

FISCAL YEAR 2011/2012 CITY COUNCIL BUDGET ISSUES

OVERALL ECONOMIC CONDITION OF THE CITY

Though the City's overall financial situation remains strong, increases in costs coupled with reduced revenue growth related to an overall economic slowdown are expected to pose a significant challenge for our FY 2011-12 budget.

Because of continued slow economic growth at the national, state, and local levels, new construction of taxable property and related fee and permit revenue remain at lower levels than previous years. Additionally, property valuations as a whole have been flat to slightly increased. While we anticipate Local Sales Tax revenues and Road Use Tax from fuel sales to increase slightly, we do not expect them to recover to previous levels by FY 2011-12. In addition, the combination of a slowdown in economic activity and unusual weather conditions have negatively impacted revenues for the Electric, Water, and Wastewater utilities. Fortunately, the recession has resulted in a reduction in the cost of many commodities, including energy costs. However, these reductions will not make up for lost the revenues.

With most interest rates at or near historic lows, interest revenues for the City have fallen significantly and will remain low for FY 2011/12 as higher yielding investments mature and are replaced by investments with lower returns. The combination of low inflation and slow economic activity has prompted the Federal Reserve to continue activity to lower short-term rates and we expect that to continue.

FUND BALANCES

General Fund:

Some good news involves the General Fund balance, where we ended FY 2009/10 \$550,000 more than was budgeted. The Council could decide to use this unexpected higher balance to subsidize operating costs and thereby reduce property tax levels in FY 2011-12. However, this strategy would only lead to a much larger increase in the next year as these one time monies must be replaced with a more permanent revenue source.

In similar situations in the past, the Council has wisely used these one-time available balances to fund one-time expenditures in the current year. Examples of possible uses for this additional revenue include:

- local match (15%) for FEMA grants to repair City property damaged from wind and flood disasters.

- local match (15%) for Hazard Mitigation grant to carry out flood mitigation projects throughout the community.

- local match (15%) for potential buyouts of flood damaged private property.
- hire engineering firms to identify solutions for local area flooding, sanitary sewer backups, and river flooding.
- hire consultant to complete visioning/branding objective.
- purchase capital items in current year that would otherwise be approved in FY 2011-12.

Furman Aquatics Center:

It was hoped that at the very least, revenue from the Furman Aquatics Center would be sufficient to cover its operating costs. We are happy to report that in its initial year of operation, we exceeded this expectation with net revenue from the operations. Here again, this unexpected one time revenue could be used to reduce property tax askings in the current thereby leading to the same problem identified above. In order to maintain this strong revenue base, it is likely that additional features will need to be added in the next few years. **Therefore, the City Council may want to consider a policy that includes reserving any net revenue generated at the Furman Center to help fund new features at a later date.** This is the same approach we follow in regards to improvements at the Airport.

FIRE AND POLICE RETIREMENT AND IPERS

The City has received notification from the Municipal Fire and Police Retirement System of Iowa (MFPRSI) that the City contribution rate to this retirement plan will increase from 19.90% to 24.76% for a total increase to the City of \$325,000 from the FY 2010/11 adopted budget. The City contribution rate to this retirement plan has varied dramatically over the past few years from 17% in 2003 to 28.21% in 2006 due to benefit increases passed by the State Legislature and market performance of pension investments. We can expect continued increases in the City contribution rates in future years because recent market losses are averaged into the rate contribution calculation. Unlike IPERS, the employee contribution rate to this retirement plan is fixed, so the employer pays all additional costs of funding the plan. Since the employees do not share any additional cost of the retirement plan, we expect that State police and fire associations will continue to lobby the State Legislature to increase pension benefits.

The State Legislature passed an additional increase to the Iowa Public Employees' Retirement System (IPERS) to raise the combined contribution rate from 11.45% to 13.45% in FY 2011/12. The increase was needed to improve the funded status of the IPERS system. The plan maintains the contribution split at 60% City and 40% employee, with the City contribution rate increasing from 6.95% to 8.07% in FY 11/12. The cost of the contribution rate increase will be approximately \$204,000 for the City. We expect that the combination of recent benefit adjustments and increases in contribution rates will eliminate the need for future increases in the near future.

INSURANCE – HEALTH AND WORKERS’ COMPENSATION

The City continues to benefit from implementation of health insurance program changes recommended by the City Health Insurance Team. Additionally, recent favorable claims experience in our self-funded plan will allow the City to stay within the health insurance cost included in the adopted budget. For FY 2011/12, health insurance rates are budgeted to increase approximately 5% over FY 2010/11. Our Health Insurance Fund maintains a strong balance and the City will be able to absorb fluctuations in health care claims experience. We will continue to review the health plan and implementation of the impact of Health Care Reform on our plan. Currently we maintain a grandfathered status and current provisions of Health Care Reform have had minimal impact.

ROLLBACK AND VALUATION

To set the taxable value, the State issues a rollback order each year that is applied to the assessed value of residential and commercial property. For FY 2011/12, 48.5299 percent of assessed residential value will be taxed, up from 46.9094 percent in FY 2010/11. Commercial and industrial property will be taxed at 100 percent of assessed valuation, the same as in FY 2010/11. The change in the residential rollback rate will result in a 1.9% increase in taxable valuation or \$428,000 more tax revenue at the FY 2010-11 rate.

Though we do not yet have the new property valuation for FY 2011-12, the slowing of construction, tightened credit, and downward pressure in real estate values are likely to result in an increase of taxable valuation similar to last year's percentage.

LOCAL OPTION SALES TAX REVENUES

Estimated Amounts for FY 2011/12

For the current year, local option sales tax receipts are expected to be \$6,047,930, up \$97,960 or 1.65% from the adopted budget. This amount is a similar increase from the FY 2009/10 actual revenue of \$5,946,715, but still well under the FY 2008/09 actual revenue of \$6,241,700. We are predicting that the local option sales tax revenue for FY 2011/12 will increase to \$6,168,889 or up approximately 3.7% from the FY 2010/11 adopted budget. This total represents 2% more than what we will receive in this year.

ASSET Human Services Funding

For FY 2010/11, the City's allocation to ASSET is \$1,079,065. Current ASSET agency requests total a 9.4% (an additional \$101,536) increase in funding, or a total of \$1,180,601. The many options available for budget direction include funding the full request or some other level. City staff will need policy direction from Council to provide

the ASSET board with an indication of available funding. At this time, staff does not know the level of funding from other ASSET contributors.

COTA Performing Arts Funding

The COTA allocation for FY 2010/11 is \$127,709. The COTA groups have requested funding in the amount of \$156,830, or a 22.8% (an additional \$29,121) increase. Again, there are many options available including full funding of the request or some other amount.

UTILITY RATES

Water, Sanitary Sewer, Storm Water, Electric

The Water, Sanitary Sewer, Storm Water, and Electric utilities will all require rate increases within the five-year term of our capital planning horizon to support increased operating costs and capital improvement plans.

The Water, Sewer, and Electric utilities are in the process of planning large-scale capital plant improvements that require multiple rate increases over the coming years. We are in the process of reviewing the five-year CIP and will make adjustments in the timing of improvements to coordinate the various utility rate increases to lessen the impact on customers in any given year.

We should also note that the reduced demand for service due to the recession and success of conservation efforts results in reduced revenue for these utilities. While these demand side activities may extend the time when an expansion of capacity is needed, in the short-term the demand reductions will require increased rates to fund the fixed costs of the utilities. The Electric Utility has also added wind generation to the production portfolio, and the cost of wind actually increases our overall cost to produce electricity.

The level of rate increases will be dependent on the Capital Improvements Plan and the associated impact on the operating budget. Though it is too early in the budget process to determine the level of rate increases needed, as we warned in previous year, there will be increases in multiple utility rates during several of the years of our five-year capital planning horizon.

In the current year, the City Council will be asked to review new rate structures for the Electric and Storm water utilities. For Electric, the City will be conducting a cost of service and rate study. Any proposed change to the rate structure will be planned to take effect in the Fall of 2011.

During various forums including the Town Budget Meeting, several citizens provided input concerning desired improvements to the storm water system. Such improvements will require increases in the Storm Water Utility fee. This would mean an increase in the

rate at the same time a new structure is put in place. A separate report has been provided to City Council regarding the Storm Sewer Utility. We will need policy direction from the City Council regarding the preferred fee structure and amount of the fee increase.

Resource Recovery

The Resource Recovery Plant continues to have positive improvements in efficiency and the overall financial situation. We currently are not planning any rate increases for the Resource Recovery Plant.

ROAD CONDITIONS

Weather conditions over the past two years have taken a major toll on the transportation infrastructure in the City. The street system in particular has required more temporary patching, and could fall to an even lower service level if the rate of permanent repair is not accelerated.

The current level of funding in the CIP from General Obligation Bonds for street related projects totals approximately \$6 million per year. Based on our most recent Street Condition Inventory, this investment will need to increase significantly to handle our worst streets. However, the City Council must understand that an increase in this funding will also result in increased property taxes.

CYRIDE

The addition of the Intermodal facility will require policy direction from the Council on funding for the operations of the facility. Though revenue from the operation of the facility are expected to cover costs, a determination on how to cover any operating deficit will be needed.

NEW SERVICES/ADDITIONAL POSITIONS

During recent Council workshops and at the Town Budget Meeting, there has been discussion of new service levels that would require addition employees. Some of the positions suggested include:

Customer Service Specialist – This position would serve as a type of ombudsman within the City Manager's office to assist customers in accessing and utilizing various city services.

Rental Housing Inspector – This would be a second full-time position (instead of the temporary employees currently utilized) to provide more timely inspections and decisions related to the enforcement of the newly revised Rental Housing Code.

Sustainability Coordinator – This position would be a full-time employee that would lead our community-wide sustainability efforts. This service is currently provided under contract with ISU and through City employees implementing our "Go Green" initiative.

At this point, we would like direction if the Council would like to include any of these or other positions in the FY 2011/12 budget, or have the cost of the positions evaluated for possible inclusion.

MAJOR PROJECTS UNDER CONSIDERATION

Over the past years that City Council has discussed several projects not currently included in the Capital Improvement Plan that would require City funding. Some of the projects include:

Project	Estimated Costs
Campustown Renovation Improvements	?
CyRide Facility Expansion	\$4,800,000
Fire Station #2 Relocation	\$2,000,000
Expanded Convention Space	\$25,000,000 to \$30,000,000
Flood Repairs, Buyouts, and Mitigation Improvements	?
Gymnasiums	\$4,000,000 (4 gyms)
Indoor Recreational Pool	\$7,000,000
Industrial Park	\$14,000,000
Infrastructure Improvements	
-Grant Avenue Paving	\$700,000 (\$3,000,000 total)
-Sanitary Sewer For Rose Prairie	\$675,000
-Water For Rose Prairie	\$680,000
-Sanitary Sewer to Fieldstone	\$2,000,000 to \$2,200,000
-Overpass to Fieldstone	\$6,600,000
-Sanitary Sewer to Southwest	\$800,000 to \$1,000,000
-Sanitary Sewer to Regional Mall	\$1,700,000
Library Expansion	\$15,000,000 to \$20,000,000
Parking Ramp Downtown	\$4,000,000 to \$9,000,000
Water Treatment Plant	\$50,000,000
Water Pollution Control Plant Upgrades	?
Electric System Upgrades	?

SECTION 8 HOUSING

Due to a combination of factors, the cost for the City to administer the Section 8 housing assistance program has for several years exceeded the administrative funding provided by the Department of Housing and Urban Development (HUD). The shortfall has been

covered by drawing down fund balances of other housing related funding sources. It has become clear that this method of funding Section 8 housing assistance is not sustainable. To continue City administration of the program, a permanent funding source such as property taxes will need to be identified to subsidize Section 8 administrative costs. Other alternatives include discontinuing City administration of the program and allowing HUD to assign another agency to administer the program in Ames. A separate report has been provided to City Council on the Section 8 program. We will need policy direction from the City Council on how to proceed with Section 8.

BUILDING PERMIT AND DEVELOPMENT FEES

For many years, the fee revenue from building permits was generally matched to expenses related to the activity, and the budgeting property tax impact of the cost of building inspections was minimal. The slowdown in building activity has negatively impacted permit revenue to the point where expenditures exceed costs with the difference funded with property taxes. City Council may want to consider moderate increases in permit and development fees to reduce the property tax funding requirement for the building inspections activity. Our most recent survey of building fees indicated that Ames will still be competitive in inspection fee rates even with a moderate increase.

PAPERLESS CITY COUNCIL MEETINGS

Given your strong support for sustainability, it would be a good time to consider whether the Council is willing to go paperless with our City Council meeting information. Currently we produce 20 hard copy packets for every meeting. We would like to explore providing Council members with I-PADs, which appear to be more economical in the long run than providing laptop computers. If we do this, we would like all of the Council members to commit to use them. In this way, we can ask others who receive packets to follow the Council's lead and commit to sustainability to support the discontinuance of printed packets.

There are many bugs to work out and there some problems with them (such as no printing capability, can't save to flash drive, must be emailed to a personal Internet account, limited storage capacity). These devices should be thought of primarily as a viewer, although they have an email capability as well. To make this a success, Council members must have access to high speed Internet service.

OTHER FUNDING REQUESTS

Every year the City Council receives requests for funding from outside agencies including. To date, the City has received requests from the following entities:

<u>Entity</u>	<u>Current Funding Level</u>	<u>Requested Funding Level</u>
Ames Historical Society	\$16,000	\$18,000
Friends of Carr Pool	0	\$11,000 Plus
Main Street Cultural Dist.	\$25,000	\$40,000
\$ 4,000 current year		
Hunziker Youth Sports Complex	\$25,000	\$25,000 operations
\$10,000 flood repair		

City Council's Input

(Given the information provided, Council's input is requested.)

Service Level Increases

Service Level Decreases

Other Issues

LOCAL OPTION SALES TAX FUND SUMMARY

	FY 010/11 Adopted	FY 010/11 Adjusted	FY 11/12 Estimated	
Revenues				
Local Option Sales Tax	\$ 5,950,000	\$ 6,047,930	\$ 6,168,889	
Transfer from Hotel/Motel	84,000	66,800	68,400	
Grants	-	683,000	-	
Other Revenue	-	-	-	
Total Revenues	<u>6,034,000</u>	<u>6,797,730</u>	<u>6,237,289</u>	
Transfers				
Ice Arena	20,000	20,000	20,000	
60% Property Tax Relief	<u>3,570,000</u>	<u>3,628,758</u>	<u>3,701,333</u>	
Total Transfers	<u>3,590,000</u>	<u>3,648,758</u>	<u>3,721,333</u>	
Park Acquisition	100,000	100,000	100,000	
Expenses				
Human Service Agencies	1,079,065	1,079,065	1,079,065	(1)
Commission on the Arts	127,709	127,709	127,709	(2)
City Council Spec. Alloc.	76,618	76,618	44,000	(3)
Human Services Admin	21,940	22,098	22,000	
Public Art	30,000	35,100	30,000	(4)
Municipal Band	25,368	26,132	25,308	
Historic Pres. Comm.	-	-	-	
Total Expenses	<u>1,360,700</u>	<u>1,366,722</u>	<u>1,328,082</u>	
Net Increase/(Decrease)	983,300	1,782,250	1,187,874	
Beginning Balance	<u>1,512,271</u>	<u>4,466,236</u>	<u>1,956,636</u>	
Available for CIP	2,495,571	6,248,486	3,144,510	
CIP Projects	<u>1,083,664</u>	<u>4,291,850</u>	<u>1,189,064</u>	(5)
Ending Balance	1,411,907	1,956,636	1,955,446	
Reserve For Park Dev.	-		660,292	(6)
Reserve 25% of expense and CIP projects	<u>641,091</u>		<u>629,287</u>	
Available Un-Resv. Balance	<u>\$ 770,816</u>		<u>\$ 665,867</u>	

FY 10/11 Estimated:

- (1) FY 10/11 Adopted As Example
- (2) FY 10/11 Adopted As Example
- (3) Partner City (\$3,000), Historical Society (\$16,000), HYSC (\$25,000)
- (4) City Council will receive request for Public Art funding in January 2011
- (5) Estimated CIP, Still Reviewing Projects
- (6) Park Development Fund Rolled Into LOT beginning FY 10/11 Adjusted

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**TOWN BUDGET MEETING
OCTOBER 5, 2010**

Present:

Peggy Baer, 1810 Waterbury Circle, Ames
Roy Cakerice, 2911 Duff Avenue, Ames
Jim Cannon, 2406 Ridgetop Circle, Ames
George Covert, 3000 Northridge Parkway, Ames
William Jenks, 3101 Greenwood Road, Ames
Marisa Jones, 3519 Valley View Road
Suresh Kothari, 3006 Northridge Parkway, Ames
Ken Kruempel, 2519 Timberland Road
Judith Lemish, 327 S. Maple, Ames
Mike Malloy, Ames News Online
Jim Mason, 2016 Pinehurst Drive, Ames
Jim Meek, 2915 Northridge Parkway, Ames
Ollie Merritt, 311 South Third, Ames
Jennifer Meyer, Ames Tribune
Angela Moore, Ames Main Street Cultural District Director
Sonya Stoltze Newstrom, 829 Douglas Avenue, Ames
Joanne Olson, 3817 Columbine Avenue, Ames
Miriam Patterson, 1904 Northcrest Circle, Ames
Randi Peters, 3127 Greenwood Road, Ames
Susie Petra, 2011 Duff, Ames
Kayla Schantz, Iowa State Daily
Catherine Scott, 1510 Roosevelt, Ames
Xueya Song, 3515 Valley View Road, Ames
Tony Stevens, 306 Dotson Drive, Ames
Kathy Svec, 603 Grand Avenue, Ames
John Uhde, 903 Clark Avenue, Ames
Joyce Vegge, 5128 Schubert Street, Ames

City Manager Steve Schainker explained that the City is starting its budget process for FY 2011-12. The City's operation budget begins on July 1, 2011, and runs through June 30, 2012. The Capital Improvements Plan to be approved early in 2011 will run from July 1, 2011, to June 30, 2016. Mr. Schainker reviewed the Capital Improvements Plan and operations budget calendar and highlighted key dates for public input. Budget issues will be presented to the City Council on November 23, 2010. The final budget hearing and adoption will take place on March 1, 2011. Mr. Schainker said the purpose of this meeting was to get citizen input at the beginning of the budget process. He explained the opportunities for citizens to provide input in addition to speaking at this meeting.

Finance Director Duane Pitcher gave an overview of the City budget. The City budget makes up approximately one-third of a citizen's total tax bill if he or she lives in the Ames School District. Story County, the School District, and Des Moines Area Community College receive the other two-thirds. Mr. Pitcher showed prior years' data on property tax levies and Local Option Taxes. He gave a summary of revenues; total revenues for 2010/11 equate to \$169,393,257.

Expenditures total \$182,279,924, which primarily reflects large projects in the Electric Services Department.

Mr. Pitcher advised that Ames has one of the lowest tax levies in the state: for 2010/11, it is \$10.84579/\$1,000 valuation. There is only one city who has a lower tax levy; that is Dubuque, which has casino/gambling revenues. The General Fund levy is \$6.14501/\$1,000, which is well below the \$8.10 limit. The state-imposed residential roll-back was explained. The calculated tax in Ames is \$615/\$100,000 valuation. The cost of services per residence was itemized.

Public Input:

Roy Cakerice, 2911 Duff Avenue, Ames, Chairman of "Friends of Carr Pool," requested that Carr Pool be spared demolition. He has coordinated a fundraiser; in August and September, \$11,000 cash was received. Mr. Cakerice requested that the City match that \$11,000 to keep Carr Pool open from Memorial Day to the 4th of July to see how many people will come to Carr Pool. This will give the people of Ames a chance to show if they really want to keep the Pool open. The \$11,000 to be provided by the City should take care of the water, chemicals, and the electricity for that time period.

George Covert, 3000 Northridge Drive, Ames, referred to the deluge of water that invaded his home and others in August 2010. He asked that mitigation of the Northridge storm sewer overflow problem be included in the 2011/12 budget and that funding also be included in the 2010/11 budget so that the storm sewer system mitigation planning process could begin soon.

Peggy Baer, 1810 Waterbury Circle, Ames, representing the Ames Historical Society (AHS), requested an \$18,000 allocation for FY 2011/12 to assist with its operations. She described various projects that the AHS is undertaking. Also representing the Ames Historical Society, Kathy Svec, 603 Grand, Ames, elaborated on the research project requested by a former Mayor and City Council and currently underway, which will highlight each of the 42 Ames Mayors.

Joanne Olson, 3817 Columbine Avenue, spoke her concerns about the City's revenues, which she believes are tied, in part, to City planning. She feels that there are a lot of missed opportunities based on where businesses are placed, how parking lots are connected, etc. Ms. Olson gave Coldstone Creamery as an example. She thinks it would be more successful if it had been placed next to the movie theater. Ms. Olson elaborated that decisions are made when the town is laid out that affect how easy a business can be accessed. She believes those decisions impact the flow of traffic and help determine the success of businesses. There is no north/south street that runs completely through Ames. Ms. Olson advised that she is the neighborhood rep for the Bloomington Heights neighborhood. That neighborhood is now dealing with the implications of the traffic that will result from the Rose Prairie development in North Ames. All of that traffic will come down Hyde, which was never designed for that. She also believes that Main Street doesn't have anything that will attract people to stay there when they have to wait for any reason. It was her suggestion that the Spaghetti Works restaurant could be approached to restore the old depot. In summary, Ms. Olson said that when revenues are being looked at, City planning and streets need to be looked at as well.

Tony Stevens, 306 Dotson Drive, representing the Hunziker Youth Sports Complex (HYSC), asked that the City continue its allocation of \$25,000/year for operations. Also, the Complex incurred \$14,000 - \$20,000 in flood damage to equipment and facilities last August, and he asked that the Council consider allocating an additional \$10,000 to help with those expenses.

William Jenks, 3101 Greenwood Road, Ames, identified himself as a member of the HYSC Board, but said that he was speaking on behalf of the Ames Soccer Club. He requested that the HYSC be added to the list of properties that receives mosquito spraying.

Miriam Patterson, 1904 Northcrest Circle, Ames, speaking on behalf of the League of Women Voters, informed that the League is now in the process of taking a comprehensive look at what recreation and exercise facilities and programs are available to those age 60 and older in Ames and Story County. The results of the study should be ready by early Spring 2011; if that study reveals that there are unmet needs in Ames and surrounding areas, the League will be making some recommendations that may impact the City's budget in the coming years. Ms. Patterson noted that Ames has been labeled as a great place to retire. The League believes that if Ames promotes itself as that, a necessary component is not only adequate, but state-of-the-art recreational facilities that are appropriate, accessible, and affordable for persons of retirement age.

Sonya Stoltz Newstrom, 829 Douglas Avenue, Ames, representing the Main Street Cultural District (MSCD) as its Board President, noted that the Board will be holding a retreat at the end of October; major planning for the next two or three years will be discussed, and a detailed report will be submitted. She requested \$40,000 for MSCD operations and beautification projects be included in the City's FY 2011/12 budget.

Angela Moore, Director of the Main Street Cultural District, stated that the Ames Foundation partnered with the MSCD to raise over \$50,000 for beautification of the District. Those monies paid for renovation of all the Downtown flower pots. In the past, the City has allocated \$4,000 towards beautification; however, it did not make that allocation in the 2010/11 budget, which means that the District will not have funds to plant flowers next spring. Ms. Moore asked that the 2010/11 budget be amended to add a \$4,000 contribution towards the beautification project.

Suresh Kothari, 3006 Northridge Parkway, Ames, advised that he has lived in his residence since 1991 and experienced the Flood of 1993. At that time, it was said that the system was designed for a five-year flood, but the rain that came in 1993 was "once in a hundred years phenomenon." Mr. Kothari referenced a transformer being placed in a low spot. During the floods, it was under three feet of water and it "burned up." He asked what proof there is that the system was designed as it should have been; the flooding keeps happening again and again. Mr. Kothari advised that he is an engineer and believes that the City needs to pay serious attention to this issue. He sees the City losing money and residents losing money every time this happens.

Joyce Vegge, 5128 Schubert Street, Ames, representing the Ames Foundation, said that she and Jim Mason were present in support of the MSCD in hopes that the Council will honor its request for \$4,000 for beautification of Main Street. Ms. Vegge sees the funding as critical for the maintenance of the project that has just been completed. She also stated that the Foundation looks to partner with others in the community to expand its City beautification projects.

Judy Lemish, 327 S. Maple, Ames, raised an issue about the fees charged at the new aquatics center. She stated that Carr Pool formerly offered a season pass for \$91; however, the Aquatics Center did not offer it nor did it offer a monthly pass. Ms. Lemish said that Carr Pool offered a monthly pass for approximately \$30. The Aquatics Center does offer a 20-punch card for \$90, which is cost-prohibitive for her and others who swim at least 20 times in one month. She was only able to use the new pool about ten times during the entire season due to its cost. Ms. Lemish noted that Carr Pool, when it was in operation, did not have the high fees; it was only one-half of

one percent of the entire Parks and Recreation budget. As a taxpayer, Ms. Lemish said she funds subsidies for others when she cannot afford it herself. Ms. Lemish also commented on the League of Women Voters' study and noted that, according to CNN, "Ames is ranked 2nd for the top places to live a long life." Following up on the comments made by Miriam Patterson, Ms. Lemish suggested that Carr Pool not be demolished due to the possibility of it being re-purposed as a 12-month warm-water facility. She felt that it should not be demolished at least until the League of Women Voters' study is complete.

Mr. Colvert again spoke, clarifying that the placement of the electrical transformers in Northridge is a separate issue from the storm sewer issue. Mr. Colvert believes that a perfect solution to the storm sewer problem would mean that transformers could be placed anywhere. Absent that solution, if the transformers are in a low spot, they will be inundated with water causing them to fail. Dr. Kothari noted that he was talking about one transformer.

Marisa Jones, 3519 Valley View, Ames, was present in support of the request for the City to look into the Northridge storm drain problems. There were six residences flooded on Valley View Road alone in August. It is still very stressful, emotionally and physically, for those residents.

A person called in to request that the City partner with ISU to deal with the crow problem.

Xueya Song, 3515 Valley View Road, Ames, said that he has lived in his residence for approximately ten years. August was the second time that his basement has flooded in the past three years. Two years ago, he was told that it would never happen again. Mr. Song advised that he had heard that it was a problem with the storm drain system. He acknowledged that he was not an expert on that and asked the City Council to look into it.

Catherine Scott, 1510 Roosevelt, Ames, requested that the Sustainability Coordinator be funded at a higher level than what is currently included in the budget. It is her opinion that the City needs a person who can devote more than a quarter of time to the job. Ms. Scott also requested that the City designate two free spring yard waste days.

Kathy Svec, 602 Grand, Ames, expressed her appreciation for the recent water improvement along Sixth Street, west of Grand Avenue. It has made a tremendous difference in the water pressure in her neighborhood.

Jim Meek, 2915 Northridge, Ames, said that his home and three others were inundated with water when the egress windows broke under pressure during the Flood of 2010. There was severe damage.

Jim Cannon, 2406 Ridgetop Circle, Ames, said he had only lived in his home since June. It was also flooded in August 2010; his current loss exceeds \$50,000.

The meeting concluded at 8:17 p.m.

10-6-10

Steve:

I am out of town this week and could not attend the city budget kickoff. Please forward this suggestion/request to the City Council

Two Cents for Mother Nature

My request is that the City Council commit a two cent property tax toward renewable energy - specifically the installation of solar panels on a city building.

A two cent property tax will probably generate enough money for a 7 to 10kw solar installation, depending on the cost of installation. I know the City Council has established regulations for solar installations and I would like to encourage a bold statement of commitment to renewable energy. My suggestion is to build a solar panel assembly at the Ice Rink that is visible from Hwy 30. This will show visitors to Ames, as well as residents, that the City Council is making a bold commitment to solar energy. Installation at the Ice Rink on the south wall or roof will also provide some shading to reduce the summer heat load as well as generate electricity. It will also involve ISU in a cooperative project (up to them if they want to match the city commitment).

The value of a solar installation is that it will provide power on those no wind, horribly hot and humid summer days that stress the peak load requirements of the Electric Dept. Although solar is more expensive than wind, it is more valuable because it reduces the peak requirement and overall electric bill compared to wind which only reduces the electric costs. I put a 2.1KW solar installation on my farm and it has been very productive this year. It includes tilttable panels that are adjusted depending on the season of the year. Council members are invited to view it to see the installation.

If the Ice Rink is not a desired location, I would suggest making the Animal Shelter the location for the installation. I am not sure of total energy usage at the shelter, but my guess is that is may be less than or close to the amount of energy that would be generated by two cent property tax.

Two cents for Mother Nature is within the limits of taxing authority and I encourage the City Council to make this commitment to show that Ames is a progressive city with a financial commitment to sustainable energy.

Mother Nature thanks you.

Bob Bourne

7-15-10

Steve,

After attending a CAA meeting, members informed me that the garbage cans on Welch were provided and maintained by the city. I was curious if we could get the same on Stanton, as we have a lot of traffic also.

I was thinking on the corner of Chamberlain and Stanton, in front of 200 Stanton, in front of 215 Stanton, and in front of 300 Stanton. These are the larger buildings that tend to accumulate garbage in the front lawns. I think if garbage cans were present, it would keep the streets and lawns picked up better.

Tobit Bowles
Campustown Property Management
Property Manager
Office: 515-598-9000
Fax: 515-598-9500
Email: tobit@isucampustown.com

October 9, 2010

Steve Schainker, City Manger
City of Ames

Mr. Schainker:

Thank you for the opportunity of input into the next Ames city budget. I was away from Ames during the council meeting and don't pretend to understand the budget process, but these thoughts are offered.

TEMPORARILY DIVERT FUNDS

Until the current economic turmoil is fully resolved, perhaps monies budgeted to public art and decoration might be diverted to more practical uses. It is fine to address aesthetics in Ames, but such action seems frivolous and inappropriate when strategic infrastructure needs go unmet. (The money spent last year to replant flowers killed by car exhaust, as reported by the Ames Tribune, did seem excessively wasteful, as did neglect of research before planting.) Perhaps temporarily, these funds could be spent on:

STORM DRAINS

Attending the September council meeting on flood control, I was affronted when another utility increase, to fund storm sewer improvement, blithely was mentioned in aside comments to the council. This occurred soon after considerable expenditure for public art was approved by the council without debate or question of propriety in times of steadily rising residential costs.

POLICE: FOR ANIMAL AND VEHICLE CONTROL

Besides or instead of drainage improvement, diverted funds might be given to police for additional control of noisy or aggressive animals as well as noisy, speeding motorized vehicles. (The city seems in need of much clearer, stricter, more practical ordinances regarding both, with burden of proof on owners and operators.)

Despite outstanding progress by Ames police and animal control, especially from late May to late September this year, these problems remain. In the five years that I have lived in central Ames, all or parts of most days and nights, especially in nice weather, sound like a dog kennel and a drag strip. (Time in my yard today was spoiled yet again by barking dogs from morning to evening.)

Surely the resulting annoyance and impression of unsophistication must influence visitors' judgments of Ames and bear on decisions regarding relocation to live or do business here. For residents, the chronic uncertainty that time spent outdoors. and often even indoors, can be predictably enjoyed figures into decisions about remaining as well as recommending Ames as a peaceful, safe place to live.

For all of its beauty, Ames of the past eight of so years has not been accommodating to pedestrians or to individuals hoping to peacefully and safely enjoy yards, sidewalks, or public spaces. Unfortunately, Ames is not alone in this situation, which may be one underlying reason that Iowa is lacking success in tourism and

growth. Perhaps remedy in Ames could serve as example and inspiration.

No amount of neighborhood party trailers or municipal encouragement to socialize is adequate to overcome feelings of animosity toward individuals who, with impunity, repeatedly steal time, concentration, or relaxation by acts of inconsideration. After numerous efforts and conversations by me and even law enforcement to establish mutual respect, I have neighbors with whom I no longer wish to associate. And I have no friendly feelings for strangers who appear with uncontrolled animals or who tear down streets riding in or on vehicles with thumping, blaring stereos or modified or missing mufflers. A primary key to camaraderie and community is egalitarian enjoyment, which if not implemented through civil mores can be achieved by city ordinance and enforcement.

PUBLIC WORKS: FOR INTERSECTION SAFETY INTERVENTION

Diverted monies also might be given to the public works department to identify and remedy intersections throughout Ames where visibility is blocked or diminished for driver's of small vehicles. As economic conditions bring more small vehicles to the streets, objects that are inconsequential to drivers of large, high vehicles (plants, bushes, hedges, parked cars, signs) pose significant hazards to occupants of small, low vehicles, especially for short drivers (I'm 5'2" and drive a subcompact).

(Thank you for addressing one previously raised issue of visibility, at the SW corner of S. Russell Ave and Lincoln Way. At present, the obstructing hedge and bush are being periodically trimmed to some degree. It still remains necessary to pull into the pedestrian cross-walk to gain visibility to the west before entering Lincoln Way, but previously it was necessary to pull onto Lincoln Way. The problem intensifies in winter, when the intersection is icy and snow hoods the hedge and bush.)

Thank you again for the opportunity for input and for any consideration of these suggestions.

Susan Lucke
126 S Russell Ave.
Ames, IA 50010
292-6029



PKts. 10-02-10
Copy Carol Colling

October 5, 2010

City of Ames, Mayor and City Council
515 Clark Avenue, Ames, Iowa 50010

To the Mayor and Members of City Council:

The Ames Historical Society sincerely thanks you for your support of local history with the 2010-11 grant of \$16,000 (funded by the Local Option Sales Tax). This amount substantially supports rent, mortgage and related occupancy costs necessary to provide the facilities that house the Society's collections.

We are asking for continued grant support in 2011-12 and are requesting \$18,000. The grant would assist us in safe-guarding our historic record and providing access and service to local residents, organizations and city departments. The grant would also help us with "The Mayors Project" requested by former Mayor Ted Tedesco and current Councilperson, Riad Mahayni. The project is progressing and we will need supplies to bring it to its final form for installing in City Hall. We have also recently moved Assessor's Office records to our storage facility and will begin reviewing these records to see what it will take extract information and make it accessible to the public.

At this writing, we occupy Suite 101 at 416 Douglas, and rent storage space at 410 Douglas and 108 Fifth. As of October 1, the balance on our contract to pay off 416 Douglas has been reduced to \$114,430. We have been disheartened by continuing delays in selling the Mary Adams house, but continue to solicit donations to the Building Fund to pay off the contract due at the end of 2011.

Weekly open hours on Wednesday, Thursday and Friday are extremely busy with visitors and those seeking help with research. With assistance from a Wells-Fargo grant, we were able to add a part-time employee to help host visitors and do research on the questions they ask. The Wells Fargo grant also funded the launch of our Oral History Project by funding equipment for this important capture of local stories.

Through the end of September we presented programs or exhibits to 38 organizations and groups, including Ames High class reunions, cub scouts, a statewide conference and Golden K Kiwanis. More programs are on the books for the remaining months of the year.

High usage of our website proves its importance as a resource. On the day that Ames resident, Neva Morris, became the oldest living person in the US, the Society fielded many calls from national news organizations and in one day, 8,100 visitors viewed our primary Morris page! At that time, traffic reached a new record high of over 36 gigabytes! We continue to receive messages from people around the globe who find material with us that they could not find anywhere else.

We will provide more detailed information about our organization during budget hearings. Thank you for your support and for your consideration!

Sincerely,

Peggy Baer, President

cc: Steve Schainker

P.O. Box 821, AMES, IOWA 50010
515-232-2148 MAIL@AMESHISTORICALSOCIETY.ORG
WWW.AMESHISTORICALSOCIETY.ORG

Main Street
CULTURAL DISTRICT
■■■■ Ames, Iowa ■■■■
312 Main Street, Suite 201
Ames, IA 50010

PKts. 10-08-10
Copy Carol Collings

October 5, 2010

Mayor and City Council
City of Ames
515 Clark Ave
Ames, IA 50010

Dear Mayor and City Council,

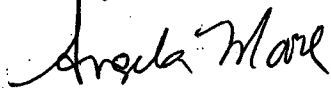
The Main Street Cultural District would like to thank the Ames City Council for the continued support through operations funding of our organization. As the 2010-2011 Budget was adopted, the Main Street Cultural District was allocated \$25,000 for operations, but was not allocated any funds for beautification. In years past, approximately \$4000 per year was allocated for downtown beautification as a 50% match for purchasing flowers, banners, pots and/or snowflakes.

The Ames Foundation was a terrific partner to MSCD this year in raising over \$50,000 for the Downtwon Beautification Project which resulted in raising the bar for beautification downtown. The city was also a terrific partner in allocating \$4000 for downtown beautification and taking over the watering of the flower beds. The \$4000 allocated to MSCD for beautification in the 2009-2010 fiscal year was used in conjunction with the entire Downtown Beautification Project. Many thousands of dollars of this project were donated from downtown businesses including donations from the entire MSCD board of directors.

In the current budget, 2010-2011, no funds were allocated from the City for beautification. If there are funds available, we would like to request that the 2010-2011 budget be amended to include \$4,000 for the purchase of flowers and beautification. We greatly appreciate the consideration of this request as we feel the Downtown Beautification Project has elevated our environment for development and growth. We are continuing the partnership with the Ames Foundation and would like to use the allocation to invest in more flowers and beautification.

We appreciate your support to help us beautify your Main Street Cultural District.

Sincerely,



Angela Moore
Main Street Cultural District
Director

Cc: Jeff Benson

PROPERTY TAX LEVIES FOR 2010/2011
FOR TAXES PAYABLE JULY 1, 2010 TO JUNE 30, 2011

LEVIES	2009/10 /\$1,000	2010/11 /\$1,000	CHANGE PER/1,000	PERCENT CHANGE	% OF TOTAL
CITY OF AMES					
GENERAL CITY	5.81420	6.14501			
DEBT SERVICE	3.94549	3.57104			
EMPLOYEE BENEFITS	0.47270	0.51112			
TRANSIT LEVY	0.62580	0.61862			
TOTAL CITY LEVY	10.85819	10.84579	(0.01240)	-0.11%	33.24%
SCHOOL					
GENERAL SCHOOL	11.55784	12.38988			
MANAGEMENT	0.00000	0.24765			
SCHOOL HOUSE VOTED	1.34000	1.34000			
DEBT SERVICE	0.35980	0.34586			
PHYSICAL SITE	0.33000	0.33000			
TOTAL SCHOOL	13.58764	14.65339	1.06575	7.84%	44.90%
COUNTY					
GENERAL BASIC	3.50000	3.50000			
COUNTY SUPPLEMENTAL	0.67164	0.67164			
MH-DD SERVICES	0.97162	0.92179			
AG EXTENSION	0.09053	0.08609			
COUNTY HOSPITAL	0.27000	0.27000			
COUNTY HOSPITAL FICA	0.03244	0.03244			
CO HOSPITAL AMBULANCE	0.11806	0.11806			
DEBT SERVICE	0.67210	0.55172			
TB & BANGS	0.00300	0.00340			
CITY ASSESSOR	0.26420	0.26979			
CITY ASSESSOR SP APSR	0.07971	0.14806			
TOTAL COUNTY	6.67330	6.57299	(0.10031)	-1.50%	20.14%
OTHER					
D M A C C	0.56778	0.56008	(0.00770)	-1.36%	1.72%
GRAND TOTAL LEVIES	31.68691	32.63225	0.94534	2.98%	100.00%

COMPARISON OF CITY PROPERTY TAX VALUATIONS AND TOTAL LEVIES

VALUATION BASED ON JANUARY 1, 2009

CITY TAX LEVIES TO BE COLLECTED FISCAL YEAR 2010/11

CITY	CENSUS	RANK	VALUATION EXCLUDING TIF	GENERAL LEVY PER \$1,000	TOTAL CITY TAX LEVY/\$1,000	LEVY RANK	TAX BURDEN PER CAPITA			% CHANGE TOTAL LEVY PRIOR YEAR	% CHANGE VALUATION PRIOR YEAR
							GENERAL LEVY	TOTAL LEVY			
Waterloo *	68,747	5	\$2,105,284,947	\$ 8.10	\$ 18.26	1	\$ 248.05	\$ 559.19		1.72%	-0.27%
Council Bluffs *	58,268	7	2,292,937,675	8.10	17.85	2	318.75	702.43		5.80%	-0.67%
Iowa City	62,220	6	2,731,041,904	8.10	17.76	3	355.54	779.55		6.69%	-0.50%
Sioux City *	85,013	4	2,136,515,423	8.10	17.30	4	203.57	434.78		3.91%	-3.08%
Des Moines	198,682	1	6,397,515,722	8.10	16.58	5	260.82	533.87		5.96%	0.00%
Davenport *	98,359	3	3,719,222,140	8.10	15.53	6	306.28	587.23		1.43%	-0.32%
Cedar Rapids	120,758	2	5,202,552,672	8.10	15.22	7	348.97	655.72		2.43%	0.00%
Cedar Falls *	36,145	11	1,195,193,364	8.10	13.00	8	267.84	429.87		3.20%	-0.15%
West Des Moines	46,403	10	3,720,483,153	8.10	12.05	9	649.44	966.14		4.74%	0.00%
Ames *	50,731	9	2,126,174,883	6.15	10.85	10	257.75	454.73		4.70%	-0.09%
Dubuque *	57,686	8	1,980,445,335	8.10	10.03	11	278.08	344.34		2.31%	1.72%
Average Excluding Ames			\$3,148,119,234	\$ 8.10	\$ 15.36		\$ 323.73	\$ 599.31		3.82%	-0.33%

* Cities with local option tax