

ITEM #:	39
DATE:	10-14-25
DEPT:	CMO

COUNCIL ACTION FORM

SUBJECT: FY 2025/26 ASSET UNALLOCATED AND RESERVED FUND USE

BACKGROUND:

In June 2025, the City Council approved the last rounds of FY 2025/26 Analysis of Social Services Evaluation Team (ASSET) contracts. In total, there are 25 local nonprofit partners with contracts, and the amount of City funds contracted is \$1,874,734.

In late spring 2025, the Council, per the recommendation of the ASSET Board, also approved designating \$49,844 as unallocated ASSET funds to meet basic needs that may later arise. The City Council also reserved an additional \$96,229 for continuous improvement and housing initiatives. To date, none of the undesignated funds or the reserved amount have been expended.

The Council, through its annual budget process, has also approved \$9,064 in FY 2025/26 towards administrative costs. These funds are used to pay for a portion of the salary of an administrative assistant and for basic office equipment needed for ASSET.

Staff is now seeking Council's authorization to use part of the unallocated ASSET funds (\$49,844) and the reserved funds (\$96,229). There are six separate requests presented below:

Request 1: Authorize using \$5,410.59 of reserved ASSET funds towards administrative costs.

The ASSET Administrative Assistant is an independent contractor with an annual contract held by United Way of Story County on behalf of ASSET. The four funders equally pay a portion of the total cost. For FY 2025/26, the total contract amount is \$16,231.77. The Administrative Assistant invoices for payment to ASSET at the end of the month of work completed.

The current ASSET Administrative Assistant has generously provided advance notice that she is no longer interested in continuing in her role after January 2026, which gets the ASSET process through another Board recommendation funding cycle. ASSET Funder Staff, through Story County, posted the position in August and anticipate filling it this month in October 2025. Funder Staff agrees that having an overlap period for the new person and the current administrative assistant is invaluable. **Therefore, staff is requesting Council to authorize using the reserved dollars to assist with the cost of a new administrative assistant for approximately four months of overlap.** The rate of compensation would remain the same so the total cost would be \$5,410.59. City staff believes this is a good use of reserved ASSET funds, as it will also allow Funder Staff the ability to catch up on administrative tasks that have fallen behind.

Request 2: Authorize using up to \$5,000 of reserved ASSET funds towards community

roundtable discussions in FY 2025/26.

It is important for the ASSET Funder Staff to be able to convene various roundtable discussions as a way to stay informed about community needs and facilitate community partnerships. **As such, staff is requesting that up to \$5,000 of reserved ASSET funds be shifted into the administrative fund to be used towards expenses centered around community roundtables.** One specific event that will be coming up on October 16 is the landlord roundtable discussion - an event designed to bring social service providers together with local landlords to inspire further collaboration. Another event staff anticipates convening this winter will bring together faith-based organizations around supporting the vulnerable and unsheltered population. This budget would be used towards supplies, room rentals, facilitators, and food as a way to incentive participation.

Request 3: Authorize using up to \$15,000 of reserved ASSET funds to hire a Consultant for ASSET Funder Boards Strategic Conversations.

In summer 2025, the full boards of the ASSET Funders (City Council, Board of Supervisors, ISU Student Government, and United Way of Story County) met three times to try and develop joint priorities across the funders. While this endeavor was unsuccessful, the conversations revealed a common desire by board members for further collaboration and clarity around the ASSET process. **As such, ASSET Funder Staff is recommending that outside assistance be sought for bringing the funding boards together to define: 1) vision, goals, and outcomes statements for ASSET, and 2) measurable outcomes and key performance indicators to assess the success of reaching goals and outcomes identified.**

If approved by Council, City staff will work with the other Funder Staff to put an RFP together to seek the assistance of a consultant for strategic conversations. At this time, the other ASSET Funder Boards have not been asked about financial contributions towards this, however, all Funder Staff agree this service is critical for success.

Request 4: Authorize using up to \$15,000 of reserved ASSET funds for nonprofit trainings offered to the non-profit community.

The City Council approved reserving the 5% increase it made available to ASSET this year (\$96,229). A primary goal for doing this was to be able to focus on supporting the ASSET agencies with continuous improvement and professional development opportunities. One way this can be accomplished is to offer various trainings to non-profits at no cost to them. Staff would work on finding credible and qualified trainers to lead the trainings, and agencies could opt into the trainings that seemed most relevant and meaningful.

Staff has inquired of the ASSET agencies about this idea, and of the 11 agencies that have responded, all have expressed strong interest in this offering. 60% of agencies are interested in training on strategic planning, board development and guidance, manager/supervisor leadership coaching, and program evaluation and impact measures. If approved, the City would prioritize spots for ASSET agencies, however, would likely open it up to other non-profit agencies in Ames.

Request 5: Authorize allocating up to \$10,000 from the ASSET unallocated funds and shifting it towards the Homelessness Outreach Services Team (HOST).

At the beginning of 2025, City Council authorized \$11,250 from its contingency fund to be used towards assisting the unsheltered population. HOST provided an update to Council this past summer on the pilot flex fund, indicating its success in allowing the outreach team to meet peoples' needs and build trust. The funds have primarily gone towards purchasing bus passes, phones and minutes, clothing, and food. The funds have now been fully expended, and the HOST team is seeking additional funding to support this work.

While in the field, HOST has also encountered individuals who want to donate to their cause. Since the City is not currently set up to manage this type of service, City staff approached Mary Greeley Foundation to see if they were willing to assist. The Alternative Response to Community Health (ARCH) is part of the Mary Greeley Medical Center (MGMC) and HOST, and the hospital's foundation has agreed to accept and manage donations to HOST from private donors. They are also willing to manage any outreach flex funds made available to HOST. As of the beginning of October, Mary Greeley Foundation has also began accepting donations on behalf of HOST (see Attachment A).

HOST was created to fill a gap that existed in our community that previously had been filled with non-profit partners. While the goal is still to support non-profits to be able to resume outreach activities, it is not anticipated to happen in the near future. As such, City staff anticipates HOST will continue to fill in this service gap, and therefore staff is recommending additional funding to HOST to support the outreach activities they have been doing. **If approved by Council, City staff is recommending that up to \$10,000 of the undesignated funds for ASSET be shifted to support the flex fund for HOST.**

The City is currently in the process of updating its agreement with MGMC regarding its agreement to support ARCH. If Council approves this action, the Legal Department will assist in incorporating the outreach funds into the updated agreement that will come before Council at a later date. City staff will work with MGMC to define the terms of using the flex funds, including specifying what types of expenses are eligible.

Request 6: Authorize contributing \$10,000 of reserved ASSET funds towards a Story Countywide Childcare Study.

In fall 2014, Iowa State University (ISU) Office of Child Care and Family Resources hired a consultant to conduct a childcare feasibility study. According to the study, the purpose was to "investigate the potential for enhancing the capacity of early childhood programs to serve the needs of ISU's community of faculty, staff and students, and the ISU Research Park tenant community." Since its completion, there has been a daycare added to the ISU Research Park area and the ISU has improved its childcare services.

The study is now 11 years old, and an updated study will be beneficial for the community given the changes that have occurred in childcare services over the last decade. As such, United Way of Story County and the Ames Regional Economic Alliance (AREA) are partnering to commission a comprehensive childcare feasibility study for Story County (see Attachment B). The last childcare feasibility study was completed in 2014, over 11 years ago, and the community can benefit from an updated analysis of childcare needs, services, and resources.

The City of Ames has been asked by United Way of Story County and the AREA to help contribute \$10,000 towards the cost of the study, which will not exceed \$53,500. Financial commitments to date include United Way of Story County contributing \$10,000 plus in-kind

support and the AREA committing \$5,000. The Nevada Economic Development Council and Story County Medical Centers have also committed but the amount is yet to be determined.

For FY 2025/26, approximately 30% (\$618,335) of City ASSET funding was dedicated towards childcare-type services. Given this significance, the City stands to benefit from an updated childcare feasibility study. Therefore, staff is recommending that the Council authorize up to \$10,000 of the reserved ASSET funds towards the study. The study is anticipated to be finished after the first quarter of 2026, and will provide insights into where strategic investments can be made in the childcare services arena.

The table below summarizes the request from staff:

	ASSET Unallocated Funds (\$49,844)	ASSET Reserved Funds (\$96,229)
Request 1: Administrative Costs		\$5,410.59
Request 2: Community Roundtable Discussions		\$5,000
Request 3: Consultant for ASSET Funder Boards Strategic Conversations		\$15,000
Request 4: Nonprofit Training		\$15,000
Request 5: HOST Flex Funds	\$10,000	
Request 6: Childcare Study Contribution		\$15,000
Total Cost of Requests	\$10,000	\$50,410.59
Remaining amounts	as unallocated \$39,844*	as reserved \$45,818.41**

* undesignated, unallocated dollars can be distributed at a later time to an ASSET agency as needs arise in the community.

** Reserved funds are intended to be used for continuous improvement and housing needs. These funds can also be used to implement recommendations from the homelessness study report.

ALTERNATIVES:

1. Approve requests 1-6 as outlined above, leaving \$39,844 remaining as undesignated, unallocated ASSET dollars, and \$45,818.41 remaining as ASSET reserved funds for FY2025/26.
2. Refer back to staff for more information.
3. Deny the request.

CITY MANAGER'S RECOMMENDED ACTION:

Staff has carefully evaluated the current needs for the community and believes the requests above will address community needs and improve ASSET's effectiveness. Therefore, it is the recommendation of the City Manager that Alternative 1 be approved.

ATTACHMENT(S):

Attachment A: HOST FB Post.png

Attachment B: Story County Childcare Feasibility Study Investment Overview.pdf