

ITEM #:	12
DATE:	05-26-26
DEPT:	CMO

## COUNCIL ACTION FORM

**SUBJECT: APPROVAL OF FY 2026/27 ASSET CONTRACTS AND UNALLOCATED FUNDS**

### BACKGROUND:

During the preparation of the FY 2026/27 City Budget, the City Council approved a 3% increase (\$60,624) for Analysis on Social Services Evaluation Team (ASSET) funding, for a total of \$2,081,431. Of this total amount, in December 2025, Council reserved \$100,000 for case management and the remaining \$1,981,431 was made available to the ASSET Board volunteers to allocate to agencies.

In January 2026, the ASSET Board recommended that \$1,797,586 be allocated to 22 agencies for FY 2026/27 (See Attached FY 2026/27 ASSET Budget Wrap Up Report - Page 4 for details). Of the unallocated amount, the ASSET Board recommended designating:

- a. \$56,002 for basic needs services
- b. \$36,000 for mental health services
- c. \$91,843 for emergency shelter services
- d. \$100,000 for case management

Notably, there is one new ASSET agency this year that the City is contracting with: Creative Counseling Services. Creative Counseling Services will be providing mental health services to Ames residents in FY 2026/27.

Staff has reattached the FY 2026/27 ASSET Budget Wrap Up Report, which summarizes the contract amounts per agency and highlights notable items about this funding cycle. There are 22 agencies where the City is purchasing services. Contracts were sent to all 22 agencies, and all those contracts have been returned. **At this time, Council is being asked to approve the 22 separate FY 2026/27 ASSET contracts totaling \$1,797,586 as recommended by the ASSET Board.**

The \$183,845 of unallocated amounts listed above are available to be requested by an ASSET agency that is able to provide these services. In addition, the \$100,000 reserved for case management will remain reserved until staff can issue an RFP for an organization to provide case management. Staff anticipates issuing that RFP yet this FY 2025/26 fiscal year for a possible start date as early as July 1, 2026.

## **ALTERNATIVES:**

1. Approve the following:
  - a. ASSET agency contracts for the 22 agencies totaling \$1,797,586
  - b. Designation of unallocated FY 2026/27 ASSET funds in the amount of \$56,002 for meeting basic needs.
  - c. Designation of unallocated FY 2026/27 ASSET funds in the amount of \$36,000 for mental health.
  - d. Designation of unallocated FY 2026/27 ASSET funds in the amount of \$91,843 for emergency shelter services.
  - e. Designation of unallocated FY 2026/27 ASSET funds in the amount of \$100,000 for case management.
2. Do not approve the ASSET agency contracts.
3. Refer to staff for additional information.

## **CITY MANAGER'S RECOMMENDED ACTION:**

**The City Council has allocated funds for human services through the ASSET process and the approval of the City's FY 2026/27 budget, which includes the unallocated funds. The 22 ASSET funded agencies have signed and returned their contracts for services.** Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1.

## **ATTACHMENT(S):**

[FY 2026-27 ASSET Budget Wrap Up Report.pdf](#)