

City of Ashland Financial Update

CITY COUNCIL BUSINESS MEETING

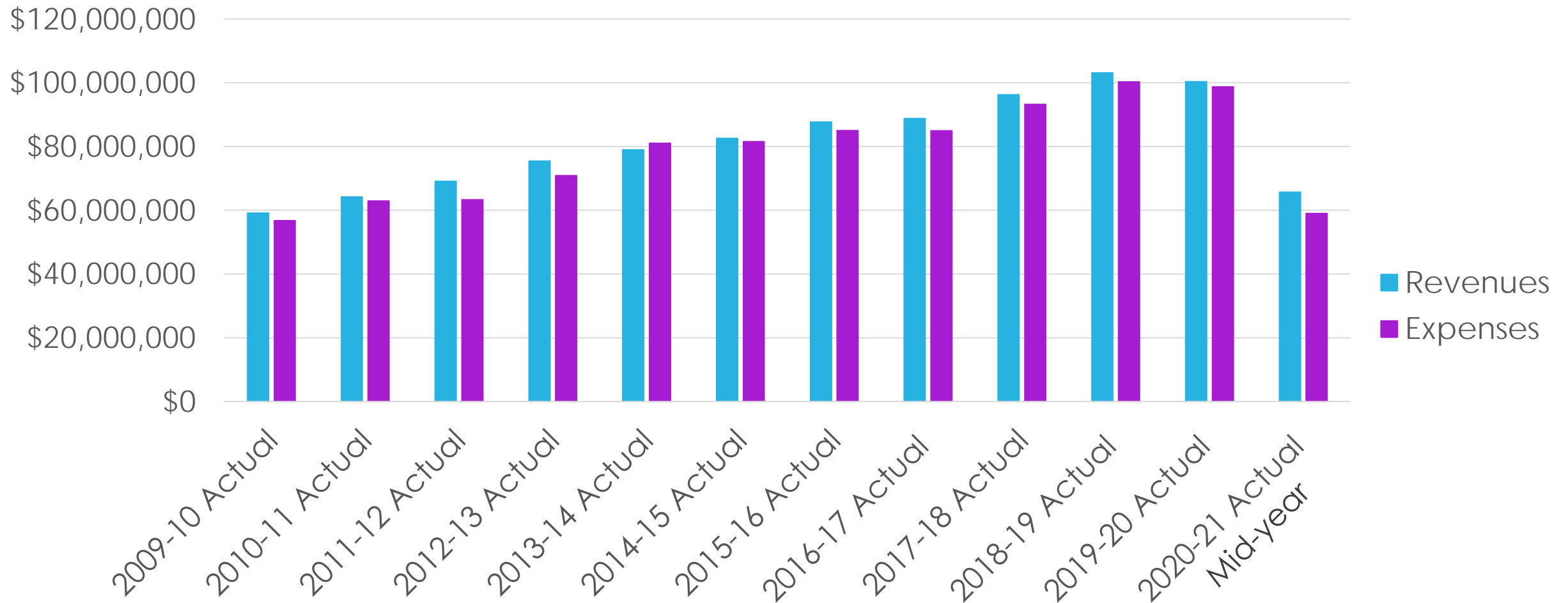
FEBRUARY 16, 2021

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



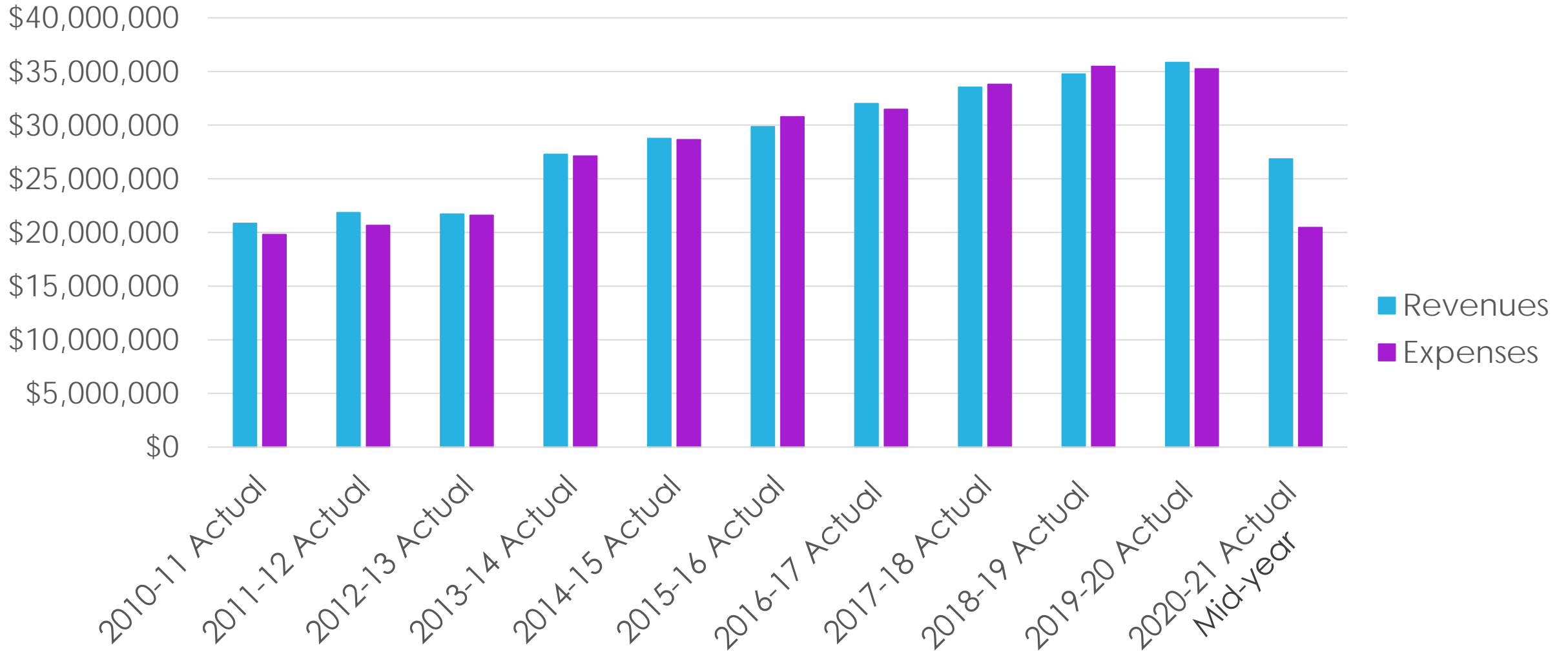
FY2021 Mid-Year Update

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

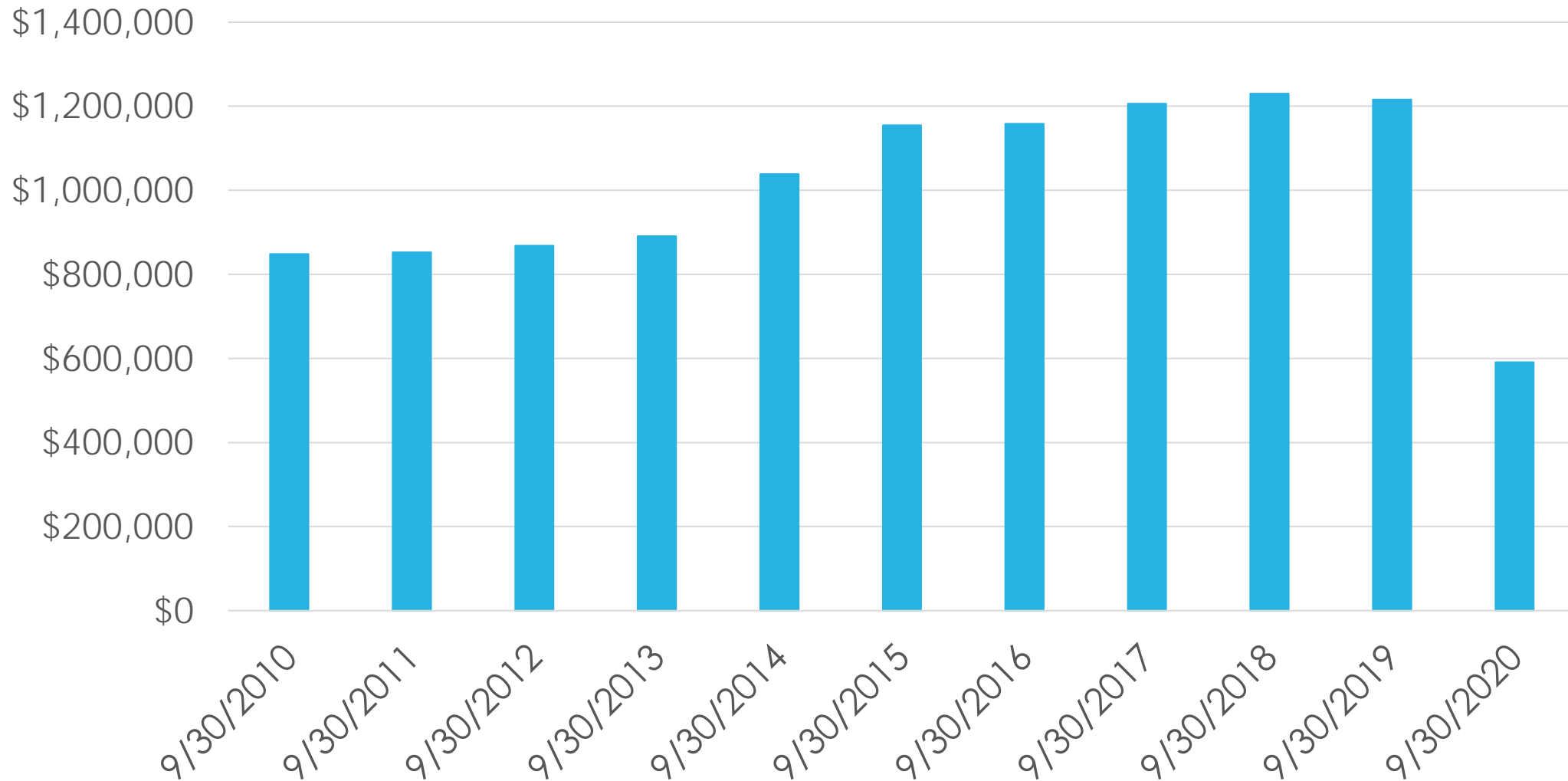
- Flat revenues; still lower than pre-COVID but not continuing to decline
- Expenditures tightly controlled through operations

- 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;

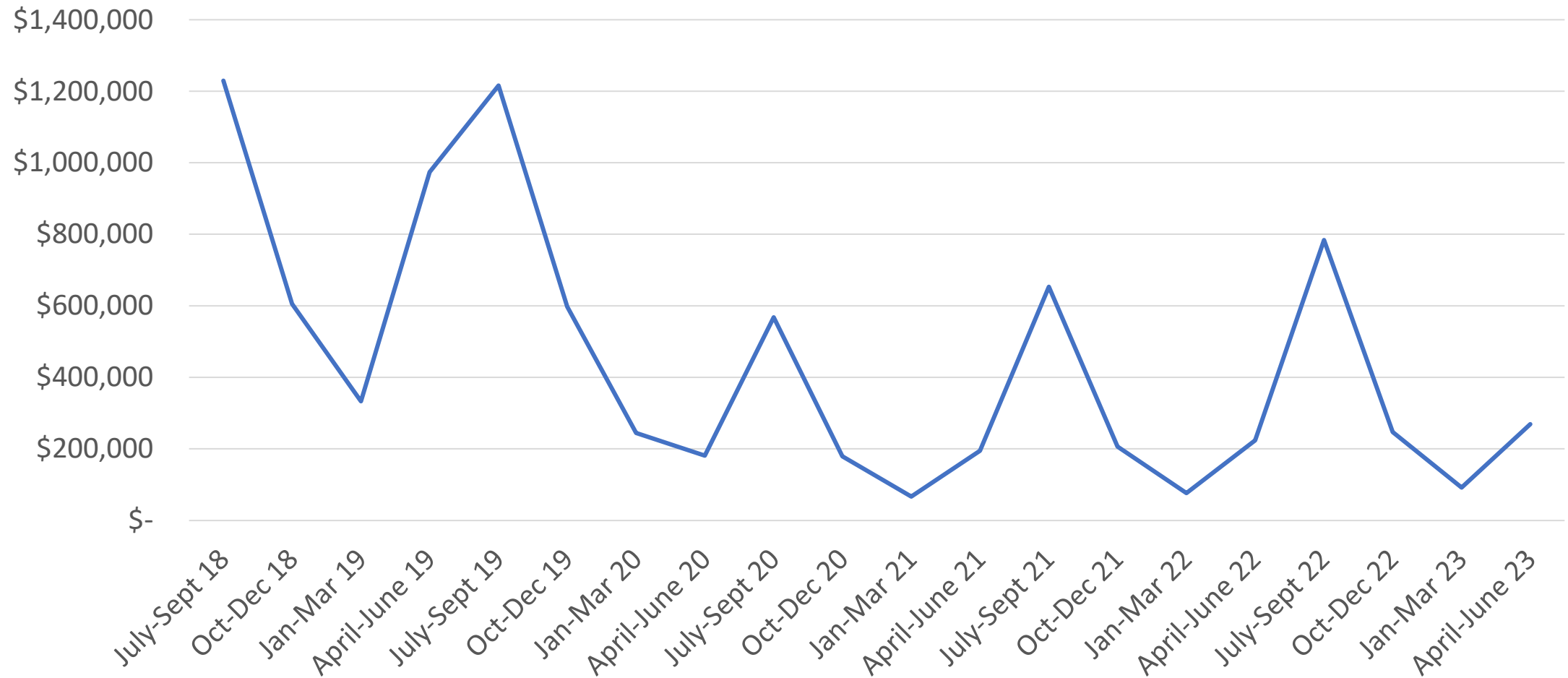
Transient Occupancy Tax 10-year History

TOT Revenues



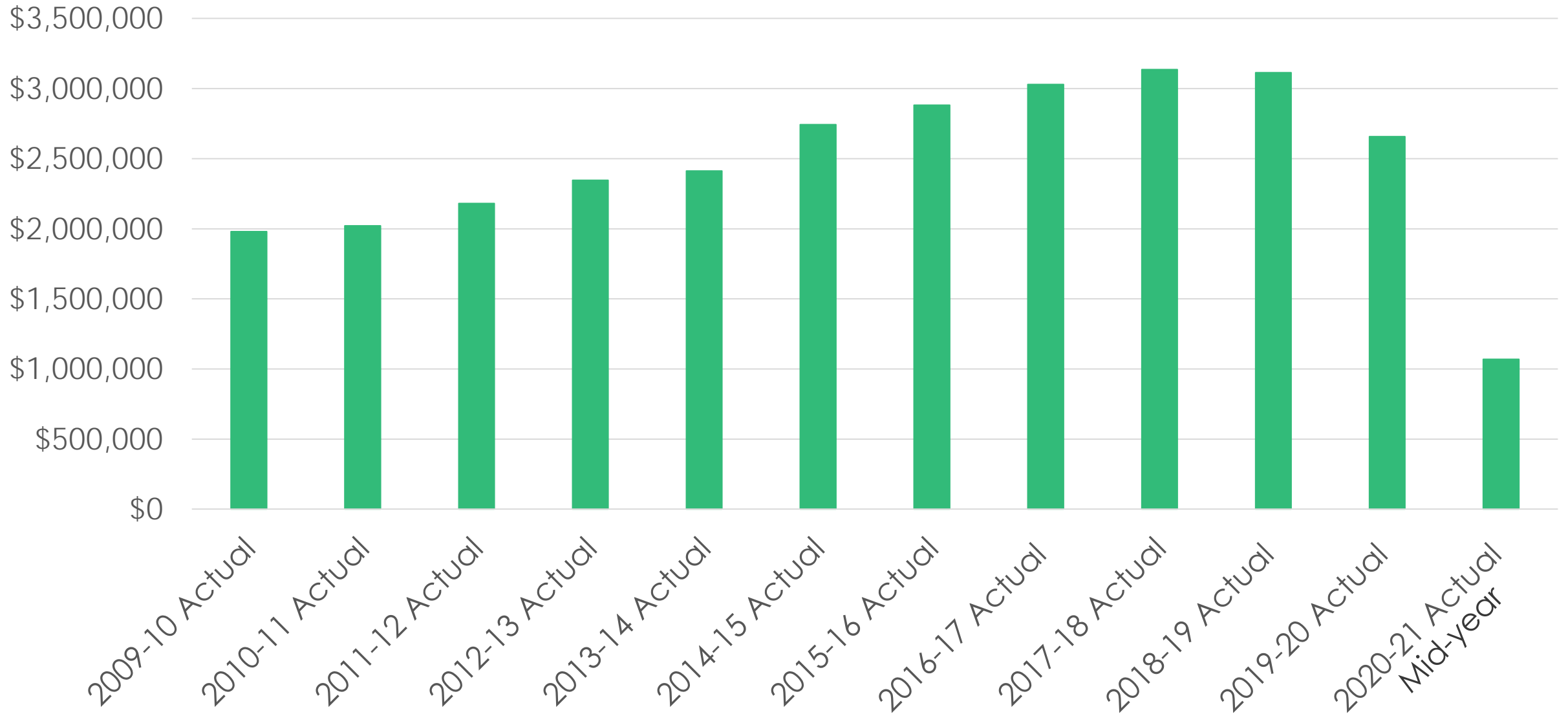
Transient Occupancy Tax

Transient Occupancy Tax



Food & Beverage Tax 10-year History

Food and Beverage Tax



Going Forward - Revenues

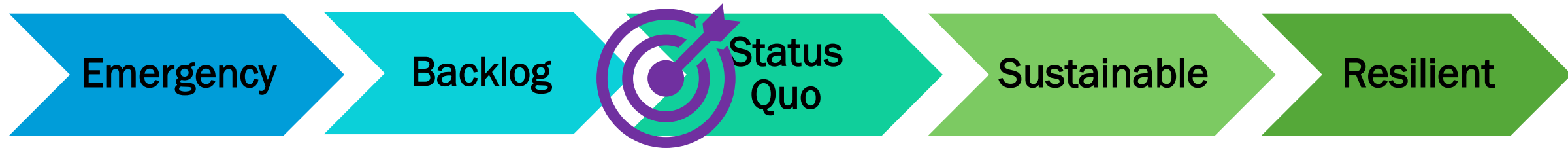
- Estimated flat revenues through the biennium for Food & Beverage and Transient Occupancy Taxes.
- 3.5% growth in property tax revenues depending on county-wide collection experience
- Caps on property tax rates and assessments require alternative revenue structures to support basic and desired expanded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