

YOUR CITY OF AMES 12/13 PROGRAM BUDGET

COUNCIL PERSON

Ann Campbell, Mayor

Jeremy Davis

Matthew Goodman

Jami Larson

Peter Orazem

Victoria Szopinski

Thomas Wacha

WARD

At Large

3rd Ward

At Large

2nd Ward

At Large

4th Ward

1st Ward

TERM EXPIRES

12/31/13

12/31/13

12/31/15

12/31/15

12/31/13

12/31/15

12/31/13

CITY STAFF

Steve Schinker, City Manager

Bob Kindred, Assistant City Manager

Melissa Mundt, Assistant City Manager

Duane Pitcher, Director of Finance

Carol Collings, Budget Officer



City Manager's Office

515 Clark Avenue, P. O. Box 811
Ames, IA 50010
Phone: 515-239-5101
Fax: 515-239-5142

July 2012

Mayor and Ames City Council Members:

As we began the preparation of the FY 2012/13 budget, State Legislators in Des Moines were about to begin a debate regarding bills that would impose an arbitrary limit on the amount of property taxes a City Council could raise each year to support municipal services. With the projected trend that the amount of residential valuation subject to taxation will increase in the coming years, there appears to be fear among some in the State House that locally elected City Council members will take advantage of this trend and raise the taxes on their constituents in excess of their needs.

It is important for our citizens to know that year after year the Ames City Council members have been very prudent in their decisions to levy taxes to finance city services, and fiscal year 2012/13 will be no different.

The budget for fiscal year 2012/13 reflects expenditures of \$204,777,920 (+6.1%). In this transmittal letter, I have attempted to provide highlights regarding this financial/service plan for our community.

PROPERTY TAXES – \$.12 Property Tax Rate Reduction

Property taxes have been historically used to support programs related to police, fire, transit, parks, recreation, library, and planning services as well as associated capital improvements. In FY 2012/13, the operational expenses for the above services are estimated to grow 3.6%. **In order to fund these expenditures, an additional \$502,094 in property taxes will be needed as compared to the previous year.**

Of this total, new or additional costs total \$412,348 and are primarily attributable to 1) a \$95,753 increase in funding for CyRide; 2) \$135,203 to meet our obligations to fund State mandated employee retirement systems; 3) \$29,387 in additional support for Resource Recovery operation; 4) \$78,734 to cover the debt service on new neighborhood flood mitigation projects identified in the CIP that have been rejected for FEMA funding; and 5) a shift in \$73,271 of staff costs for economic development efforts from the Hotel/Motel Tax support to the General Fund.

Also included in the additional property tax request for FY 2012/13 is \$295,522 generated from the debt service levy to begin payment of the recently approved bond issue to renovate the Library. This financial obligation will most likely be spread over two-to-three years in conjunction with the construction project.

The budget also benefited from a recovery in Local Option Sales Tax revenue which has been stagnant since FY 2008/09. Local Option Tax revenues transferred to the General Fund for property tax relief are expected to increase by \$501,370.

Because of the improvement in Local Option Sales Tax, new growth in our community, and an increase in the rollback percentage, we are able to finance this tax increase with a \$.12 reduction in the overall property tax rate from \$10.84 per \$1,000 of taxable valuation to \$10.72 per \$1,000 of taxable valuation.

What seems to be most important to our citizens is how much more or less they will be asked to pay in property taxes. The FY 2012/13 budget will require a home owner to pay an additional 3.40%, or \$17.88 per \$100,000 of taxable value. The commercial and industrial property owners will benefit from a 1.13% decrease in their tax obligation, or a \$12.24 per \$100,000 of taxable valuation reduction in taxes.

It is important to note that these totals include the obligation for the renovation of the Library. If not for the recently approved bond referendum for the Library renovation, the residential property owners would have been asked to pay only 2.12% more in taxes (\$11.18 per \$100,000 of taxable valuation), with the commercial and industrial property owners realizing a decrease of 2.35% (\$25.44 per \$100,000 of taxable valuation).

ELECTRIC UTILITY – No Revenue Increase/Rate Restructuring

There is no need to increase the overall revenue in FY 2012/13 to finance the projected 3% increase in operating expenditures. Sufficient revenues are available in the Electric Fund to cover these costs. However, as a result of a recently completed Cost-of-Service Study, our electric rates will be restructured. Highlights of this restructuring will include an increase in the minimum bills, the establishment of a flat block rate for all customer classes to promote consumption reduction, and a change in the unit of measure to determine the demand charge so that it is more accurate.

In the face of an uncertain regulatory environment, in FY 2011/12 we intend to begin developing an updated strategic plan to chart viable options for meeting our future generation needs.

In accordance with the City Council's goal to promote environmental sustainability, the Electric Services staff will be working with three citizen committees. These committees will focus on public education, awards and recognition, and policies in an effort to reduce electric consumption throughout the community.

With the upgrade to the transmission system in Central Iowa, we are receiving more energy from our wind farm in northeast Story County which adds to our renewable energy portfolio.

A major initiative in FY 2011/12 and FY 2012/13 will be to expend \$2,000,000 to remove ash from our ponds east of the Power Plant to increase the capacity of this storage area.

WATER UTILITY – 4.2% Rate Increase

The staff has done its part to hold down expenditures with only a .6% increase built into the budget. Most of the needed repairs at this facility are being delayed in anticipation of the new Water Treatment Plant reflected in the CIP.

Of the 4.2% water rate increase that is reflected in FY 2012/13, 3% is required to cover operating cost increases and to generate sufficient funds to finance the debt on the new plant. This increase is substantially less than originally projected for this year because of the news that the City will receive a \$5.88 million forgivable loan to make our new facility the first LEED certified treatment plant in the state.

The remaining 1.2% rate increase that is included in the budget is intended to finance the planned extension of utilities to the north and the east. Should the City Council decide not to approve the annexation of these areas, the revenues generated from this portion of the rate increase will be utilized to mitigate future rate increases related to the funding of the new Water Treatment Plant.

SANITARY SEWER UTILITY – 10% Rate Increase

A 5% revenue increase has been incorporated into the budget to meet the maintenance needs at the plant and satisfy the increasing discharge limits reflected in our discharge permit. This includes the installation of a new disinfection system that will be added to further improve the quality of our effluent. We are able to mitigate this requested rate increase because the staff was able to hold the operational expense increases for FY 2012/13 to 3.5%.

The remaining 5% of the rate increase was included in the budget to fund the planned extension of utilities to the north and east. Here again, should the City Council decide not to approve the annexation of these areas, the revenues generated from this portion of the rate increase will be utilized to mitigate future rate increases related to the funding of future improvements to the sewer system.

For the twenty-first year, the WPC Plant has achieved 100% compliance with our NPDES permit. Only two facilities in the country have longer compliance streaks.

STORM SEWER UTILITY – No Revenue Increase/Rate Restructuring

Since its inception, we have attempted to partially fund our storm water projects through a monthly fee charged to each utility account. In this way, everyone was treated similarly. Over the years, it has been suggested that the City consider changing to a fee structure that would be based on the amount of impervious surface on a lot. After extensive

discussions among the City Council members, a new structure will be implemented in January 2013 that will result in a customer being charged a greater fee for larger amounts of impervious surface that is on a site. While the new fee structure is meant to be revenue-neutral, it will impact certain customers differently. For example, entities with large parking lots (churches, schools, commercial areas, major employers) will see substantial increases in their storm sewer fees.

Much of the focus in FY 2012/13 will be on implementing improvements in neighborhoods impacted by overland flooding during the August 2010 flood and preparing a mitigation plan to protect properties that sustained damage during this same event from river flooding.

RESOURCE RECOVERY UTILITY – \$1.40 Per Capita Rate Decrease

The Resource Recovery operation continues to reflect a healthy fund balance. This fact is important as we continue to explore new technologies to convert our waste in lieu of sending it to a landfill. Currently, the Refuse Derived Fuel (RDF) is burned in our Power Plant boilers along with coal to produce electricity. The possibility of converting RDF to a gaseous form to produce electricity might yield environmental benefits. Any future implementation of new technology will require significant capital investments, so a healthy fund balance will help mitigate the cost impact on our customers.

This operation is supported by fees generated primarily from the Electric Utility and garbage haulers. However, additional revenue is needed from the City taxpayers, as well as from the other governmental entities who are partners in our operation, to cover the estimated expenditures. In FY 2012/13, the required subsidy will be \$725,188. This amount is allocated among the partners based on population. Since 2000, the City of Ames represented 59% of the total Story County population and, therefore, in FY 2011/12, our share was \$423,476 of the total subsidy. The recently released census information indicates that the total population in the County has increased, with Ames now representing 62% of the county population.

In order to generate the same total revenue in FY 2012/13 that was realized in FY 2011/12, the per capita charge to our partners must be reduced from \$10.50 to \$9.10. **Because we now represent a greater percentage of the county population, the City's property tax obligation to finance the Resource Recovery operation will increase by \$29,386 (from \$423,476 to \$452,862), even with the reduction in the per capita charge.**

PARKING – Increased Fine for Illegal Parking

You will note that in FY 2012/13 expenditures exceed the revenue by approximately \$25,000. Since there remains a substantial available balance in this fund, no immediate action is required to correct this situation. However, based on the information recently presented by the Police Chief, we can expect this trend to continue since the amounts we are charging for overtime and illegal fines are not covering our costs. In addition, as we explore new technologies to improve customer convenience for paying meter fees and enforcement efficiencies, additional funds will be needed for one-time capital expenditures to purchase this equipment. While the budget that was certified by the City Council on

March 6, 2012 does not reflect any increase in fines, the City Council subsequently approved an increase in illegal parking fines to \$20 (\$15 if paid within seven days).

TRANSIT – 7% Increase In Support For CyRide

In FY 2011/12, the CyRide operation was confronted with fuel costs that exceeded the budgeted levels by approximately \$150,000. Since this trend toward higher fuel costs is expected to continue, fuel is budgeted at \$3.50 per gallon in FY 2012/13. This amount is an increase of \$1.00 per gallon more than the previous year, or an additional \$307,500 for this one item.

In order to absorb this significant cost increase and prepare for an anticipated reduction in federal funding in the next fiscal year, the following three financial strategies are being instituted: 1) fares were increased by 25% (from \$1.00 to \$1.25 per ride); 2) various operational expenses were cut; and 3) minor service level reductions were made. Even with these actions, an additional 7% is being asked from the City, University, and GSB for FY 2012/13 in order to bring the fund balance for this operation up from 8.2% to 10.3%, which is still below the Transit Board's goal of 15%.

LAW ENFORCEMENT

Historically, our citizens have benefited from a partnership between Mary Greeley Medical Center and the Ames Fire Department to provide excellent emergency response services to our community. Since the number of emergency medical calls has continued to increase over the years, three critical initiatives are being implemented in FY 2011/12 to enhance this service capacity.

1. **Emergency Medical Dispatch**

We have successfully implemented a new system to provide emergency medical dispatch capabilities. Given new training and certification, our Police Dispatchers can now provide emergency instructions to callers, even before the ambulance arrives. At the same time, Dispatchers can now communicate information about the patient's condition to the ambulance and fire crews en route to the scene.

2. **Automatic External Defibrillators in Police Cars**

In an effort to speed the medical response to cardiac emergencies, automatic external defibrillators are being placed in each police patrol vehicle. While we cannot ensure that a patrol car will be present in every neighborhood at all times of the day, this new service will add a third component to our emergency response capability. In those cases where a patrol officer arrives at the scene of an emergency in advance of the Fire Department or ambulance, a life-saving intervention can now be initiated.

3. **Cost-Effective Response to Mental Health Calls**

In response to the dramatic escalation of mental health calls to the Police Department, the budget reflects an additional part-time position similar to a Community Safety Officer to address this growing workload. This cost-effective

initiative will provide a response to these calls by a person with specialized training and experience, will coordinate actions with mental health service providers, and will leverage justice system resources in support of mental health patients.

BUILDING SAFETY

When the economic downturn hit our community with a corresponding slowdown in construction, I recommended that two positions in this program not be filled. Eventually, construction activity picked up with the addition of several new apartment units and commercial projects. As a result, permit revenue was sufficient to justify the filling of these two positions by September 2011.

As we look ahead to FY 2012/13, we are anticipating additional major construction projects that will impact our workload. Realizing that our customers have urged the City Council to ensure that timely inspections are provided, the budget includes \$72,500 to contract with a private firm to supplement our inspection capabilities. While more costly in the short run, contracting out for these inspection services will hopefully prove more effective in meeting peak demands. However, if the construction activity continues to grow, we will need to give consideration to an additional full-time inspector to satisfy our customers' demands.

Another approach to handling this increased workload and improve our customer service is to take advantage of new technology to assist our inspectors in becoming more efficient. The staff is currently exploring new software that will allow inspection reports, scheduling, and research to be accomplished in the field. Unfortunately, the cost of this new software could be as much as \$250,000. In FY 2011/12, we are earmarking \$175,000 from the General Fund balance to begin accumulating sufficient funds to purchase this new technology.

LIBRARY SERVICES

The Library staff has done an outstanding job at holding down expenditures with only a 3.2% increase reflected in FY 2012/13. Unfortunately, these services will require a 6.4% increase in General Fund support. This larger-than-usual increase is necessary because the City of Gilbert canceled the agreement with the City of Ames to provide library services to their residents. This action resulted in an unexpected \$56,000 shortfall in revenue in FY 2011/12 that continues into FY 2012/13.

While the Library staff took action to discontinue the Bookmobile stop in Gilbert, the absence of a non-resident charge still allows Gilbert residents to utilize our services at other Bookmobile stops or at our main Library location.

RECREATIONAL OPPORTUNITIES

Instructional

It is important to note a significant decrease in the projected revenue from our youth programs. It appears that the recent construction of gyms and the addition of recreational leagues affiliated with local churches have impacted our participation levels. In the coming

year, the staff will be looking at ways to redefine our niche in this recreation service area.

Wellness

While not yet reflected in the budget, the City Council should know that staff is working to develop a new partnership with the Green Hills Retirement Community. This partnership is being designed so that the City will provide fitness and aqua classes for Green Hills residents for an annual fee. In addition, the proposed arrangement will allow the City to gain access to their fitness facility and therapeutic pool for our classes which will be open to the general public.

ENDING GENERAL FUND BALANCE

During our budget guideline session last fall, I informed the City Council that we were fortunate to end FY 2010/11 almost \$550,000 better in the General Fund balance than we planned. I indicated at that time that you should consider utilizing this funding for one-time expenditures that would lessen the tax burden for FY 2012/13. In accordance with this strategy, the following expenditures have been amended into the FY 2011/12 budget:

- \$81,161 for various capital items
- \$175,000 for new Inspection software
- \$200,000 towards the City Hall/Police Department renovation project
- \$195,000 towards the City's contribution to the Fire/Police Retirement System

STAFFING LEVELS

The Budget includes a slight decrease in the overall number of Full-Time Equivalents (FTEs) to support the numerous services we provide our citizens from 552.85 to 552.35. To accomplish this net .50 FTE reduction, the following changes have been made:

-1 FTE

A reorganization of the Parks and Recreation Department supervisory staff has allowed us to eliminate a **Recreation Supervisor** position (\$88,000).

-1 FTE

With the recent action by the State of Iowa to discontinue our contract and take over restaurant inspections, the **Sanitarian** position was eliminated from the organization.

+1 FTE

In FY 2011/12, a part-time intern position was added to focus on special projects and City Council referrals. During this past year, the position has proven to be of great value. The intern has provided much needed analytical assistance to almost every department. As a result of this success, in FY 2012/13, the position is being converted to a full-time **Management Analyst** position at an added cost of \$17,000. In addition to assisting all of the departments with special projects requiring analytical capabilities, the position will be responsible for grant writing, facilitating process improvement teams, and coordinating in-house sustainability programs for the total organization.

+0.50 FTE

The Library has added a ½ time **Circulation Clerk**. The funding for this new position is coming from savings realized through a reclassification of another position and through a reduction of their pool of funds for temporary salaries.

We cannot be sure what action, if any, the State Legislature will take that will impact our ability to provide exceptional service to our citizens at the best price. However, in the face of this uncertainty, I feel more comfortable knowing that we have City employees who are dedicated to meeting any challenge that might be imposed upon us.

I would like to thank all of our department heads along with Duane Pitcher, Carol Collings, Sharon Hjortshoj, Bob Kindred, and Sheila Lundt for their hard work in preparing this budget document. **In April 2012, Sheila concluded her outstanding career with the City of Ames. Her wisdom and guidance will be very much missed by those of us within our organization as well as by the citizens of Ames whom she served so well over the years!**

Respectfully submitted,

Steve

Steven L. Schainker
City Manager

City Council Goals

Established January 7, 2012
To Be Accomplished by December 31, 2013

SUPPORT ENVIRONMENTAL SUSTAINABILITY

- ❖ Improve electric energy efficiency within the community
- ❖ Educate Ames residents about environmental sustainability
- ❖ Increase availability of alternative forms of transportation
- ❖ Consider life-cycle operating costs when making vertical infrastructure decisions

PROMOTE ECONOMIC DEVELOPMENT

- ❖ Develop Ames as a Regional Center
- ❖ Support private sector growth to improve quality of life, increase number of jobs, develop stronger tax base
- ❖ Beautify entrances to Ames and major arterials
- ❖ Revisit City codes, policies, and procedures to streamline processes and help facilitate renovation of existing buildings
- ❖ Promote Ames as a welcoming place to do business by embracing a “can do” attitude

STRENGTHEN OUR COMMUNITY

- ❖ Promote our new community vision and community brand
- ❖ Enhance interactions between ISU students and permanent residents
- ❖ Work with ASSET funders to identify and address service deficiencies in human service delivery
- ❖ Explore issues related to youth in the community
- ❖ Support a community Blue Zone designation

MITIGATE FLOODING IN OUR COMMUNITY

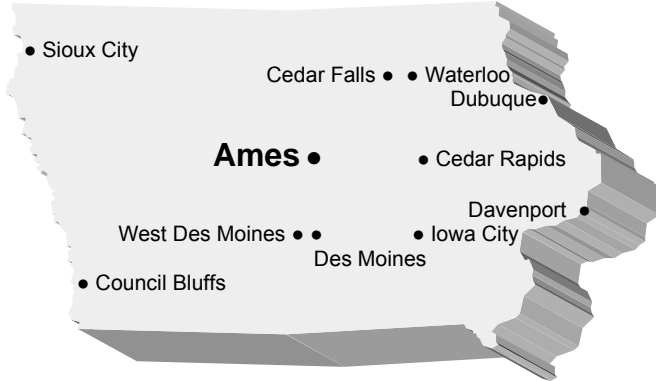
- ❖ Reduce possibility of damage in our community caused by river/watershed flooding
- ❖ Reduce possibility of damage in our community caused by localized flooding

ENHANCE RELATIONSHIPS WITH ISU THROUGH ADDITIONAL PARTNERSHIPS

- ❖ Revitalize Campustown
- ❖ Continue to support Campustown Action Association
- ❖ Foster negotiations between ISU and CAA to help Campustown businesses be viable
- ❖ Explore flat space funding feasibility

THE AMES COMMUNITY – MISCELLANEOUS STATISTICS

How the town was named....Ames was laid out, owned and named by the Blair Land Company. The company’s chief engineer, John I. Blair, met Oakes Ames, a State Representative from Massachusetts, in 1863 when Mr. Ames’ interest in the expansion of the railroad brought him to the Midwest. A year later, the flat lowlands between the Skunk River and Squaw Creek were named “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.

Date of Incorporation: 1869

Form of Government: Council – Manager

Fiscal Year: July 1 through June 30

Area: 24.50 square miles

POPULATION	
1980	45,775
1990	47,198
1995	48,691
2000	50,731
2010	58,965
Ames is the home of Iowa State University with a student population of about 25,000.	

SCHOOL ENROLLMENT	
1970	6,032
1980	5,031
1990	4,802
2000	4,754
2009	4,360
2010	4,280
2011	4,224

UTILITIES CUSTOMERS	
Electric	24,672
Water	16,768
Wastewater	16,669
Storm Sewer	25,176
Yard Meter/Irrigation	1,856

MISCELLANEOUS CENSUS INFORMATION		CLIMATE	
Median Age of Population	23.6 years	Average Winter Temperature	20.8 degrees
Median Household Income	\$ 36,042	Average Summer Temperature	71.8 degrees
		Average Annual Rainfall	33.4 inches
		Average Annual Snowfall	30.8 inches
Police Protection – One Station 53 Sworn Officers	Fire Protection – Three Stations 39 Full-time Firefighters	Library – One Main Bookmobile	

RANKED NATIONALLY AS A GREAT PLACE TO LIVE
<i>America’s 20 Geekiest Cities – Forbes.com (August 2011)</i>
“Top 10: 2010 MSN Real Estate Most Livable Bargain Markets” – MSN.com (2010)
“Ninth Best Place To Live” – CNNMoney.com (2010)
“Top 25 Best Places to Retire” – CNNMoney.com (2010)
“#1 Ozone Ranking America’s Greenest Cities” – Forbes.com (2010)
“Fifth Best Place To Live The Simple Life” – AARP (2009)
“One Of The Best Small Cities For (Business) Startups” – BusinessWeek (2009)
“One Of The 25 Best Places To Find a Job” – CareerBuilder.com (2008)
<i>Ranked sixth smartest city in America by Forbes Magazine for 7.23% of Ames’ population having doctorates, 93% graduating from high school, and more than 46% having a bachelor’s degree or higher (2008)</i>

THE AMES COMMUNITY

SERVICES PROVIDED FOR THE CITIZENS OF AMES ARE AS FOLLOWS:

- The City of Ames provides public safety, public works, culture, recreation, community development, housing, planning/zoning, inspection, fleet management, and administrative services to its citizens.
- The City provides electric, water, sewer, storm sewer, resource recovery (burning refuse for electricity production), parking, ice arena, golf course, and municipal airport operations.
- The City's transit system is unique, in that it is operated by a three-body board of City, University administration, and University student representatives, on which the City Manager serves as a City representative.
- The City provides the services of a non-profit municipal hospital, governed by a Board of Trustees as provided by City ordinance. Its financial and budget information is not included in this budget document, but is included in the audited financial statements.

The Budget, CIP, Budget in Brief, and Comprehensive Annual Financial Report are available on the City's web site – <http://www.cityofames.org/index.aspx?page=118>.

The Budget and CIP documents may be reviewed at the Ames Public Library and also in the City Manager's, City Clerk's, and Finance Department's offices in City Hall.

MAJOR EMPLOYERS

Major private sector employers in Ames include: Sauer-Danfoss Corporation, specializing in hydro-transmissions; 3M Company, a manufacturer of abrasives; McFarland Medical Clinic; Hach Chemical, a manufacturer of water analysis equipment; Amcor Plastic Container Corporation; and the Barilla pasta manufacturing plant.

Major public sector employers located in Ames include: Iowa State University; the Iowa Department of Transportation; the National Animal Disease Center/National Veterinary Service Laboratories; the Ames Community Schools, Mary Greeley Medical Center, and the City of Ames.

The presence of these particular public employers has served to insulate the local economy as evidenced by the City's unemployment rate of 3.5%, Story County's rate of 4.3%, and a statewide rate of 5.6%.

BUDGET CALENDAR

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

SPRING

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

AUGUST SEPTEMBER

Departments prepare Capital Improvement (CIP) project information for the 5-year plan and begin preparation of amended 11/12 and proposed 12/13 operational budgets. Resident Satisfaction Survey results are presented to the City Council.

OCTOBER

October 4 – 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 e-mail questions.

NOVEMBER DECEMBER

November 22 – City Council budget meeting to review issues, priorities, and preferences in service levels for the 12/13 budget. Staff drafts 5-year CIP. PROBE meetings (Productive Review of Budget Entries) are conducted with Assistant City Managers, Finance Director, Budget Officer, and City departments. All revenues, operational program costs, and current year CIP adjustments are reviewed.

JANUARY

City Manager holds budget review meetings with departments. The City Manager's recommended draft budget document is prepared. **January 17 – CIP workshop** with City Council. **January 24 – Public hearing** for resident input on CIP.

FEBRUARY

February 3, 7, 8, 9, and 14 – City Council reviews entire program budget with department heads in five (5) **public meetings** held on one afternoon and four evenings.

MARCH

March 6 – Final budget hearing and adoption of amended 11/12 budget and 12/13 budget. State statute requires the budget be certified with the County Auditor by March 15.

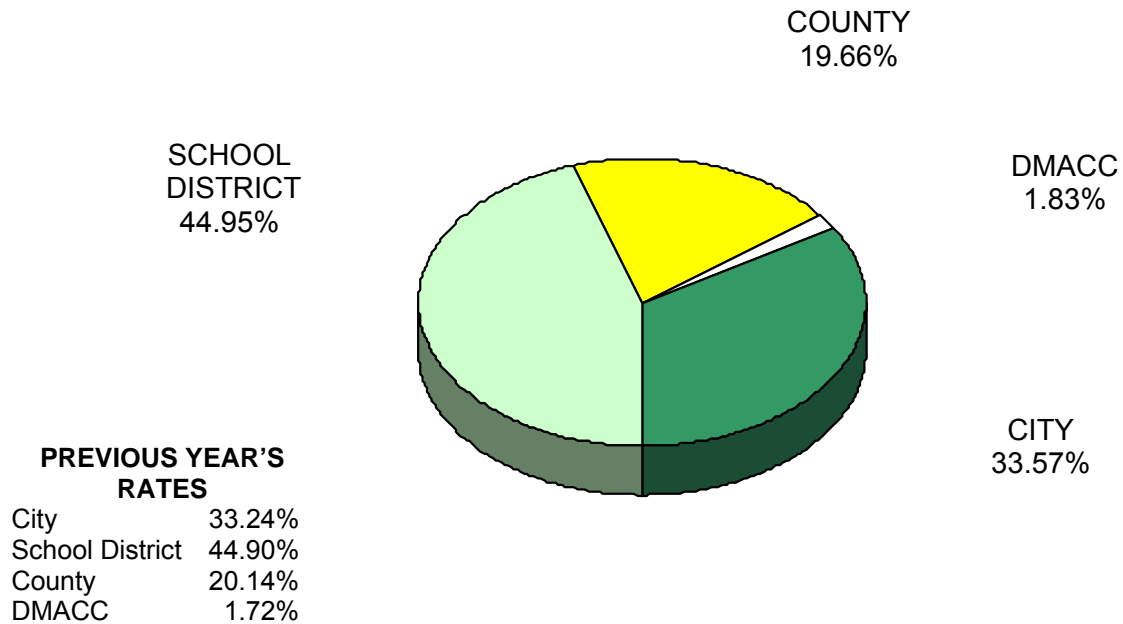
MAY

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

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 the County and distributed to the City in proportion of its levy to all levies.

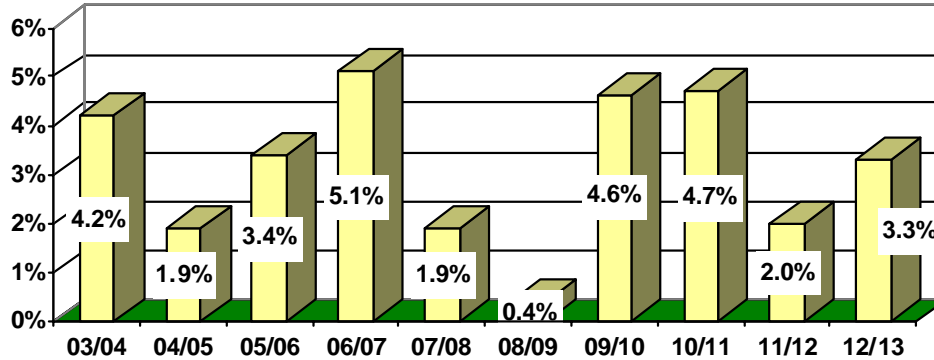
**BREAKDOWN OF PROPERTY TAXES PAID
2011/12 RATES**



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

VALUATION GROWTH

VALUATION PERCENTAGE INCREASE 10 YEARS OF DATA



CITY OF AMES, IOWA

The 2012/13 budget is based on a 3.3% increase, or \$71,586,344 in additional taxable valuation for the City. The average valuation increase over the last ten years is 3.1%. The total taxable valuation of \$2,239,846,934 is made up of the following components:

	Taxable Valuation	Percentage of Valuation	Change From Prior Year
Residential property	1,271,588,392	56.8%	5.9%
Commercial property	817,189,995	36.5%	-0.5%
Industrial property	132,577,960	5.9%	2.2%
Utilities	12,288,427	0.5%	13.6%
Utilities subject to excise	6,202,160	0.3%	6.5%
	2,239,846,934	100.00%	3.30%

FACTORS IMPACTING VALUATION GROWTH

Several factors impacted changes in taxable valuation for the FY 12/13 budget. While residential property continues to hold near the valuation values prior to the recession, there have been small valuation reductions to some commercial properties. In total, the reduction in value of existing property was under one percent. Overall, taxable valuation increased by approximately 3.3%, or a little over \$71 million, when compared to the prior year. The two factors that had the most impact were new construction and an increase in the rollback rate. The combined net impact of all other factors on taxable valuation was less than 0.50%. The increases in taxable value were partly offset by transfers in classification of commercial properties taxed at 100% of actual value to residential property taxed at the rollback rate. The property tax levy process in Iowa used valuation as of January 1, 2011 for the FY 12/13 budget year. The redevelopment currently underway in the South Duff commercial corridor, new construction in the North Grand Mall commercial area, the ISU Research Park, and other new property improvements currently in process, or in some cases now completed, are not included in the taxable valuation.

GENERAL FUND ENDING BALANCE

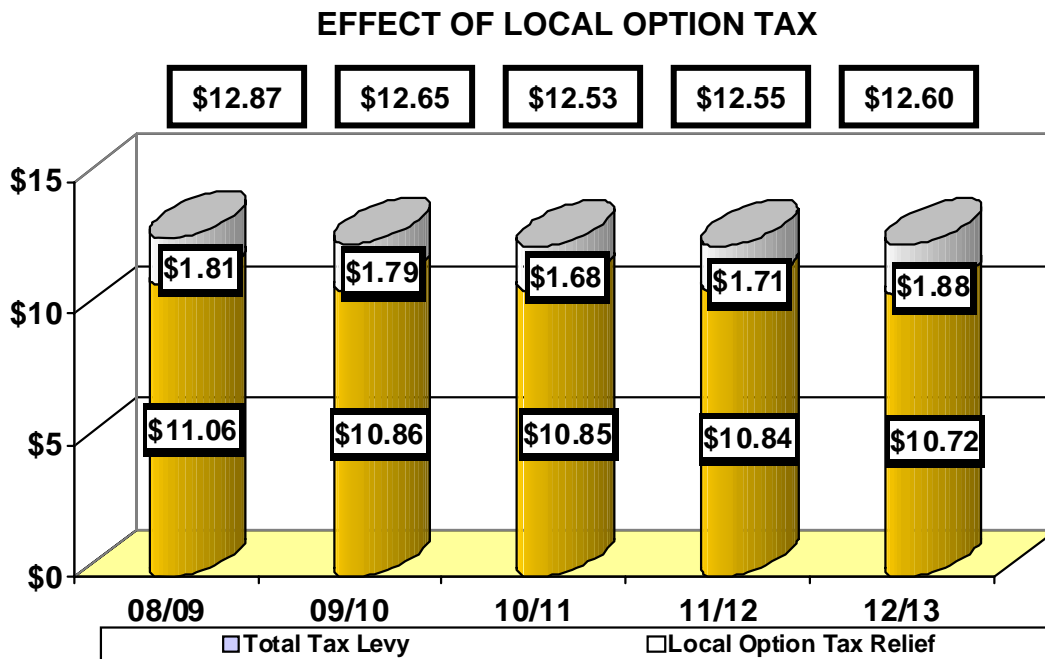
The adopted ending General Fund budgeted balance for June 30, 2013 is \$6,558,631, or 23.5% of budgeted expenditures. The City’s General Fund balance policy calls for a balance of at least 20% of expenditures.

The City Council maintains this fund balance to help cover unexpected changes in expenses in revenues and to mitigate property tax rate increases in future years for capital improvements that have been identified in several pending long-range plans, including transportation, park and recreation facilities, annexation, and fire station location plans. These plans will also identify operational cost increases in addition to normal City growth from the physical expansion of Ames.

EMERGENCY RESERVE

In addition to fund balances, the City Council has for several years had a policy to annually budget a \$100,000 emergency reserve. These are discretionary funds over and above the general fund balance for use as designated by the City Council. This money is used for major projects which occur after the budget has been adopted. Due to budget restraints, only \$50,000 was approved for 2012/13. This is the eleventh year Council has budgeted at the lower level. Unspent budget from FY 2011/12 in the Emergency Reserve will be carried over into FY 2012/13 to help cover unexpected costs in the General Fund operating budget.

LOCAL OPTION TAXES LOWER PROPERTY TAXES



LEVY/\$1,000 – CITY OF AMES, IOWA

On November 4, 1986, the citizens of Ames approved a Local Option Tax of 1% to be used 60% for property tax relief and 40% for community betterment. 60% of this tax will generate \$4,202,703 in FY 12/13 which lowers the total tax levy by \$1.88. The chart illustrates the level the total levy would have to be if the Local Option Tax had not been approved. Adjusted local option tax revenues for FY 11/12 will be \$765,265 more than the budget amount due to a large November settlement payment for FY 10/11. Local option tax revenues for FY 12/13 are projected 1% higher than the FY 11/12 Adjusted budget which is 12.4% higher than the FY 11/12 Adopted.

CITY OF AMES, IOWA 2012/13 BUDGET FACTS

Property Valuation \$ 2,239,846,934
 % Increase From 11/12 3.3%

LEVY REQUIRED	RATE PER \$1,000 VALUATION	AMOUNT	RATE CHANGE	%	AMOUNT CHANGE	%
General Fund Requirement	7.71052	17,270,382	(0.00094)	(0.01)	549,917	3.29
Less Local Option Property Tax Reduction	1.87633	4,202,703	(0.16928)	(9.92)	(501,370)	(13.55)
Net General Levy	5.83418	13,067,679	(0.17023)	(2.84)	48,547	0.37
Trust and Agency Levy (Partial Police/Fire Benefits)	.70627	1,581,937	0.03388	5.04	124,014	8.51
Transit Levy	.65737	1,472,409	0.02246	3.54	95,753	6.96
Total Before Debt Service	7.19782	16,122,025	(0.11389)	(1.56)	268,314	1.69
Debt Service Levy	3.52343	7,891,981	(0.00851)	(0.24)	233,780	3.05
Grand Total Tax Levy	10.72125	24,014,006	(0.12240)	(1.13)	502,094	2.14

Ag Levy - Valuation: \$1,567,308 x 3.00375 = \$4,708

TIF valuation available for Debt Service - \$7,370

STATE OF IOWA'S GENERAL TAX LEVY LIMIT

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 2011/12 was \$6.00.

OF IOWA'S 13 LARGEST CITIES, AMES' LEVY RANKS 11TH

CITY	CENSUS	GENERAL LEVY PER \$1,000	TOTAL CITY TAX LEVY PER \$1,000	LEVY RANK	TOTAL CITY TAX LEVY PER CAPITA
Des Moines	203,433	\$ 8.10	\$ 16.58	5	\$ 536.59
Cedar Rapids	126,326	8.10	15.22	7	667.94
Davenport	99,685	8.10	15.53	6	602.40
Sioux City	82,684	8.10	16.66	4	443.84
Waterloo	68,406	8.10	18.53	1	583.04
Iowa City	67,862	8.10	17.84	3	741.65
Council Bluffs	62,230	8.10	17.85	2	679.46
Ames	58,965	6.00	10.84	11	398.61
Dubuque	57,637	8.10	10.45	12	368.86
West Des Moines	56,609	8.10	12.05	9	806.29
Ankeny	45,582	7.08	11.18	10	497.47
Urbandale	39,463	7.17	9.52	13	564.49
Cedar Falls	39,260	8.10	12.86	8	413.61
Average excluding Ames		7.94	14.52		575.47

Uses latest available tax rates - 11/12, and 2010 census.

CITY OF AMES, IOWA PROPERTY TAX COST OF SERVICES PER RESIDENCE 3-YEAR COMPARISON

	10/11	\$100,000 Home * 11/12	12/13
Streets/Traffic	124	130	134
Police Protection	120	124	128
Fire Protection	76	86	88
Library	44	45	53
Recreation & Parks	59	57	52
Transit	29	31	33
General Support Services	23	23	24
Planning	10	10	10
Storm Sewer	7	5	7
Resource Recovery	6	6	6
Animal Control	4	4	5
Building and Grounds/Airport	3	3	3
Inspections/Sanitation	4	2	1
	<hr/> 509	526	544
* Assessed Value	100,000	100,000	100,000
Rollback	46.9094	48.5299	50.7518
Taxable Value	46,909	48,530	50,752
Tax Rate per \$1000	10.84579	10.84365	10.72125
Calculated Tax	509	526	544

All categories reflect their applicable amounts for debt.

CITY OF AMES, IOWA
AUTHORIZED EMPLOYMENT LEVELS (F.T.E.)
(Full-Time Equivalents)

	2010/11 Actual	2011/12 Adopted	2011/12 Adjusted	2012/13 Adopted
City Manager	9.25	9.25	9.25	10.25
Legal Services	6.00	6.00	6.00	6.00
Human Resources	7.25	7.25	7.25	7.25
Planning & Housing	10.50	8.00	8.00	8.00
Finance	40.75	40.75	40.75	40.75
Fleet Services/Facilities	9.50	9.50	9.50	9.50
Transit	75.95	75.95	75.95	75.95
Fire/Inspections	68.00	69.50	68.50	68.50
Police/Animal Ctrl/Parking Enforcement	77.65	77.65	77.65	77.65
Library	31.00	31.00	31.50	31.50
Parks/Recreation	20.50	20.50	19.50	19.50
Waste Water Treatment	22.50	22.50	22.50	22.50
Water	19.00	19.00	19.00	19.00
Electric	81.00	81.00	81.00	81.00
Public Works:				
Administration	3.00	3.00	3.00	3.00
Traffic/Engineering	7.25	7.25	7.25	7.25
Streets	19.00	19.00	19.00	19.00
Engineering	12.00	13.00	13.00	13.00
Utility Maintenance	11.00	11.00	11.00	11.00
Resource Recovery	15.00	15.00	15.00	15.00
Grounds	5.00	5.00	5.00	5.00
Parking	1.75	1.75	1.75	1.75
Public Works Total	74.00	75.00	75.00	75.00
TOTAL	552.85	552.85	551.35	552.35

DEBT SERVICE COST ALLOCATION FOR 2012/2013 BUDGET

Valuation \$2,239,854,304

Use of Bond Proceeds	Allocated Debt Service	Debt Service Abatements	Property Tax Support	Rate Per \$1,000 Valuation
Fire Department Apparatus	\$ 192,203	\$ 48,051	\$ 144,152	0.06436
Fire Station 3	117,921		117,921	0.05265
Library Expansion/Renovation ¹	295,522		295,522	0.13194
Ada Hayden Heritage Park	360,629		360,629	0.16101
City Hall Improvements	14,282		14,282	0.00638
Aquatic Center	936,692		936,692	0.41819
Water Projects	326,472	326,472		
Urban Renewal – TIF	116,817	116,817		
Storm Sewer	255,904		255,904	0.11425
Streets	5,863,239		5,863,239	2.61767
Special Assessments	213,735	213,735		0.00000
2012/2013 CIP G.O. Bonds ²	1,010,762	357,122	653,640	0.29182
Total G. O. Debt	9,704,178	1,062,197	8,641,981	3.85827
Use of Fund Balance		750,000	(750,000)	-0.33484
Total Debt Service Cost	\$ 9,704,178	\$ 1,812,197	\$ 7,891,981	3.52343

FY 12/13 Debt Service Levy

\$ 7,891,981 3.52343

2012/2013 CIP G. O. Issue

Woodview Drive Water & Sewer Project	\$ 357,000	Special Assessment Abated
Extension of Utilities East	4,300,000	Water and Sewer Abated
Extension of Utilities North	1,401,000	Water and Sewer Abated
Flood Response & Mitigation Projects	820,000	
Collector Street Pavement Improvements	850,000	
Asphalt Street Reconstruction Program	928,000	
CyRide Route Pavement Improvements	1,420,000	
Arterial Street Pavement Improvements	219,000	
Concrete Pavement Improvements	600,000	
Downtown Street Improvements	950,000	
Asphalt/Seal Coat Street Rehabilitation	620,500	
Squaw Creek Footbridge	400,000	

Subtotal Debt Issue **\$ 12,865,500**

Library Expansion/Renovation 4,500,000
Grand Total Debt Issue 2012/13 **\$ 17,365,500**

1 – FY 12/13 Issuance

2 – Without Library

SUMMARY OF TOTAL REVENUES AND EXPENDITURES ALL FUNDS - REVENUE SUMMARY

	2010/11 Actuals	2011/12 Adopted	2011/12 Adjusted	2012/13 Adopted	% Change From Adopted
Property Taxes	22,760,946	23,473,005	23,471,233	23,971,426	2.1%
Utility Excise Tax	60,441	63,196	63,196	66,516	5.3%
Local Option Sales Tax	6,047,930	6,168,889	6,935,154	7,004,506	13.5%
Hotel/Motel Taxes	1,416,830	1,316,000	1,460,000	1,500,000	14.0%
Other Taxes	7,525,201	7,548,085	8,458,350	8,571,022	13.6%
Licenses & Permits	1,197,770	1,179,439	1,220,615	1,467,153	24.4%
Federal Grants	7,841,543	6,827,793	12,392,198	4,194,979	-38.6%
State Road Use Taxes	5,013,273	4,768,714	5,380,556	5,542,710	16.2%
Monies and Credits	15,990	15,800	17,040	17,040	7.8%
State Grants	5,416,356	12,215,003	16,551,703	11,159,439	-8.6%
County Contributions	195,064	185,943	160,915	128,000	-31.2%
Government Cont/Participation	4,345,812	4,327,062	4,521,368	4,845,471	12.0%
Intergovernmental Revenue	22,828,038	28,340,315	39,023,780	25,887,639	-8.7%
Utility Charges	70,713,718	73,273,650	77,353,190	77,088,026	5.2%
Other Charges for Services	9,836,217	9,956,425	9,966,207	9,962,238	0.1%
Charges for Services	80,549,935	83,230,075	87,319,397	87,050,264	4.6%
Fines, Forfeit, & Penalty	791,931	767,000	754,600	753,900	-1.7%
Interest	913,965	965,334	884,850	971,050	0.6%
Other Uses of Money	864,680	739,257	1,027,831	1,306,641	76.8%
Use of Money & Property	1,778,645	1,704,591	1,912,681	2,277,691	33.6%
Proceeds from Bonds	12,670,000	6,800,000	6,675,000	17,365,500	155.4%
Other Miscellaneous Revenues	2,923,454	1,611,502	3,660,109	1,530,531	-5.0%
Miscellaneous Revenues	15,593,454	8,411,502	10,335,109	18,896,031	124.6%
Internal Services	13,367,557	13,067,377	13,572,098	13,776,951	5.4%
Total Before Transfers	166,393,477	167,721,389	186,067,863	182,652,077	8.9%
Transfers	12,694,061	11,865,140	13,105,337	13,600,168	14.6%
Grand Total Revenues	179,087,538	179,586,529	199,173,200	196,252,245	9.3%

ALL FUNDS – EXPENDITURES

	2010/11 Actuals	2011/12 Adopted	2011/12 Adjusted	2012/13 Adopted	% Change From Adopted
OPERATIONS					
Public Safety:					
421 Law Enforcement	7,660,534	7,695,363	8,019,264	8,089,071	5.1%
422 Fire Safety/Admin	5,261,763	5,709,863	5,695,960	5,901,902	3.4%
423 Inspection/Building Safety	972,307	1,084,538	1,198,011	1,336,165	23.2%
424 Traffic Control	849,413	882,921	911,620	926,589	4.9%
428 Other Community Protection	688,943	700,000	704,500	704,500	0.6%
Total Public Safety	15,432,960	16,072,685	16,529,355	16,958,227	5.5%
Utilities:					
481 Resource Recovery	3,429,144	3,637,185	3,674,576	3,730,729	2.6%
482 Water Utility	4,600,926	4,742,429	4,799,180	4,822,843	1.7%
483 Storm Water Diversion	195,601	238,818	343,615	267,485	12.0%
484 Wastewater Disposal	3,181,865	3,415,394	3,472,976	3,488,248	2.1%
485 Electric Operations	43,643,634	49,349,283	51,166,267	50,813,853	3.0%
486 Utility Customer Service	1,408,723	1,487,690	1,404,041	1,454,689	-2.2%
Total Utilities	56,459,893	62,870,799	64,860,655	64,577,847	2.7%
Transportation:					
431 Street System	3,050,960	2,971,172	3,107,223	3,192,227	7.4%
434 Public Parking	718,619	716,648	732,279	751,366	4.8%
426 Transit System	7,543,127	7,872,416	8,031,773	8,285,463	5.2%
438 Airport	130,225	188,584	192,929	117,058	-37.9%
Total Transportation	11,442,931	11,748,820	12,064,204	12,346,114	5.1%
Community Enrichment:					
451 Recreation/Administration	2,530,318	2,732,855	2,640,213	2,648,303	-3.1%
452 Parks	1,142,960	1,124,862	1,177,289	1,194,541	6.2%
455 Library Services	3,287,838	3,427,746	3,454,942	3,538,308	3.2%
456 Library Grants/Donations	98,316	90,950	106,055	79,539	-12.5%
441 Health & Sanitation	176,428	134,163			-100.0%
442 Animal Sheltering/Control	346,101	344,148	349,946	351,386	2.1%
444 Human Services	1,075,949	1,131,629	1,136,413	1,170,587	3.4%
445 Art Services/Agencies	137,987	161,540	178,417	171,617	6.2%
461 Cemetery	112,636	133,606	132,675	126,646	-5.2%
462 Leased Housing	1,034,428				
463 Citywide Affordable Housing	249,915	3,715	36,148	36,334	878.0%
464 Community Dev. Block Grant	475,423	587,022	1,235,297	523,966	-10.7%
465 Economic Development	160,417	223,074	334,478	225,244	1.0%
466 FEMA Disaster Activity	876,472		675,000		
467 Cable TV	134,822	124,745	157,633	122,382	-1.9%
Total Community Enrichment	11,840,010	10,220,055	11,614,506	10,188,853	-0.3%

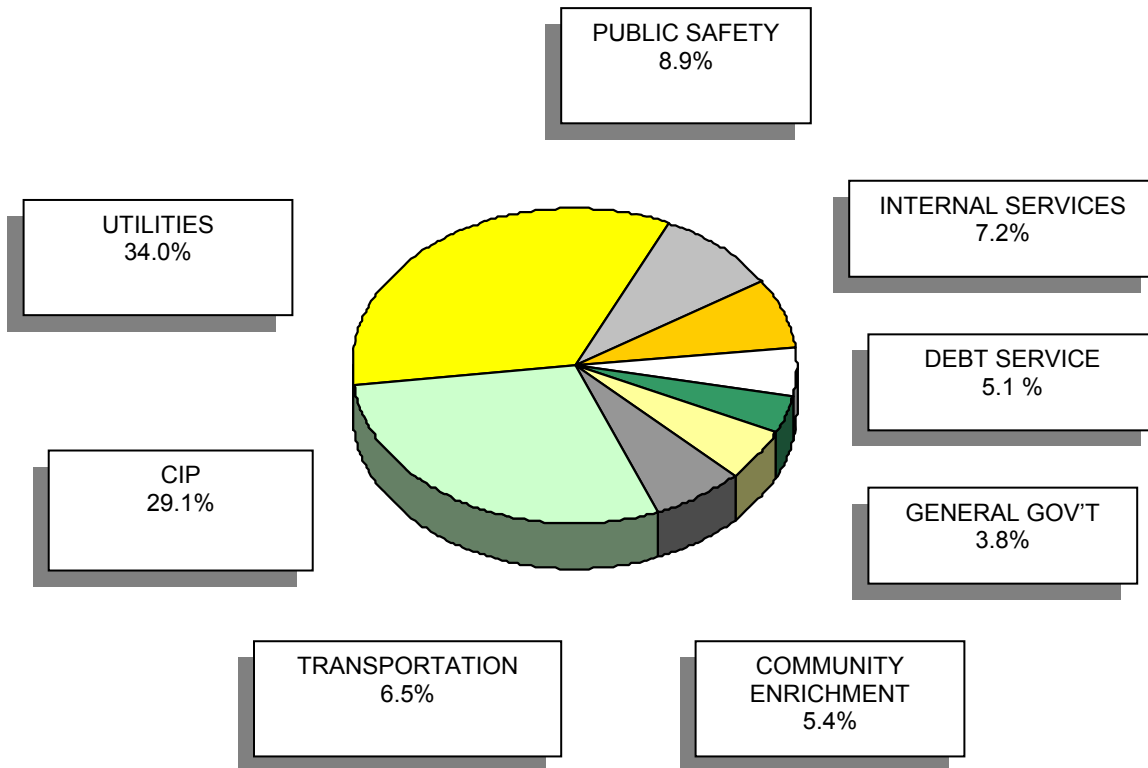
ALL FUNDS – EXPENDITURES, continued

	2010/11 Actuals	2011/12 Adopted	2011/12 Adjusted	2012/13 Adopted	% Change From Adopted
General Government:					
410 City Council Special Allocation	208,087	114,000	134,461	141,000	23.7%
411 Legislative	417,472	455,153	468,910	487,062	7.0%
412 City Council Contingency	8,262	50,000	140,583	50,000	0.0%
413 Executive	616,270	646,261	682,525	678,555	5.0%
414 Financial Services	1,256,064	1,292,558	1,241,717	1,291,737	-0.1%
415 Administrative Services	1,815,272	1,963,662	1,947,941	1,978,189	0.7%
416 Public Works Admin/Engr	1,607,110	1,810,981	1,978,744	1,925,936	6.3%
417 Merit Adjustment		167,758		171,444	2.2%
418 Public Buildings	482,273	482,338	592,066	503,447	4.4%
Total General Government	6,410,810	6,982,711	7,186,947	7,227,370	3.5%
TOTAL OPERATIONS	101,586,604	107,895,070	112,255,667	111,298,411	3.2%
CIP					
419 General Government CIP	769,080	486,050	2,856,664	50,000	-89.7%
429 Public Safety CIP	1,320,682	886,143	2,974,199	1,583,000	78.6%
489 Utilities CIP	8,506,102	32,701,300	29,274,216	35,462,750	8.4%
439 Transportation CIP	15,846,424	14,034,600	34,767,234	12,110,700	-13.7%
459 Community Enrichment CIP	541,788	899,500	2,749,579	6,166,400	585.5%
529 Internal Services CIP			60,000		
TOTAL CIP	26,984,076	49,007,593	72,681,892	55,372,850	13.0%
DEBT SERVICE					
471 General Obligation Bonds	14,918,311	9,267,800	9,103,363	9,704,178	4.7%
478 Bond Costs	134,389		73,246		
TOTAL DEBT SERVICE	15,052,700	9,267,800	9,176,609	9,704,178	4.7%
INTERNAL SERVICES					
511 Information Technology	1,827,393	1,753,794	1,938,820	1,769,723	0.9%
512 Telephone & WiFi Systems	228,477	266,509	273,467	250,509	-6.0%
513 Purchasing Services	419,643	435,198	437,448	442,293	1.6%
521 Risk Administration	1,892,831	1,809,075	2,167,621	2,066,821	14.2%
522 Health Insurance Management	5,665,119	6,505,250	6,179,081	6,558,158	0.8%
525 Fleet Maintenance Services	1,819,806	1,710,503	1,743,250	1,766,890	3.3%
526 Fleet Acquisition & Disposal	1,384,332	1,505,201	2,351,022	876,489	-41.8%
TOTAL INTERNAL SERVICES	13,237,601	13,985,530	15,090,709	13,730,883	-1.8%
TOTAL EXPENDITURES BEFORE TRANSFERS	156,860,981	180,155,993	209,204,877	190,106,322	5.5%

ALL FUNDS – EXPENDITURES, continued

	2010/11 Actuals	2011/12 Adopted	2011/12 Adjusted	2012/13 Adopted	% Change From Adopted
TRANSFERS					
598 Transfers	12,694,061	11,865,140	13,105,337	13,600,168	14.6%
531 Hotel/Motel Pass Thru	1,011,617	940,000	1,042,857	1,071,430	14.0%
TOTAL TRANSFERS	13,705,678	12,805,140	14,148,194	14,671,598	14.6%
GRAND TOTAL EXPENDITURES	170,566,659	192,961,133	223,353,071	204,777,920	6.1%

WHERE THE MONEY IS SPENT... 2012/13 ADOPTED

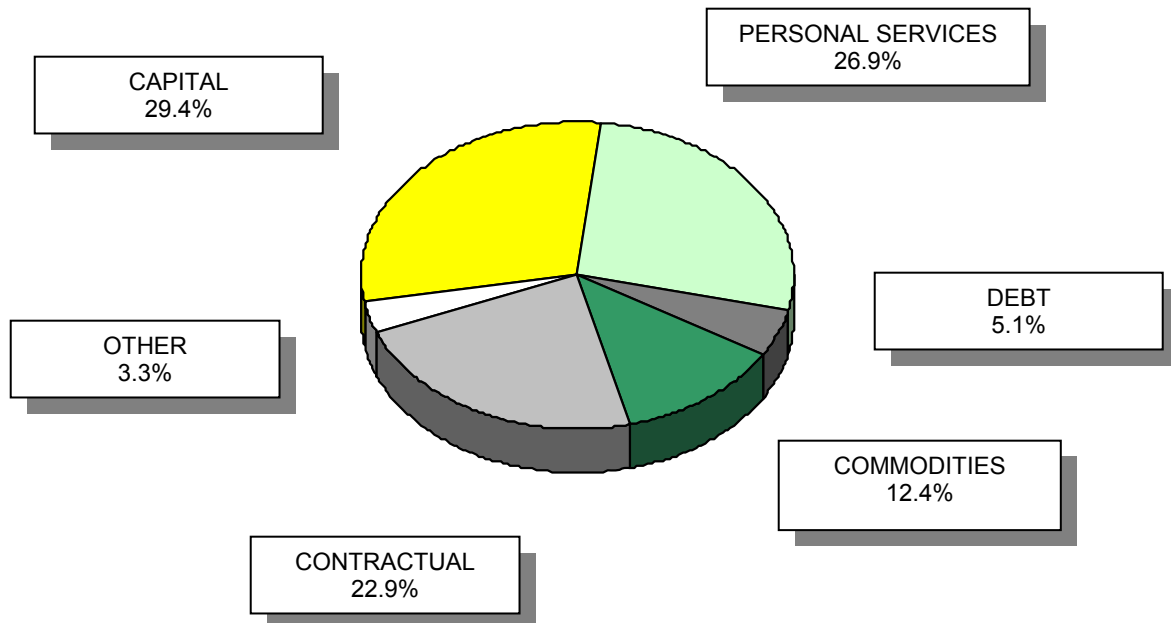


Excluding Transfers

ALL FUNDS - EXPENDITURES BY CATEGORY

	2010/11 Actuals	2011/12 Adopted	2011/12 Adjusted	2012/13 Adopted	% Change From Adopted
Personal Services	46,999,294	49,688,432	49,126,714	51,144,076	2.9%
Contractual	44,086,996	41,693,379	46,339,576	43,631,059	4.7%
Commodities	22,037,671	23,201,220	23,949,156	23,499,607	1.3%
Capital	23,072,502	50,231,520	74,789,755	55,935,145	11.4%
Debt	15,052,700	9,267,800	9,176,609	9,704,178	4.7%
Other (Refunds, Insurance Claims, etc.)	5,611,818	6,073,642	5,823,067	6,192,257	2.0%
Transfers	13,705,678	12,805,140	14,148,194	14,671,598	14.6%
Total Expenditures	170,566,659	192,961,133	223,353,071	204,777,920	6.1%

BREAKDOWN BY MAJOR EXPENSE CATEGORY 2012/13 ADOPTED



Excluding Transfers

ELECTRIC RATE COMPARISON
For Rates in Effect January 2010
 By Ames Municipal Electric System

RESIDENTIAL RATE COMPARISON

	250 kWh	% *	500 kWh	% *	750 kWh	% *	1,000 kWh	% *
SUMMER								
Ames Electric Svcs.	\$ 32.63	-30%	\$ 60.00	-20%	\$ 87.38	-15%	\$ 114.75	-13%
Alliant Energy	47.11		82.64		112.54		152.82	
MidAmerican Energy	29.65		50.80		71.95		93.10	
Consumers Energy	61.13		91.75		122.38		153.00	
Midland Power Coop	47.85		75.70		103.55		131.40	
WINTER								
Ames Electric Svcs.	30.93	-32%	55.31	-24%	77.76	-22%	100.21	-20%
Alliant Energy	42.67		73.75		99.67		125.60	
MidAmerican Energy	29.25		50.00		70.74		91.49	
Consumers Energy	61.13		91.75		122.38		153.00	
Midland Power Coop	47.85		75.70		103.55		131.40	

COMMERCIAL/GENERAL SERVICE/INDUSTRIAL RATE COMPARISON

	7,500 kWh	% *	10,000 kWh 40KW	% *	12,500 kWh 50KW	% *	30,000 kWh 100 KW	% *
SUMMER								
Ames Electric Svcs.	\$ 821.55	-7%	\$ 1,053.00	-15%	\$ 1,341.75	-13%	\$ 2,949.00	-11%
Alliant Energy	977.10		1,253.34		1,566.68		3,376.12	
MidAmerican Energy	657.66		842.98		1,028.31		2,325.58	
Consumers Energy	1,009.96		1,541.34		1,905.68		3,928.96	
Midland Power Coop	663.50		1,311.00		1,638.75		3,634.00	
WINTER								
Ames Electric Svcs.	669.70	-12%	948.04	-16%	1,173.05	-16%	2,606.55	-14%
Alliant Energy	765.40		886.89		1,108.61		2,417.34	
MidAmerican Energy	613.86		780.18		946.51		2,110.78	
Consumers Energy	1,009.96		1,541.34		1,905.68		3,928.96	
Midland Power Coop	663.50		1,311.00		1,638.75		3,634.00	

* % indicates difference in A.M.E.S. rates compared to average of other four utilities.

NOTE: Some utilities also offer optional rates for electric heat, time-of-use, etc.

ENERGY COST ADJUSTMENT FOR 2010 RATE COMPARISON

SUMMER RATE PERIOD

	Residential	Commercial	Industrial		
Ames Electric Svcs.	\$0.02290	\$0.02290	\$0.02290	Ames Electric Svcs.	June, July, Aug, Sep
Alliant Energy	0.02290	0.02290	0.02290	Alliant Energy	June 16 - Sep 15
MidAmerican Energy	N/A	N/A	N/A	MidAmerican Energy	June, July, Aug, Sep
Consumers Energy	0.00000	0.00000	0.00000	Consumers Energy	N/A
Midland Power Coop	0.00900	N/A	N/A	Midland Power Coop	N/A

RESIDENTIAL WATER RATE COMPARISON

Iowa Cities of 10,000 and Over Population
Rates as of September 2011

With Softening

	Population Served	Minimum	600 cf	1,000 cf	10,000 cf	50,000 cf	100,000 cf
Ames	58,965	\$ 9.56	\$ 20.78	\$ 28.26	\$ 225.23	\$ 1,088	\$ 2,176
Ankeny	45,582	6.79	21.19	34.02	345.10	1,721	3,456
Boone	12,600	7.37	24.02	37.34	533.28	1,686	3,362
Cedar Rapids	126,326	9.90	20.10	26.90	188.52	850	1,666
Iowa City	67,831	6.41	21.36	33.32	243.62	1,104	2,179
Marshalltown	27,552	5.50	14.56	20.60	157.75	695	1,384
Newton	15,579	8.38	14.66	20.94	129.44	600	1,206
W. Des Moines	61,500	3.00	22.35	35.25	325.80	1,619	3,237
Ames Rank Among 23		7	14	17	19	12	12

With Other Treatment

	Population Served	Minimum	600 cf	1,000 cf	10,000 cf	50,000 cf	100,000 cf
Cedar Falls	39,260	\$ 9.21	\$ 14.43	\$ 17.91	\$ 75.30	\$ 321	\$ 623
Fort Dodge	25,206	10.84	18.90	28.56	200.26	849	1,569
Marion	34,768	10.27	14.04	19.06	131.27	601	1,170
Sioux City	82,648	9.07	20.15	31.23	229.45	1,028	1,881
Ames Rank Among 33		10	16	22	24	15	15

Range		\$ 0.00	\$ 9.17	\$ 13.97	\$ 70.21	\$ 305	\$ 563
	to	14.29	32.26	53.25	533.28	2,663	5,325
Median Rate		\$ 8.20	\$ 20.51	\$ 28.86	\$ 230.75	\$ 1,011	\$ 1,925
Ames, % of Median		116.6	101.3	97.9	97.6	107.6	113.0

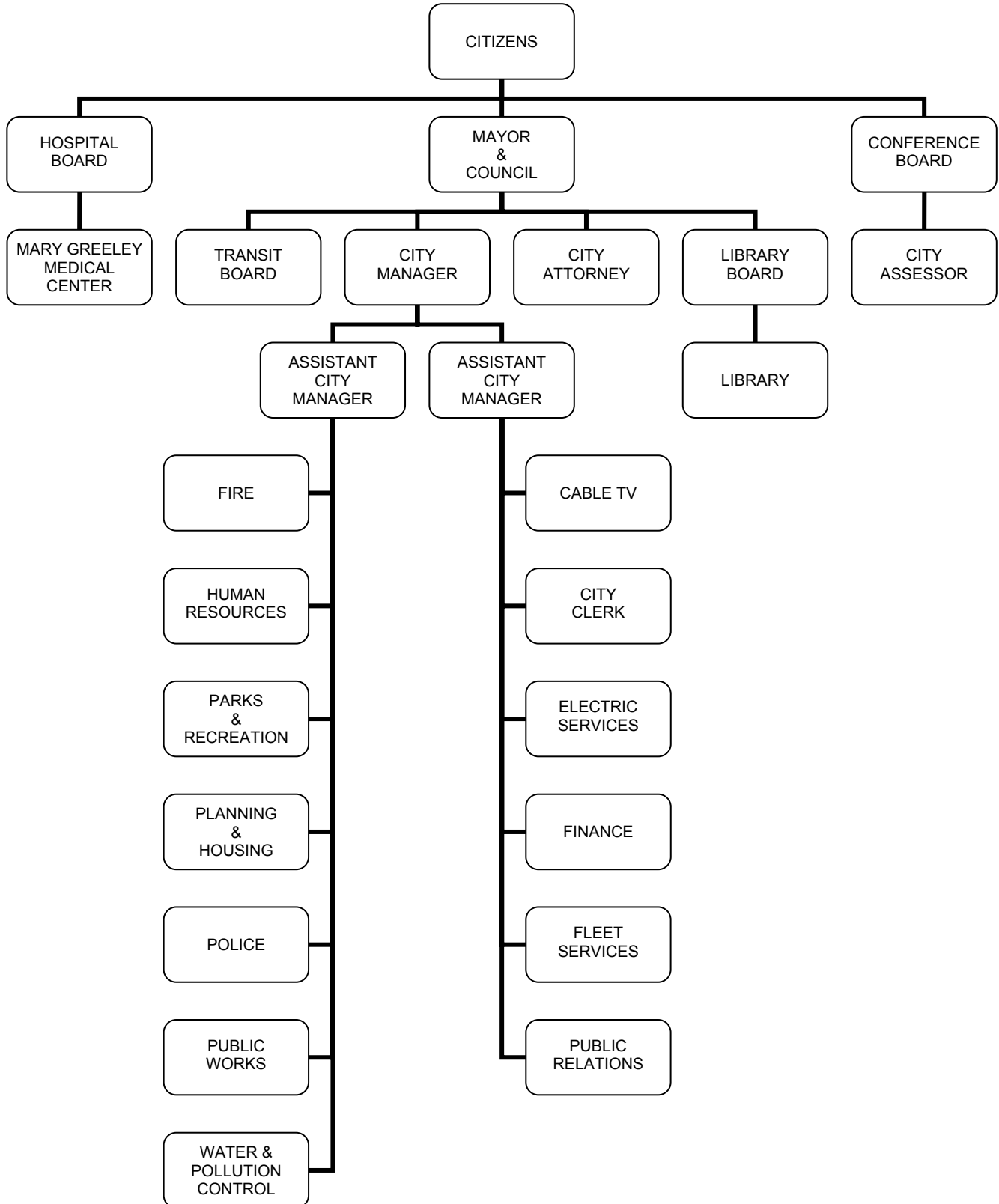
RESIDENTIAL SEWER SERVICE CHARGE COMPARISON

Iowa Cities of 10,000 and Over Population
Rates as of September 2011

	Population Served	Minimum	600 cf	1,000 cf	10,000 cf	50,000 cf	100,000 cf
Ames	58,965	\$ 7.87	\$ 19.93	\$ 27.97	\$ 208.87	\$ 1,013	\$ 2,018
Ankeny	45,582	14.41	38.31	54.24	430.61	2,089	4,194
Boone	12,600	3.00	50.82	82.70	800.00	3,988	7,973
Cedar Falls	39,260	13.30	20.46	27.62	188.72	905	1,800
Cedar Rapids	126,326	15.35	21.43	27.51	164.31	772	1,532
Fort Dodge	25,206	14.04	18.12	26.28	209.88	1,026	2,046
Iowa City	67,831	8.15	28.10	44.06	403.16	1,999	3,994
Marshalltown	27,552	10.27	20.83	27.87	186.27	890	1,770
Newton	15,579	7.38	16.86	26.34	239.64	1,188	2,373
Sioux City	82,648	10.63	26.58	42.52	407.34	2,024	4,043
W. Des Moines	61,500	3.00	24.83	39.38	366.75	1,822	3,641
Ames Rank Among 37		20	26	25	29	29	27

Range		\$ 1.92	\$ 11.08	\$ 15.13	\$ 106.25	\$ 511	\$ 1,018
	to	25.20	50.82	82.70	800.00	3,988	7,973
Median Rate		\$ 8.15	\$ 23.16	\$ 32.22	\$ 247.80	\$ 1,191	\$ 2,377
Ames, % of Median		96.6	86.1	86.8	84.3	85.1	84.9

CITY OF AMES, IOWA ORGANIZATIONAL CHART



AMES CITY COUNCIL APPOINTEES

Name	Title	Phone Number
Steve Schainker	City Manager	515-239-5101
Doug Marek	City Attorney	515-239-5146

CITY OF AMES, IOWA, DEPARTMENT HEADS

Name	Department	Phone Number
Donald Kom	Electric	515-239-5171
Duane Pitcher	Finance	515-239-5113
Vacant	Fire	515-239-5414
Paul Hinderaker	Fleet Services/Facilities	515-239-5520
Julie Huisman	Human Resources	515-239-5199
Art Weeks	Library	515-239-5630
Nancy Carroll	Parks and Recreation	515-239-5350
Steve Osguthorpe	Planning & Housing	515-239-5400
Chuck Cychosz	Police	515-239-5130
John Joiner	Public Works	515-239-5162
Sheri Kyras	Transportation – CyRide	515-239-5563
John Dunn	Water & Pollution Control	515-239-5150

City of Ames Honors

The Arnold O. Chantland Resource Recovery Plant was selected as the “Facility of the Year in Material Recovery” at the 19th Annual North American Waste-to-Energy Conference held in Lancaster, PA. The event was co-sponsored by the Energy Recovery Council, the American Society of Mechanical Engineers, and the Solid Waste Association of North America.

Fleet Services was recognized in 2011 as one of the “100 Best Fleets in North America” by Government Fleet Magazine. This award recognized excellence in 12 categories: accountability, use of technology, collaboration, creativity, celebration, evidence of a high trust culture, performance recognition, doing it right the first time, quick efficient turnaround, competitive pricing, staff development, and resources stewardship.

The Water Pollution Control (WPC) Facility received a *Platinum-21 Peak Performance Award* from the National Association of Clean Water Agencies (NACWA). This award recognized the facility and its staff for 21 consecutive years with 100% compliance with its discharge permit. In the 21+ years since the plant came online, it has met over 22,000 numerical limits without a single violation. According to NACWA’s tracking, there are only two facilities in the country with longer compliance records.

Ames Electric Services was one of 84 of the nation’s more than 2,000 public power utilities to earn Reliable Public Power Provider™ (RP₃) recognition from the American Public Power Association (APPA) for providing consumers with the highest degree of reliable and safe electric service in 2008. The Reliable Public Power Provider designation is awarded based on proficiency in four key disciplines: reliability, safety, training, and system improvements.

The Ames Public Works Department received an Award for Excellence at the 2010 Iowa Water Conference. The award recognized their leadership efforts for implementing innovative stormwater management practices in the Ames community, including the newly established Smart Watershed Program. It also recognized the Rain Barrel and Rain Garden Rebate Programs, along with the local partnership efforts to protect and improve the water quality of Ames area streams and lakes.

The City received the Wellness Councils of America (WELCOA) Well Workplace Gold designation in September 2011. For 18 consecutive years, the City of Ames has been designated as a Well Workplace; building from bronze level to the first gold designation in 2000. Gold Well Workplaces are companies that have successfully built comprehensive worksite wellness initiatives and are demonstrating and documenting concrete outcomes.

Aaa Bond Rating for 2011, from Moody’s Investors Service.

Certificate of Achievement for Excellence in Financial Reporting, Government Finance Officers Association. Every year since 1978/79.

Distinguished Budget Presentation Award, Government Finance Officers Association. Every year since 1986/87.

Tree City USA for 27 consecutive years.



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