

ASHLAND CITY COUNCIL
DRAFT MINUTES REGULAR BUSINESS MEETING
Tuesday, February 16, 2021

Held Electronically; View on Channel 9 or Channels 180 and 181 (Charter Communications) or live stream via rvtv.sou.edu select RVTV Prime.

Written and oral testimony will be accepted for public input. For written testimony, email public-testimony@ashland.or.us using the subject line: February 16 Business Meeting Testimony.

For oral testimony, fill out a Speaker Request Form at ashland.or.us/speakerrequest and return it to the City Recorder. The deadline for submitting written testimony or speaker request forms will be on Tuesday, February 16 (due to the Monday holiday) at 10 a.m. and must comply with Council Rules to be accepted.

Note: Items on the Agenda not considered due to time constraints are automatically continued to the next regularly scheduled Council meeting [AMC 2.04.030.E.]

I. CALL TO ORDER

Mayor Akins called the Council Business Meeting to order at 6:00 PM.

II. PLEDGE OF ALLEGIANCE

Councilor Jensen led the all to recite the Pledge of Allegiance.

III. ROLL CALL

Councilors' Hyatt, Graham, Seffinger, DuQuenne, Moran and Jensen were present.

IV. MAYOR'S ANNOUNCEMENTS

Mayor Akins spoke of Commission/Committee vacancies.

DuQuenne/Moran moved to postpone Resolution No. 2021-03 allocating anticipated TOT restricted revenues from 2021-2023. Discussion: DuQuenne spoke that she is in favor of funding Travel Ashland, Chamber, OSF and Arts. She spoke she is not in favor of cancelling the ETSG grants for 2 years. Would like further discussion. Moran spoke in agreement with DuQuenne. City Attorney David Lohman spoke regarding concerns to DuQuenne and Moran concerns. DuQuenne spoke to the importance to allow enough time for the Council to discuss the topic. Graham spoke she would like to keep it on the Agenda and if Council runs out of time to make a decision as a group move this item. Call Vote: Hyatt, Graham, Jensen: NO. DuQuenne and Moran: YES. Motion failed 2-3.

V. APPROVAL OF MINUTES

1. Study Session of February 1, 2021
2. Business Meeting of February 2, 2021

Moran clarified that his request in the Study Session is to RVSS give a presentation about what they do; and, not for Ashland City Staff to do anything. He also clarified that at the Council Business Meeting he did not ask that Staff prioritize to do anything around the RVSS

presentation. He never asked Staff to do an analysis to the Waste Water System. He spoke that it is unproductive to misrepresent any Councilor. Lohman explained the protocol for minutes.

Moran/DuQuenne moved to approve the minutes. Discussion: None. All Ayes. Motion passed unanimously.

VI. SPECIAL PRESENTATIONS & AWARDS

1. Travel Ashland & Chamber of Commerce 2020 Tourism Grant Report

Director of Travel Ashland Katharine Cato, Ashland Chamber Executive Director Sandra Slattery and Chair of the Travel Ashland Committee Hiram Towle gave an update to Council.

Items discussed were:

- Funding.
- Digital Platform.
- Bringing in new visitors.
- Letters of support.
- Economic Development Study.
- Literacy Program.
- Emergency Preparedness Program.
- Ashland Events.

Council thanked the presenters.

Council discussed how to draw in more diverse groups and buying patterns.

Council discussed the funding.

Slattery spoke to the labor intensive work that Staff does.

2. Fiscal Year 2021 Mid-Year Financial Update

Finance Director Melanie Purcell presented Council with a PowerPoint Presentation (see attached).

Items discussed were:

- FY2021 Status.
- Proposed Amendments.
- Revenues and Expenditures.
- Mid- Year Update.
- General & Central Services Funds.
- First Quarter Highlights.
- TOT 10 Year History and Forecast.

- Food and Beverage 10-year History and Forecast.
- Going forward with revenues.
- Going forward with expenses.

VII. MINUTES OF BOARDS, COMMISSIONS, AND COMMITTEES

| | | |
|-------------------------------------|--|---|
| <u>Airport</u> | <u>Budget</u> | <u>Conservation</u> |
| <u>Historic</u> | <u>Housing and Human Svcs.</u> | <u>Parks & Recreation</u> |
| <u>Forest Lands</u> | <u>Climate Policy</u> | <u>Cost Review</u> |
| <u>Planning</u> | <u>Public Arts</u> | <u>Transportation</u> |
| <u>Tree</u> | <u>Wildfire Mitigation</u> | |

VIII. PUBLIC FORUM

Business from the audience not included on the agenda. The Mayor will set time limits to enable all people wishing to speak to complete their testimony. [15 minutes maximum]
See note above for how to submit testimony for Public Forum.

Don Anway – Ashland - Spoke in support of Travel Ashland.

Drew Gibbs – Ashland -Spoke in support of Travel Ashland.

Pete Wallstrom – Ashland - Spoke in support of Travel Ashland.

Jordan Pease – Ashland – Spoke in support of Travel Ashland.

Cindy Bernard – Ashland – Spoke in support of Travel Ashland.

Brad Niva– Ashland – Spoke in support of Travel Ashland.

Alana Hughson– Ashland – Spoke in support of Travel Ashland.

Andy Card – Ashland – Spoke regarding OSF and ways to pay the rent.

Cassie Preskenis - Ashland – Spoke regarding the say their names memorial becoming a permanent art installation along the fence line of A Street Park.

IX. CITY MANAGER REPORT

City Manager Pro Tem Adam Hanks gave the City Manager Report (*see attached*).

X. CONSENT AGENDA

XI. PUBLIC HEARINGS

Persons wishing to speak are to submit a “speaker request form” prior to the commencement of the public hearing. Public hearings conclude at 8:00 p.m. and are continued to a future date to be set by the Council, unless the Council, by a two-thirds vote of those present, extends the hearing(s) until up to 9:30 p.m. at which time the

Council shall set a date for continuance and shall proceed with the balance of the agenda.

1. Public Hearing for Resolution No. 2021-02 Adopting a Supplemental Budget for Changes to the 2019-21 Biennial Budget.

Purcell gave a Staff report.

Moran/Graham moved to postpone the discussion on supplementary budgetary until the next Council Meeting where the Finance Director can provide additional information on where the money is being spent. Discussion: None. Voice Vote. Motion passed 5-1.

XII. UNFINISHED BUSINESS

1. Approval of the City Manager Job Description

Human Resource Director Tina Gray gave a Staff report.

Council discussed whether or not to have Master's Degree be required or desired. Staff recommended to have it be stated desired not required.

Council spoke regarding residency requirements for City Manager.

Graham/Jensen moved to direct Staff to move forward with the City Manager Job Description. Discussion: Graham spoke regarding the Master's Degree qualifications. She spoke that it is clear that Master degree is desired and hoping to move forward. Jensen spoke in agreement with Graham. Moran spoke in support of having a City Manager being a resident. DuQuenne spoke in agreement with Moran.

Hyatt/Graham amended the motion to say under education: "A Master's Degree in Public Administration or Business Administration is highly desirable. A Bachelor's degree with major coursework in public administration, business administration, finance, or a closely related field required". Discussion: Graham spoke in support of the Master's degree. **Roll Call Vote: Jensen, Seffinger, Moran, Graham, Hyatt: YES. DuQuenne: NO. Motion passed 5-1.**

Roll Call Vote for the main motion. Hyatt, Graham, Moran, Seffinger, DuQuenne and Jensen: YES. Motion passed unanimously.

Hyatt/Graham moved to have residency of the City Manager be placed for discussion on the Look Ahead. Discussion: None. Voice Vote. All Ayes. Motion passed unanimously.

2. Approval of a Contract for Professional Recruitment Services for an Executive Search for City Manager

Gray gave a brief Staff report.

Council discussed the process.

Jensen/Hyatt moved to approve a contract with Peckham & McKenney for Professional Recruitment Services to select a City Manager and authorize the Human Resource Director to sign a contract and commence work on the recruitment immediately.

Discussion: Jensen spoke in support of the motion and that it is comprehensive and knowledgeable. Moran spoke in support of the motion. He questioned the process. Gray answered that this will come back to Council. **Roll Call Vote: Moran, Graham, Hyatt, Jensen, DuQuenne and Seffinger: YES. Motion passed unanimously.**

Graham/Seffinger moved to direct Staff to go forward with a community survey with this recruitment process. Discussion: Graham spoke that this is necessary and the importance to get community input. Seffinger spoke to the importance of the motion. **Roll Call Vote: Graham, Hyatt, Moran, Jensen, Seffinger and DuQuenne: YES. Motion passed unanimously.**

3. Social Equity and Racial Justice Resolution – Council Discussion and Action Identification

This Item was moved to the next Council Business Meeting.

XIII. NEW AND MISCELLANEOUS BUSINESS

1. Approval of Interim Staffing Plan for Ashland Fire & Rescue

Hanks gave a brief Staff report.

Council discussed the options.

Council thanked the Chief Sartain and the Fire Department.

Jensen/Hyatt moved to direct the City Manager to pursue an employment contract that would make Ralph Sartain the Interim Fire Chief and enact move-ups within the Department to ensure adequate staffing for Ashland Fire & Rescue. Discussion: Jensen spoke in support of the motion. Hyatt gave gratitude to Chief Sartain and Staff. **Voice Vote. All Ayes. Motion passed unanimously.**

2. Commission on Race and Social Equity – Discussion Questions

Public Forum:

David Schmitz – Ashland – Executive Director of the Oregon Shakespeare Festival. Schmitz spoke in support of the Commission.

Emily Simon – Ashland – Spoke in support of the Commission and the urgency to get this going.

City Attorney David Lohman gave a Staff report.

Graham proposed to bring back the 15 questions on the Consent Agenda.

Due to time constraints this item was moved to the next Council Business Meeting.

XIV. ORDINANCES, RESOLUTIONS AND CONTRACTS

1. Resolution No. 2021-03 Allocating Anticipated Transient Occupancy Tax Tourism Restricted Revenues for Biennium 2021-2023

Due to time constraints this item was moved to the next Council Business Meeting.

2. Approval of Appointment of Ralph Sartain as Interim Fire Chief

Hyatt/Jensen moved to approve Ralph Sartain's appointment as Interim Fire Chief and authorize the City Manager Pro Tem to sign the related employment agreement.

Discussion: None. **Voice Vote. All Ayes. Motion passed unanimously.**

XV. OTHER BUSINESS FROM COUNCIL MEMBERS/REPORTS FROM COUNCIL LIAISONS

XVI. ADJOURNMENT OF BUSINESS MEETING

The Business Meeting was adjourned at 9:30 PM.

Respectfully submitted by:

City Recorder Melissa Huhtala

Attest:

Mayor Akins

City of Ashland Financial Update

CITY COUNCIL BUSINESS MEETING

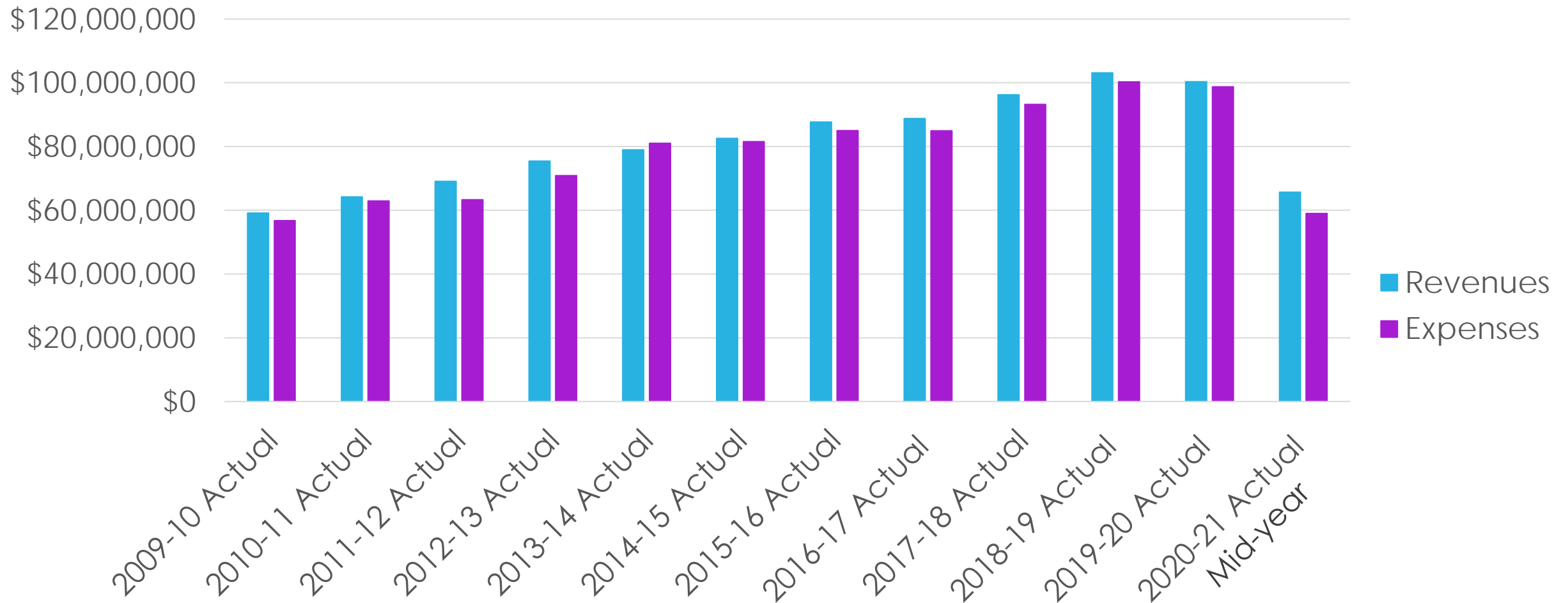
FEBRUARY 16, 2021

Financial Update

- FY2021 Status
- Proposed Amendments
 - Insurance Fund
 - Grants and Reimbursements: Fire, Community Development
- Going Forward:
 - BN21-23 Budget Environment- Constrained revenues, continued service demands and increasing costs of service
 - Maintaining options- keep flexibility for future adjustments and to implement long-term strategic plan
 - Focus on Structure and Resilience building- basic service priorities
 - What combination of services best meet the needs of the community?

All Funds Revenues & Expenditures- Actual through December 31, 2020

All Funds Annual Revenues and Expenses



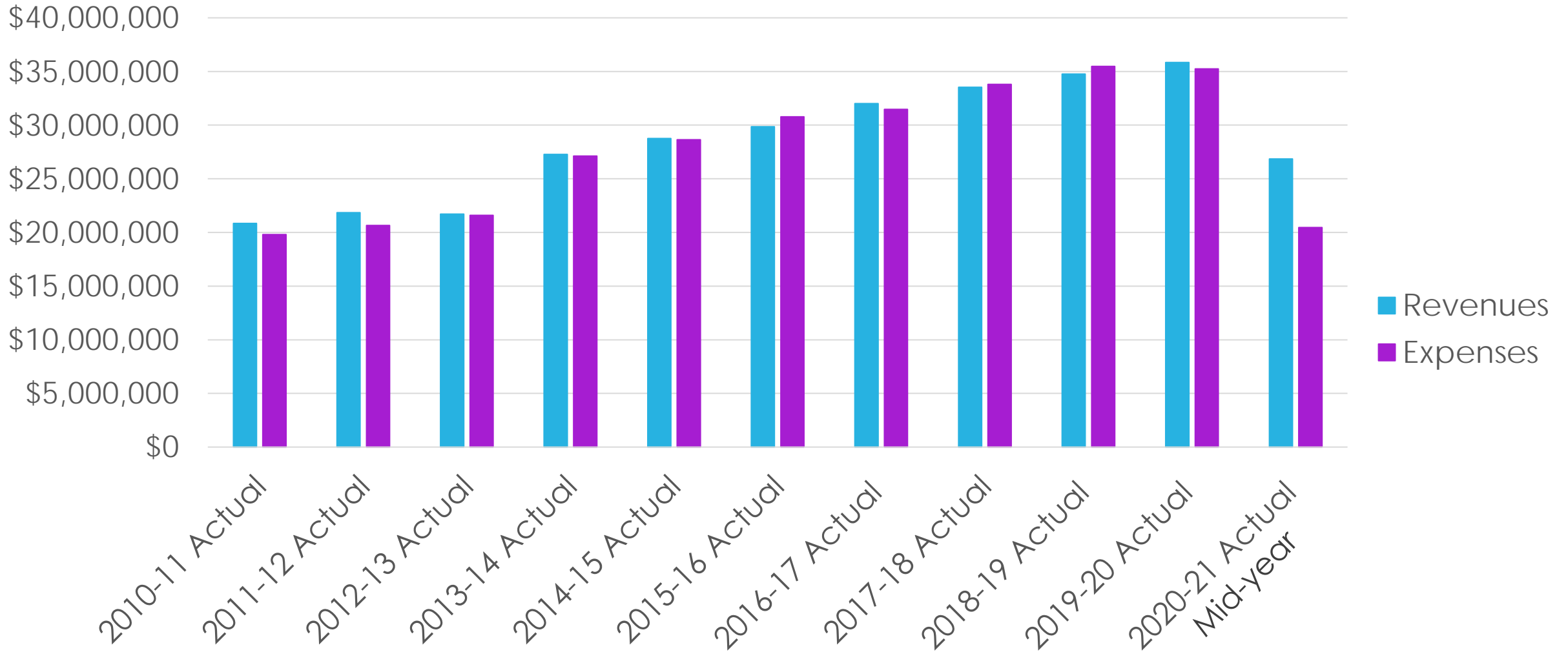
FY2021 Mid-Year Update

All Funds as of 12/31/20 (50%)

| | FY2020 Actual | FY2020 Mid-Year | % of Total | FY2021 Budget | FY2021 Mid-Year | % of Budget |
|----------------------|------------------|--------------------|---------------|------------------|--------------------|----------------|
| Taxes | 25,394,514 | 17,797,079 | 70.08% | 27,858,098 | 16,971,252 | 60.92% |
| Charges and Fees | 65,158,731 | 34,458,038 | 52.88% | 66,619,740 | 33,614,200 | 50.46% |
| Permits and Fines | 1,514,114 | 782,860 | 51.70% | 1,557,050 | 1,847,564 | 118.66% |
| Transfers | 675,144 | 846,619 | 125.40% | 989,672 | 204,551 | 20.67% |
| Miscellaneous | 7,588,295 | 2,357,788 | 31.07% | 32,677,827 | 3,558,326 | 10.89% |
| Resources TOTAL | 100,330,798 | 56,242,384 | 56.06% | 129,702,386 | 56,195,894 | 43.33% |
| Personnel Services | 34,126,944 | 17,806,796 | 52.18% | 37,429,278 | 16,495,567 | 44.07% |
| Materials & Services | 49,033,460 | 25,284,759 | 51.57% | 54,314,802 | 24,389,051 | 44.90% |
| Debt Service | 4,925,855 | 2,239,277 | 45.46% | 4,329,864 | 5,521,200 | 127.51% |
| Capital | 9,982,999 | 5,064,736 | 50.73% | 36,296,507 | 3,382,029 | 9.32% |
| Transfers | 675,144 | 846,619 | 125.40% | 2,406,731 | 204,551 | 8.50% |
| Expenses TOTAL | 98,744,402 | 51,242,187 | 51.89% | 134,777,182 | 49,992,398 | 37.09% |

FY2021 Mid-Year Update: General and Central Services Funds

General and Central Services Funds (net Transfers)



FY2021 First Quarter Highlights

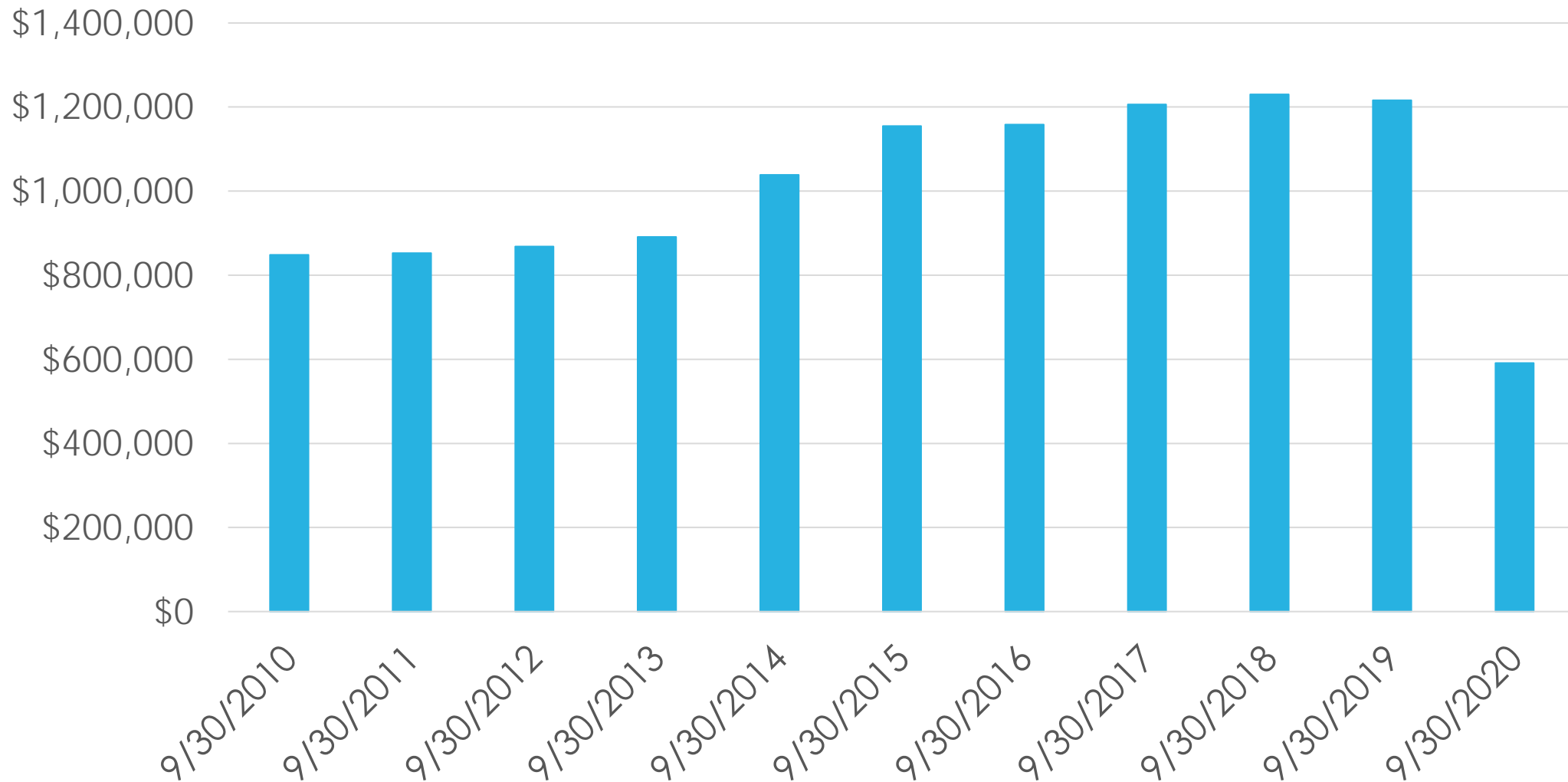
- Flat revenues; still lower than pre-COVID but not continuing to decline
- Expenditures tightly controlled through operations

- Balance increasing or stable in: General Fund, Central Services Fund,
- Balances declining in: Streets Fund
- Balances of concern in: Insurance Fund

- Enterprise Funds are stable; anticipated rate increases were not implemented so will need attention in BN2021-2023;

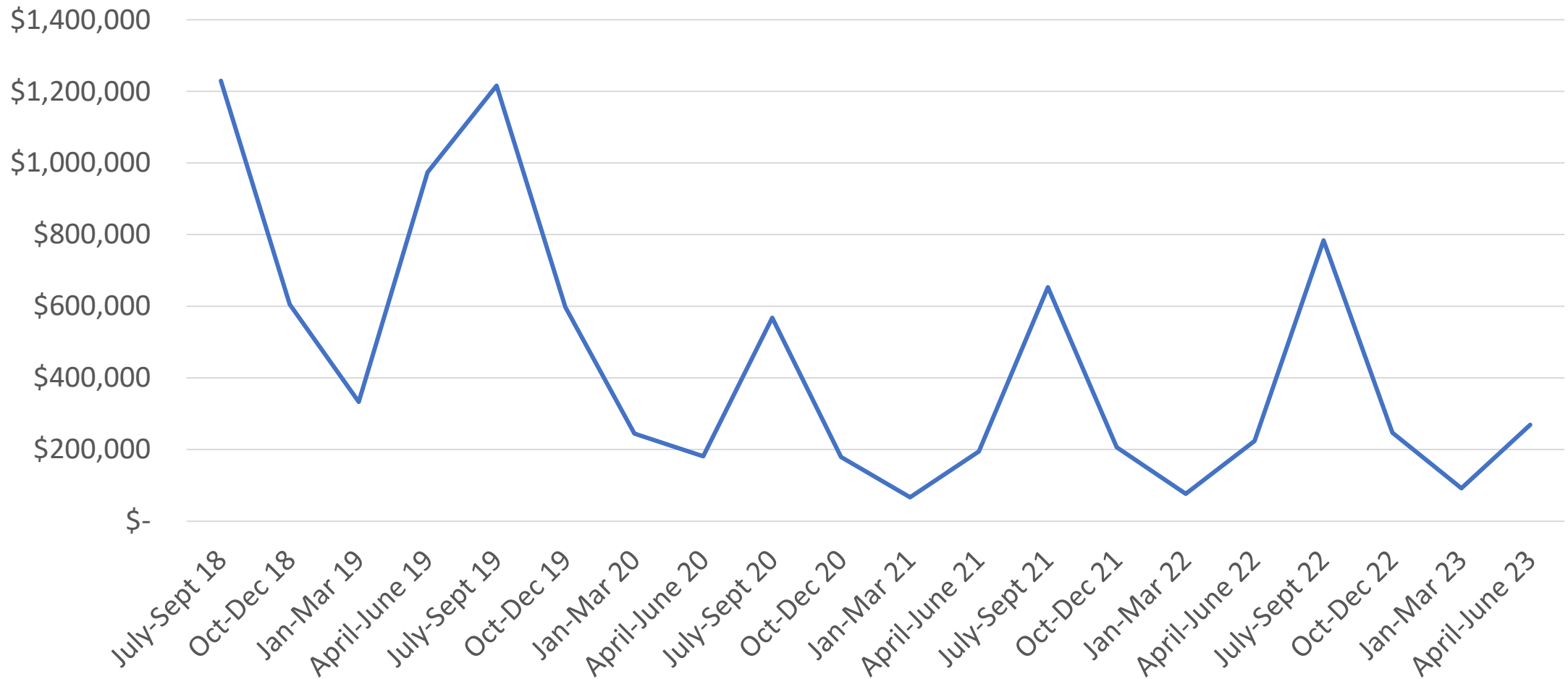
Transient Occupancy Tax 10-year History

TOT Revenues



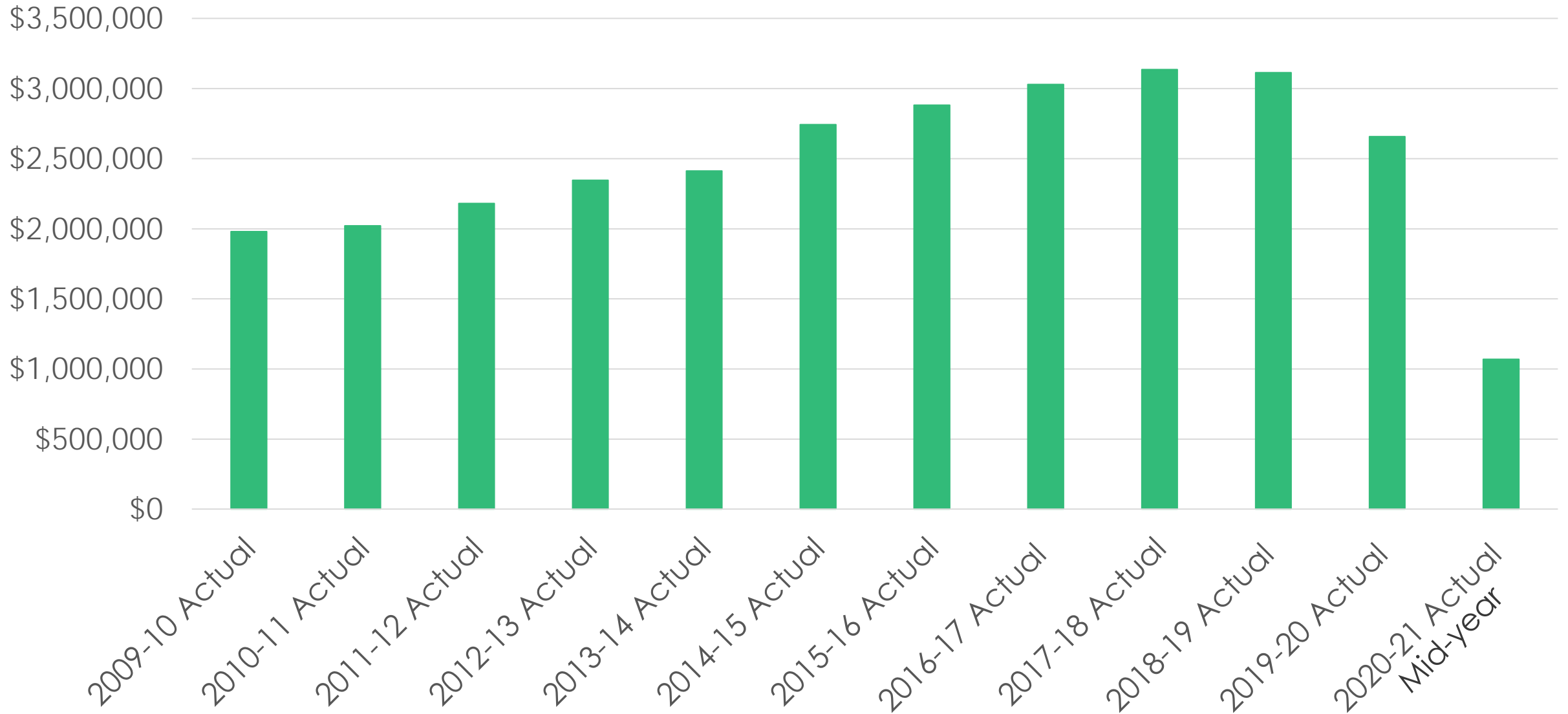
Transient Occupancy Tax

Transient Occupancy Tax



Food & Beverage Tax 10-year History

Food and Beverage Tax



Going Forward - Revenues

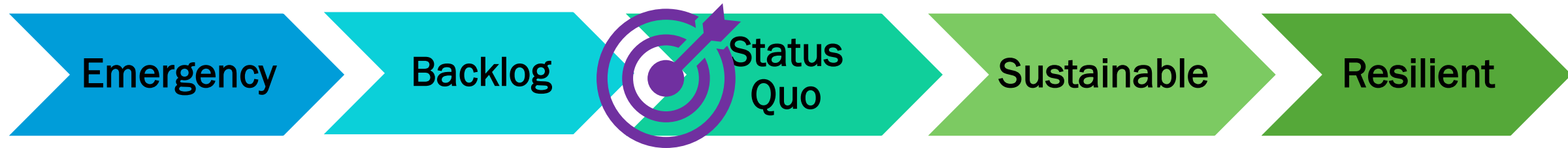
- Estimated flat revenues through the biennium for Food & Beverage and Transient Occupancy Taxes.
- 3.5% growth in property tax revenues depending on county-wide collection experience
- Caps on property tax rates and assessments require alternative revenue structures to support basic and desired expanded services.
- Rate increases likely needed to pay for capital infrastructure in enterprise funds

- Opportunities/ Tools to Strengthen position
 - Economic development
 - Citizen engagement
 - Long-term planning

Going Forward - Expenses

- Pressures on expenditures continue
 - Internal service charges being trued up to policy and anticipated demand: Insurance, Vehicle Repair, Vehicle & Equipment Replacement
 - Personnel and materials costs increasing moderately
 - Additional mandates for Community Development, Law Enforcement, and other service areas are pending in the Legislature
 - Few areas of discretionary spending available for reduction except parks, recreation, and social service support
- Opportunities/ Tools to Strengthen position
 - Citizen engagement
 - Regional partnerships
 - Long-term planning

Going Forward – Balancing Priorities



- Move from catch-up to sustainable to resilient
 - Avoid band-aids or short-term solutions
- Revenue Analysis and opportunities
- Operations Analysis and Capital Planning
- Communication and Engagement

Going Forward

- February 2021 – Mid-year Budget Supplement
- March 2021 – Kickoff Budget with Citizen Budget Committee
- April – May 2021 –
 - APRC review and adoption of BN2021-2023 Parks Budget
 - Citizen Budget Committee review and adoption of BN2021-2023 Budget
- June 2021 – Year-end Budget Supplement
- June 2021 – City Council review and adoption of BN2021-2023 Budget, FY2021-22 Tax Rates, BN2021-2023 Utility Rates