1.00	1.00
Meter Reader	3.00	3.00	2.00
Customer Svc. Subtotal	**12.00**	**12.00**	**11.00**
Information Technology			
IT Manager	1.00	1.00	1.00
Systems Analyst	2.00	3.00	3.00
Network Administrator	1.00	1.00	1.00
Client Support Coordinator	1.00	1.00	1.00
IT Public Safety Specialist	1.00	-	-
Client Support Specialist I	2.00	3.00	3.00
Help Desk Specialist	1.00	1.00	1.00
Info. Tech. Subtotal	**9.00**	**10.00**	**10.00**
Purchasing			
Purchasing Manager	1.00	1.00	1.00
Procurement Specialist II	1.00	1.00	1.00
Procurement Specialist I	2.00	2.00	2.00
Purchasing Clerk	1.00	1.00	1.00
Mail Clerk	1.00	1.00	1.00
Purchasing Subtotal	**6.00**	**6.00**	**6.00**
Finance Total	**39.00**	**40.00**	**39.00**
Fleet/Facilities			
Fleet/Facilities Director	1.00	1.00	1.00
Fleet Support Manager	1.00	1.00	1.00
Lead Fleet Technician	1.00	1.00	1.00
Fleet Technician	3.00	3.00	3.00
Mechanic Assistant	1.00	1.00	1.00
Building Maint Specialist	1.00	1.00	1.00
Secretary I	1.00	1.00	1.00
Fleet/Facilities Total	**9.00**	**9.00**	**9.00**
Transit			
Transit Director	1.00	1.00	1.00
Assistant Transit Director	2.00	2.00	2.00
Transit Planner	1.00	1.00	1.00
Transit Schd/Admin Analyst	1.00	1.00	1.00
Transit Safety Officer	1.00	1.00	1.00
Secretary I	1.00	1.00	1.00
Principal Clerk	1.75	1.75	1.75
Technology Coordinator	1.00	1.00	1.00
Operations Manager	3.00	3.00	3.00
Transit Trainer	3.00	3.00	3.00
Transit Dispatcher	6.25	6.25	6.25
Transit Driver	53.75	53.75	53.75
Maintenance Coordinator	1.00	1.00	1.00
Lead Mechanic	1.00	1.00	1.00
Mechanic	6.00	6.00	6.00
Mechanic Assistant	2.00	2.00	2.00
Lead Lane Worker	1.00	1.00	1.00
Lane Worker	2.50	2.50	2.50
Transit Total	**89.25**	**89.25**	**89.25**

Authorized Employment Levels

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Fire/Building Safety			
Fire			
Fire Chief	1.00	1.00	1.00
Deputy Fire Chief	2.00	2.00	2.00
Fire Training Officer	1.00	1.00	1.00
Shift Commander	3.00	3.00	3.00
Fire Lieutenant	9.00	9.00	9.00
Fire Inspector	1.00	1.00	1.00
Firefighter	47.00	47.00	48.00
Fire Subtotal	**64.00**	**64.00**	**65.00**
Building Safety			
Building Official	1.00	1.00	1.00
Assistant Building Official	1.00	1.00	1.00
Plans Examiner	1.00	1.00	1.00
Building/Zoning Inspector	2.00	2.00	2.00
Electrical Inspector	1.00	1.00	1.00
Plumbing Inspector	2.00	2.00	2.00
Housing Inspector	3.00	3.00	3.00
Community Codes Liaison	1.00	1.00	1.00
Building Safety Subtotal	**12.00**	**12.00**	**12.00**
Fire/Building Safety Total	**76.00**	**76.00**	**77.00**

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Library			
Library Director	1.00	1.00	1.00
Secretary I	1.00	1.00	1.00
Library Volunteer Coordinator	1.00	1.00	1.00
Comm Relations Specialist	0.75	0.75	0.75
Library Marketing Assistant	0.50	0.50	0.50
Principal Clerk	1.00	1.00	1.00
Resource Services Mgr	1.00	1.00	1.00
Resource Services Clerk	1.50	1.50	1.50
Youth Services Manager	1.00	1.00	1.00
Adult Services Manager	1.00	1.00	1.00
Librarian	8.00	8.00	8.00
Library Assistant	11.00	11.00	11.00
Adult Services Clerk	1.25	1.25	1.25
Customer Accounts Mgr	1.00	1.00	1.00
Operations Coordinator	1.00	1.00	1.00
Customer Accounts Clerk	3.00	3.00	3.00
IT Systems Administrator	1.00	-	-
Client Support Technician	1.00	-	-
Cataloging Clerk	0.50	0.50	0.50
Building Maint Supervisor	1.00	1.00	1.00
Library Total	**38.50**	**36.50**	**36.50**

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Police			
Chief of Police	1.00	1.00	1.00
Support Services Manager	1.00	1.00	1.00
Secretary II	1.00	1.00	1.00
Principal Clerk	1.00	1.00	1.00
Police Major	2.00	2.00	2.00
Police Lieutenant	3.00	3.00	3.00
Police Sergeant	8.00	8.00	8.00
Police Officer	42.00	42.00	42.00
Mental Health Advocate	1.00	1.00	1.00
Parking Enforcement. Coord	1.00	1.00	1.00
Emergency Comm Super	1.00	1.00	1.00
Public Safety Dispatcher	12.00	12.00	12.00
Police Records Supervisor	1.00	1.00	1.00
Police Records Clerk	3.00	3.00	3.00
Police Evidence Technician	1.00	1.00	1.00
Animal Control Supervisor	1.00	1.00	1.00
Animal Control Officer	2.50	2.50	2.50
Animal Control Vet Tech	0.50	0.50	0.50
Animal Control Clerk	1.00	1.00	1.00
Animal Control Attendant	1.50	1.50	1.50
Police Total	**85.50**	**85.50**	**85.50**

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Parks & Recreation			
Parks & Recreation Director	1.00	1.00	1.00
Recreation Superintendent	1.00	1.00	1.00
Recreation Manager	2.00	2.00	2.00
Recreation Coordinator	1.00	1.00	1.00
Ice Arena Manager	1.00	1.00	1.00
Ice Arena Coordinator	1.00	1.00	1.00
Aquatics/Activities Manager	1.00	1.00	1.00
Aquatics Coordinator	1.00	1.00	1.00
Wellness Program Manager	1.00	1.00	1.00
Auditorium/Bandshell Mgr	1.00	1.00	1.00
Office Manager	1.00	1.00	1.00
Principal Clerk	3.00	3.00	3.00
Parks/Facilities Supt	1.00	1.00	1.00
Parks/Facilities Supervisor	1.00	1.00	1.00
City Forester	1.00	1.00	1.00
Turf Maintenance Supervisor	1.00	1.00	1.00
Park Maint Specialists	2.00	2.00	2.00
Maintenance Workers	10.00	10.00	10.00
Parks & Recreation Total	**31.00**	**31.00**	**31.00**

Authorized Employment Levels

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Water and Pollution Control			
W & PC Administration			
W & PC Director	1.00	1.00	1.00
Assistant W & PC Director	1.00	1.00	1.00
Environmental Engineer	2.00	2.00	2.00
Environmental Specialist	1.00	1.00	1.00
Control Systems Specialist	1.00	1.00	1.00
Principal Clerk	1.00	1.00	1.00
W & PC Admin Subtotal	**7.00**	**7.00**	**7.00**
Water Plant Operations			
Water Plant Superintendent	1.00	1.00	1.00
Water Plant Asst Supt	1.00	1.00	1.00
Water Plant Operator	5.00	5.00	5.00
Water Plant Maint Spec	1.00	1.00	1.00
Water Plant Maint Tech II	1.00	1.00	1.00
Water Plant Subtotal	**9.00**	**9.00**	**9.00**
WPC Facility Operations			
WPC Plant Superintendent	1.00	1.00	1.00
WPC Plant Asst Supt	1.00	1.00	1.00
WPC Plant Operator	5.00	5.00	5.00
WPC Plant Maint Specialist	1.00	1.00	1.00
WPC Plant Maint Tech II	1.00	1.00	1.00
WPC Plant Maint Worker	2.00	2.00	2.00
Principal Clerk	1.00	1.00	1.00
WPC Facility Subtotal	**12.00**	**12.00**	**12.00**
W & PC Metering			
Water Meter Supervisor	1.00	1.00	1.00
Water Meter Repair Worker	3.00	3.00	3.00
Cross Connect. Ctrl Coord	1.00	1.00	1.00
Principal Clerk	1.00	1.00	1.00
W & PC Metering Subtotal	**6.00**	**6.00**	**6.00**
W & PC Laboratory			
W & PC Lab Supervisor	1.00	1.00	1.00
W & PC Lab Analyst	2.00	2.00	2.00
W & PC Lab Technician	2.00	2.00	2.00
W & PC Lab Subtotal	**5.00**	**5.00**	**5.00**
W & PC Total	**39.00**	**39.00**	**39.00**
Electric Services			
Electric Administration			
Electric Services Director	1.00	1.00	1.00
Assistant Electric Director	1.00	1.00	1.00
Utility Engineer	1.00	1.00	1.00
Power Plant Engineer	2.00	2.00	2.00
Energy Markets Manager	1.00	1.00	1.00
Energy Services Coordinator	1.00	1.00	1.00
Secretary I	1.00	1.00	1.00
Principal Clerk	1.00	1.00	1.00
Administration Subtotal	**9.00**	**9.00**	**9.00**

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Electric Production			
Power Plant Manager	1.00	1.00	1.00
Assistant Power Plant Mgr	-	1.00	1.00
Principal Clerk	1.00	1.00	1.00
Plant Operations Super	1.00	-	-
Plant Maintenance Super	1.00	1.00	1.00
Instrument & Control Tech	4.00	4.00	4.00
Environmental I & C Tech	1.00	1.00	1.00
Power Plant Operator	5.00	5.00	5.00
Power Plant Aux Operator	11.00	11.00	11.00
Power Plant Fireworker	5.00	5.00	5.00
Power Plant Electrician	1.00	1.00	1.00
Power Plant Maint Mech	8.00	8.00	8.00
Coal Handler	2.00	2.00	2.00
Custodian	1.00	1.00	1.00
Production Subtotal	**42.00**	**42.00**	**42.00**
Electric Distribution			
Electric Distribution Manager	1.00	1.00	1.00
Asst Distribution Manager	1.00	1.00	1.00
Principal Clerk	1.00	1.00	1.00
Electric Line Crew Leader	3.00	3.00	3.00
Electric Lineworker	4.00	4.00	4.00
Apprentice Lineworker	3.00	3.00	3.00
Electric Serviceworker	2.00	2.00	2.00
Underground Serviceworker	1.00	1.00	1.00
Substation Crew Leader	-	1.00	1.00
Substation Electrician	-	2.00	2.00
Apprentice Substn Elect	-	1.00	1.00
Records/Materials Specialist	1.00	1.00	1.00
Storekeeper	1.00	1.00	1.00
Distribution Subtotal	**18.00**	**22.00**	**22.00**
Electric Technical Services			
Technical Svcs Supervisor	1.00	1.00	1.00
Substation Crew Leader	1.00	-	-
Substation Electrician	2.00	-	-
Apprentice Substn Elect	1.00	-	-
Electric Meter Technician	2.00	2.00	2.00
Technical Svcs. Subtotal	**7.00**	**3.00**	**3.00**
Electric Engineering			
Electric Engineering Manager	1.00	1.00	1.00
Electric Engineer II	2.00	2.00	2.00
Electric Engineer I	1.00	1.00	1.00
Electric GIS Specialist	1.00	1.00	1.00
Engineering Subtotal	**5.00**	**5.00**	**5.00**
Electric Services Total	**81.00**	**81.00**	**81.00**

Authorized Employment Levels

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Public Works			
Public Works Administration			
Public Works Director	1.00	1.00	1.00
Management Analyst	1.00	1.00	1.00
Administration Subtotal	**2.00**	**2.00**	**2.00**
Traffic			
Traffic Engineer Manager	1.00	1.00	1.00
Civil Engineer I	1.00	1.00	1.00
Transportation Planner	1.00	1.00	1.00
Traffic Supervisor	1.00	1.00	1.00
Traffic Signal Technician	1.00	1.00	1.00
Traffic Technician II	1.00	1.00	1.00
Traffic Technician	2.00	2.00	2.00
Traffic Subtotal	**8.00**	**8.00**	**8.00**
Streets			
Operations Manager	1.00	1.00	1.00
Streets Operations Super	1.00	1.00	1.00
Streets Maint Foreman	1.00	1.00	1.00
Sr Heavy Equip. Operator	4.00	4.00	4.00
Street Maint. Lead Worker	1.00	1.00	1.00
Maintenance Worker	14.00	14.00	14.00
Streets Subtotal	**22.00**	**22.00**	**22.00**
Public Works Engineering			
Municipal Engineer	1.00	1.00	1.00
Civil Engineer II	3.00	3.00	3.00
GIS Coordinator	1.00	1.00	1.00
GIS Specialist	2.00	2.00	2.00
Senior Engineering Tech	4.00	4.00	4.00
Civil Design Technician	2.00	2.00	2.00
Stormwater Specialist	1.00	1.00	1.00
Stormwater Resource Analyst	0.75	0.75	0.75
Engineering Subtotal	**14.75**	**14.75**	**14.75**

Department	2025/26 Adopted	2025/26 Adjusted	2026/27 Adopted
Utility Maintenance			
Operations Supervisor	1.00	1.00	1.00
Utility Maint Foreman	1.00	1.00	1.00
Sr Heavy Equip Operator	3.00	3.00	3.00
Utility Maintenance Technician	-	1.00	1.00
Maintenance Worker	7.00	6.00	6.00
Principal Clerk	1.00	1.00	1.00
Utility Maintenance Subtotal	**13.00**	**13.00**	**13.00**
Resource Recovery			
System Superintendent	1.00	1.00	1.00
Assistant Superintendent	1.00	1.00	1.00
Secretary I	1.00	1.00	1.00
Lead Operator	1.00	1.00	1.00
Maintenance Operator	2.00	2.00	2.00
Equipment Operator	2.00	1.00	1.00
Maintenance Technician I	1.00	1.00	1.00
Maintenance Technician II	2.00	1.00	1.00
Process Worker	4.00	6.00	6.00
Resource Recovery Subtotal	**15.00**	**15.00**	**15.00**
Parking Maintenance			
Traffic Technician	2.00	2.00	2.00
Parking Maint. Subtotal	**2.00**	**2.00**	**2.00**
Public Works Total	**76.75**	**76.75**	**76.75**
Total FTEs	**606.00**	**605.00**	**605.00**

Glossary

Accounting System: Records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

Accrual Basis of Accounting: A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Activity: A specific type of work or group of tasks performed by one or more organized units of the government. An example would be Crime Prevention and Patrol.

Ad Valorem Taxes: See Property Tax

Amortization: The gradual elimination of an asset or liability, such as a bond premium, over a specified period of time.

Appropriation: A legal authorization to incur obligations and to make expenditures for specific purposes.

Assets: Resources owned or held by the City which have a monetary value.

Audit: An official inspection of an organization's accounts, typically by an independent body.

Balanced Budget: A budget in which operating revenues fully cover operating expenditures, including debt service, over the long term.

Bond: A long-term commitment to pay a sum of money (the face amount of the bond) on a specific date(s) (the bond maturity date) at a specified interest rate.

Bonding Capacity (Debt Capacity): The State limit for general obligation debt is 5% of assessed valuation. The Ames City Council imposes a further limit which reserves 25% of that capacity.

Budget: A plan of financial operation and estimated expenditures for a specific period of time, and the monies to be used to finance the expenditures. The City of Ames Operating Budget is a plan for the period from July 1 through June 30.

Capital: Purchases of machinery, and equipment with a value over $10,000 and an estimated, useful life in excess of one year. For capital improvements (buildings and infrastructure), the capital threshold is $15,000.

Capital Improvements Plan (CIP): A long-range plan for providing the capital outlays necessary to ensure that adequate services are provided to the residents of the City. The plan includes improvements to, or the acquisition of, structural improvements and major equipment purchases.

Carryover Appropriation: The process of transferring unspent, obligated funds from a previous budget period into a subsequent budget period to cover expenditures for projects that were unfinished or delayed.

Commodities: Commodities include various materials, parts, and supplies used for continuing operations of the City with a short life expectancy and a unit cost of under $5,000.

Contingency Funds: A reserve of monies set aside within the General Fund for emergency or unexpected expenditures. This is also called the Emergency Reserve.

Glossary

Contractual Services: Contractual Services include all work and services performed for the City by outside individuals, businesses, or organizations.

COVID-19: Coronavirus disease, an infectious disease caused by a newly discovered coronavirus.

Debt Service: The fund which accounts for the payment of interest and principal on all general obligation debt other than that payable from special assessments and revenue debt issued for a governmental enterprise.

Department: A major organizational unit of the City with responsibility for managing one or more City activities.

Depreciation: A method of allocating the cost of an asset over its useful life.

Derecho: A line of intense, widespread, and fast-moving windstorms and sometimes thunderstorms that moves across a great distance and is characterized by damaging winds.

Division: A component of a department.

Encumbrance: A method of reserving a portion of an organization's authorized funds for specific, anticipated future expenditures, such as purchase orders, contracts, or salary commitments. Encumbrances act as a control mechanism to prevent overspending by reducing the available budget before actual expenditures are made.

Expenditures: Funds spent in accordance with budgeted appropriations on assets or goods and services obtained.

Enterprise Fund: Funds established to finance and account for the acquisition, operation and maintenance of governmental operations which are predominantly self-supporting by user charges. Such operations must be run in a manner similar to a private business. Examples are the Electric Utility, Sewer Utility, and Parking Funds.

Fiscal Year (FY): The 12-month period to which the operating budget applies, and the period of time at the end of which the government determines its financial condition. For the City of Ames, this is July 1 through June 30.

Full-Time Equivalent (FTE): A measure of authorized personnel calculated by equating 2,080 hours of work per year with the FTE of one position.

Fund: An accounting term referring to a group of accounts recording all financial resources together with corresponding liabilities, which has a distinct balance and is used to segregate specific activities and functions from those of other groups of accounts.

Fund Balance: Describes the net assets of funds calculated on a budgetary basis with intent to serve as a measure of financial resources available.

General Fund: The General Fund is one of five governmental fund types and typically serves as the chief operating fund of a government. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

GAAP (Generally Accepted Accounting Principles): A standardized set of rules, procedures, and standards issued by the GASB to ensure consistency, accuracy, and comparability in financial reporting for state and local governments.

Glossary

General Obligation Bonds (G.O. Bonds): Bonds backed by the full faith and credit of the issuing government. Repayment of these bonds is based on the government's ability to tax its residents for such purposes.

GASB (Governmental Accounting Standards Board): An independent, private sector, non-profit organization that established Generally Accepted Accounting Principles (GAAP) for state and local governments in the United States. GASB standards enhance transparency and comparability in financial statements.

Governmental Funds: Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.

Interfund Transfers: A transfer from a fund receiving the revenue to a fund through which the authorized expenditure is to be made. An example would be a transfer of revenue from the Road Use Tax Fund to the Street Construction Fund.

Internal Services: Goods or services provided by one department to others within the same government or to other governments, on a user fee basis, with full costs to be recovered. An example of this would be the City's Fleet Services Department.

Lapse of Appropriations: When money that was approved (appropriated) in a city's budget is not spent by the end of the fiscal year and is no longer available for use. The unused funds typically return to the city's general fund or the original funding source.

Levy: The amount of taxes, assessments or service charges imposed by a government. The maximum General Fund property tax levy allowed in Iowa is $8.10 per $1,000 of assessed valuation. Other levies may be imposed in addition to this.

Local Option Sales Tax: A tax approved by a majority of the City's registered voters, which collects revenue according to a percentage of the value of goods and services delivered within the corporate limits. In Ames, the local option sales tax applies to those goods and services to which the State of Iowa sales tax applies.

Major Fund: Governmental fund or enterprise fund reported as a separate column in a governmental entity's basic fund financial statements and subject to a separate opinion in the independent auditor's report.

Modified Accrual Accounting: The accrual basis of accounting modified to the governmental fund type spending measurement focus. Under it, revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period". Expenditures are recognized when the related fund liability is incurred except for: (1) prepaid insurance and similar items; (2) accumulated unpaid vacation, sick pay, and other employee benefit amounts which need not be recognized in the current period, but for which larger-than-normal accumulations must be disclosed in the notes to the financial statements; and (3) principal and interest on long-term debt which are generally recognized when due.

Operating Expenses: Those expenses from a fund which are directly related to accomplishing the fund's primary functions. Payroll would be one example of an operating expense.

Operating Revenue: Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Glossary

P-Card: The City's procurement card program of credit cards for individual City employees.

Performance Measures: Accomplishments of a particular activity in relation to desired standards workload, effectiveness, and efficiency. These measures must be meaningful to the tasks of the activity involved, and verifiable.

Permanent Fund: Governmental fund used to report resources that are legally restricted to the extent that earnings, and not principal, may be used for purposes that support the reporting government's programs (for the benefit of the public).

PROBE: The Productive Review Of Budget Entries meetings are the departmental budget review meetings held with the Assistant City Managers and Finance Department.

Program: A grouping of related work tasks or activities into a large organizational unit. An example of a program is the Public Safety Program.

Program Performance Budget: Expenditures within the budget are based upon programs of work and performance of these programs. The City of Ames' budget is a Program Performance Budget.

Property Tax: An ad valorem tax levied on both real and personal property according to the property's valuation and the tax rate.

Proprietary Funds: Funds that focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. There are two types of proprietary funds: enterprise funds and internal service funds.

Purchase Order: A legally binding, formal document issued by a buyer to a seller outlining specific goods or services to be purchased at an agreed-upon price, quantity, and timeline.

Reserves: Accounts used to hold certain portions of a fund or types of assets as unappropriated for expenditures, or as legally set aside for a specific purpose.

Revenue: Funds that the government receives as income. It includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, share revenues, and interest income.

Revenue Bonds: Bonds which are repaid in both principal and interest from the earnings of an enterprise fund operation. An example is Electric Utility Revenue bonds.

Rollback: The State of Iowa annually adjusts the rollback percentage which is the percentage of the residential assessed valuation which is taxable.

Special Assessment: A levy against a property to pay for all or part of the cost of an improvement benefitting that property.

Special Revenue Funds: Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for particular purposes.

Sub-Program: A portion of a program comprised of several activities. Law Enforcement is a sub-program of Public Safety.

Tax Rate: The amount of tax stated in terms of a unit of the tax base; for example, dollars per $1,000 of assessed valuation.

Glossary

Transfers: Involves the movement of money between City funds.

Trust and Agency Funds: Funds used to account for assets held by the government in a trustee capacity, for individuals or other groups associated with the government. Agency monies or assets are held by a government acting as an agent for others, i.e., economic development state loans.

Unamortized Premium and Discount: When bonds are sold, the difference in the price above par or face value (premium) or below par (discount) is recognized over the life of the bonds. The amount of the premium or discount not yet recognized is called the unamortized premium or discount.

Valuation: The official value established for various properties, within set State guidelines, for taxation purposes. The assessed valuation of property is that portion of the property's value upon which taxes are levied.

Working Capital: Current assets minus current liabilities.

Acronyms

ACFR	Annual Comprehensive Financial Report
ADA	Americans with Disabilities Act
AEDC	Ames Economic Development Commission (currently known as AREA)
AHHP	Ada Hayden Heritage Park
AHRC	Ames Human Relations Commission
AIA	American Institute of Architects
AMI	Advanced Metering Infrastructure
AMR	Automated Meter Reading
APC	Automatic Passenger Counters
APD	Ames Police Department
ARCH	Alternative Response for Community Health
AREA	Ames Regional Economic Alliance (formerly known as AEDC)
ARP	American Rescue Plan
ARPAC	Ames Resident Police Advisory Committee
ASSET	Analysis of Social Services Evaluation Team
AV	Audio-Visual
AVL	Automated Vehicle Locating
B100	100% Biodiesel
BMP	Best Management Practice
BOD5	Biochemical Oxygen Demand
CAF	Council Action Form
CARES	Coronavirus Aid Relief and Economic Security
CAS	Conventional Activated Sludge
CBD	Central Business District
CDBG	Community Development Block Grant
CHDO	Community Housing Development Organization
CIP	Capital Improvements Plan
CISA	Cybersecurity and Infrastructure Security Agency
CLG	Certified Local Government
COBRA	Consolidated Omnibus Budget Reconciliation Act
COTA	Commission on the Arts
CSD	Community School District
CSO	Community Safety Officer
CT	Combustion Turbine
CY	Calendar Year
DAR	Dial-A-Ride
DC	Direct Current
DMACC	Des Moines Area Community College
DOGE	Department of Government Efficiency
DRC	Development Review Committee
DSM	Demand Side Management
E911	Enhanced 911
EAB	Emerald Ash Borer
ECA	Energy Cost Adjustment
EDC	Employee Development Center
EJCDC	Engineers Joint Contract Documents Committee
EMD	Emergency Medical Dispatching
EPA	Environmental Protection Agency
ERT	Encoder Receiver Transmitters
ERU	Equivalent Residential Unit
ETP	Excellence Through People
EUORAB	Electric Utility Operation Review & Advisory Board
EV	Electric Vehicle

Acronyms

FAA	Federal Aviation Administration
FBO	Fixed Base Operator-Airport
FEMA	Federal Emergency Management Agency
FFIAC	Fitch Family Indoor Aquatic Center
FICA	Federal Insurance Contributions Act
FOG	Fats, Oils, Grease
FTE	Full-Time Equivalent
FWD	Food Waste Diversion
FY	Fiscal Year (July 1 – June 30)
G.O.	General Obligation Bonds
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information System
HIRTA	Heart of Iowa Regional Transit Agency
HOME	Home Investment Partnership Program
HOST	Homeless Outreach Services Team
HR	Human Resources
HRMS	Human Resources Management System
HUD	Housing and Urban Development
HVAC	Heating, Ventilation and Air Conditioning
IDEA	Inspire Design Explore Archive
IDNR	Iowa Department of Natural Resources
IDOT	Iowa Department of Transportation
IEDA	Iowa Economic Development Authority
ILS	Integrated Library System
IPERS	Iowa Public Employees' Retirement System
ISO	Insurance Services Office
ISU	Iowa State University
ISURP	Iowa State University Research Park
IT	Information Technology
ITS	Intelligent Transportation System
kV	Kilovolt(s)
LED	Light Emitting Diode
LIHTC	Low-Income Housing Tax Credit
LMI	Low and Moderate Income
LOST	Local Option Sales Tax
LRTP	Long Range Transportation Plan
MAPSG	Multi-Agency Public Safety Group
MEC	MidAmerican Energy Company
MFPRSI	Municipal Fire and Police Retirement System of Iowa
MG	Million Gallons
MGD	Million Gallons per Day
MGMC	Mary Greeley Medical Center
MISO	Midwest Independent System Operator
MPO	Metropolitan Planning Organization
MS4	Municipal Separate Storm Sewer System
MSA	Metropolitan Statistical Area
MSW	Municipal Solid Waste
MTP	Metropolitan Transportation Plan
MTU	Meter Transmitter Unit
MW	Megawatt
MWH	Megawatt Hours

Acronyms

NAACP	National Association for the Advancement of Colored People
NERC	North American Electric Reliability Corporation
NPDES	National Pollutant Discharge Elimination System
NRSA	Neighborhood Revitalization Strategy Area
NRV	North River Valley
OSHA	Occupational Safety & Health Administration
OWI	Operating While Intoxicated
PAC	Public Arts Commission
PFAS	Polyfluoroalkyl Substances
PJs	Participating Jurisdictions
PRD	Planned Residence District
PROBE	Productive Review of Budget Entries
PTIG	Public Transit Infrastructure Grant
PUD	Planned Unit Development
R3C	Resource Recovery and Recycling Campus
RDF	Refuse Derived Fuel
REG	Renewable Energy Group
RFP	Request for Proposal
RICE	Reciprocating Internal Combustion Engines
RISE	Revitalizing Iowa's Sound Economy
RMT	Roadway Management Technologies
ROW	Right-of-Way
RUT	Road Use Tax
SAIDI	System Average Interruption Duration Index
SAM	State and Mortensen Water Tank
SCADA	Supervisory Control and Data Acquisition
SCBA	Self-Contained Breathing Apparatus
SL-RAT	Sewer Line Rapid Assessment Tool
SNDN	Simultaneous Nitrification-Denitrification
SRF	State Revolving Fund
SSSE	Sanitary Sewer System Evaluation
STEM	Science, Technology, Engineering, and Math
SWM	Storm Water Management
TBRA	Tenant-Based Rental Assistance Program
TIF	Tax Increment Financing
TSS	Total Suspended Solids
UCMR 5	Unregulated Contaminant Monitoring Rule
UPRR	Union Pacific Railroad
US	United States
USDA	United States Department of Agriculture
UTV	Utility Task Vehicle
W & PC	Water and Pollution Control
WCAG	Website Content and Accessibility Guidelines
WPC	Water Pollution Control
WPCF	Water Pollution Control Facility
ZBA	Zoning Board of Adjustment

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Acknowledgements

Corey Goodenow, Finance Director, and Nancy Masteller, Budget Manager, wish to thank the following staff for their assistance in producing this document. The timely completion of the document would not have been possible without the support and assistance of:

Patti Lehman, Budget Analyst
Bre Van Sickle, Finance Secretary
Courtney Hinders, Communications Specialist (Graphics & Printing)

We would also like to thank Susan Gwiasda, Communications & Outreach Manager, for always being willing to write the description for the theme of each year's document.

For more information, please contact:

Corey Goodenow
Finance Director
515-239-5114
corey.goodenow@cityofames.org

Nancy Masteller
Budget Manager
515-239-5122
nancy.masteller@cityofames.org