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2-6-18 City Council Meeting

Budget Committee member Shaun Moran's editorial regarding our City's spending habits was recently carried in the February edition of the Sneak Preview. This thoughtful article made some accurate observations regarding our elected officials unsavory approach of repeatedly asking the taxpayers to pay more without holding our City accountable to curb spending. Mr. Moran correctly points out that such behavior is unfair, fiscally irresponsible and unsustainable.

Ladies & Gentlemen, YOU are Ashland's elected officials. It is imperative that YOU begin the hard work of prioritizing spending on the staff and projects ESSENTIAL to the future of Ashland. It is time for City government to "cut first" before asking residents to contribute more.

I have added my suggestions to Mr. Moran's to start curbing unnecessary City spending:

Point 1:

- **Adopt some helpful aspects of Zero Based Budgeting (ZBB)*** : How?
- Require each department to define what is the appropriate level of service for each of their "essential" activities. Request the City Administrator to review each department's basis for the scope of services deemed "necessary". What is the best way to do it? Is there duplication? Can it be done a different way? Can it be combined with something else? Create & critically review performance measures for service efficacy.
- **Stringently define the "scope" of service.** (i.e. what is the service being provided)
- And lastly, price out the most effective "arrived at" scope of service. Pricing is a straightforward exercise. If the "scope of service" doesn't pass the "necessary & best practice" (ie. the best way to perform it) examination: There should be no funding.
* see Zero Base Budgeting (ZBB) applied in the public sector {Google ZBB -Wikipedia}

Point 2:

Require every department to cut cost by just 1%. A savings of \$2.85 Million would easily fund four new police officers. And why stop there? Add another discretionary 2%-3% cost cut.

Point 3:

Take another look at the Budget Committee's suggestions to cut costs that were developed during the budget process last spring. Invite the Budget members to put together a presentation of their ideas and recommendations which could be viewed here at a CC meeting.

This January, Staff presented funding options for paying for the new police officers. **ALL of these involved raising taxes or creating new fees.** Why don't you, the Mayor and City Council **REQUIRE** the staff to provided options that would reduce departmental costs?

Let's not forget: The City works for the taxpayer. Providing the taxpayer with proof that the taxpayer's money is managed responsibility should not be an option. I have provided each of you a copy of Mr. Moran's editorial to read and for the record. **THANK YOU** Susan Hall RN

City Government Needs to Overcome Its Addiction to Spending

The recovery from addiction is a transformational process. There are many steps but the most important one involves accepting there is a problem. Recovery takes hold only if there is a willingness to change, where people acknowledge the truth, accept a different view, and stop pretending there isn't a problem.

Our city government is addicted to spending, yet remains in denial. A tepid enthusiasm for fiscal transparency and a lack of prioritization around how tax dollars are spent should be giving Ashlanders sticker shock. Our taxes and utility bills continue to rise and now our elected officials have added surcharges to pay for new police which should have been prioritized in our budget.

No issue should be more important to the people of Ashland than the financial health of our city. Why? Because if there is no oversight in how our money is spent we won't have the funds for the essential services we all want and demand. Our city government should be responsible stewards of our money. We pay their salaries, offer great benefits and in return expect sound decisions. We don't expect to have deficits so why are we projecting a \$10 million deficit by 2021? The cavalier attitude toward spending, in a system where there are few checks and balances to insure our city adheres to fiscal accountability, is putting Ashland at financial risk. There is no financial decision making structure that allows the Budget Committee to responsibly control city spending. Goals and objectives are set, but have no cost metrics attached to achieve them. There is no mandate to ensure the efficient use of taxpayer funds. I'm unaware of any meeting where our elected city officials actually evaluate their performance against the yearly goals and objectives they set.

Ironically city government is one of the few pockets of growth in Ashland. Our city government has 224 employees, the most ever. Our bloated budget is threatening our fiscal sustainability. Contributing to the problem our business community and resident population have not grown to offset the cost of government. The population of Ashland has actually fallen from 21,000 people in 2008 to nearly 20,100 in 2017. However our budget during that same time has increased 50% from \$95 million to \$143 million per year. Our business community has languished as regulation, higher costs, taxes, surcharges and fees have stymied growth and forced many innovative companies to leave Ashland for greener pastures. As a result we are all being forced to pay more.

Ashlanders are busy, generous, socially conscious and proud but as an underlining principle we expect our elected officials to manage taxpayer funds as if they would their own. Repeatedly asking taxpayers to pay more without holding our own city accountable is unfair and unsustainable. I support councilmen Lemhouse and Slattery's view that Ashland needs to live within its means, but now actions need to replace words. Our elected officials need to begin the hard work of prioritizing spending on the people and projects essential to the future of Ashland. Our city government needs to "cut first" before asking Ashlanders to contribute more. How can affordability be a reality if we don't stop increasing the cost to live here? A few ideas to put Ashland on the road to recovery are:

- Follow the lead of Paula Brown who recently suspended a \$23 million water treatment plant project until she can determine if the project is essential for Ashland.
- Adopt zero based budgeting so each department justifies programs they want to fund each budget cycle. If programs can't be justified there should be no funding.

- Have the city administrator oversee a review of the budget where all department heads justify the assumptions used to make projections for their budgets. Identify which projects and costs are absolutely necessary vs desirable. Projects not absolutely necessary should be put on hold.
- If every department cut cost by just 1% it would save our town \$2.85 million which would fund our four new police officers and many other projects.
- Take another look at the Budget Committee's suggestions to cut costs that were developed during the budgeting process last summer. Each of these ideas were rejected by the mayor and council. For example, the city could easily eliminate the Economic Development program which costs taxpayers nearly \$200,000 a year. This program has virtually zero economic impact on our town. The responsibilities of this program should be handled by the Chamber of Commerce which the taxpayers of Ashland already fund with \$500,000 a year for tourism and economic development.

We need to elect new people to our city government who welcome accountability, who can offer different ideas, perspectives and approaches to achieving city goals. There is a way to end our spending addiction but it demands hard work and responsible stewardship from our elected officials. I personally believe we should expect, demand and settle for nothing less.

Shaun Moran
Ashland Budget Committee Member