

July 8, 2019 Council Communication Mayor Stromberg

Introduction

At our last Council meeting we discussed the possibility of establishing two ad hoc committees to address different aspects of the 2019-21 budget and future budgets in general.

Since AMC vests the authority to form ad hoc committees in the Mayor, I have taken the initiative to address the question of ad hoc committees as described below.

Some observations:

1) This spring's budget process focused primarily on closing a funding gap in the General Fund that was caused by increasing PERS assessments plus likely escalation of health care costs - and to do so as much as possible by cutting costs vs asking local residents, businesses and property owners to pay more for City services. The resulting budget was recommended to the Council at the end of May and formally adopted by the Council in early June.

2) Two important themes not addressed in that budget were:

A) A need to focus on the adequacy of services provided by the adopted budget, with concern raised by Councilor Rosenthal about two unfilled Police positions and a broad spectrum of services identified by Councilor Graham under the rubric of "resiliency" that may require more resources to move forward at an adequate pace.

B) Councilor Graham also identified a process by which additional services could be proposed to the voters, along with funding mechanisms and overall costs, either for their authorization (for example, a bond or an operating levy) or simply their feedback (advisory opinion).

3) Former Mayor, Cathy Shaw, offered an idea of her own to some Councilors, the City Administrator and myself that has to do with increasing Ashland's security with respect to both forest and urban wildfire. This idea, too, involved going to the voters for approval for funding.

4) Councilor Slattery, among others, expressed the opinion that any exploration of increasing services needed to be balanced by parallel research into further cost-cutting strategies, funding sources that did not affect local residents and organizations, structural changes in the organization of City government to increase efficiency and thereby reduce costs and finding out more about how other communities and affected organizations are coping with PERS, healthcare costs inflation and the divergence of personnel costs from the rate of increase in citizens' incomes. [List of topics based on follow-up conversations with Councilor Slattery.]

Proposed Tasks

1. Identify one or more options for bringing a package of "Resiliency Service Improvements" (starting from Graham's ideas [see attached], including filling the two vacant police positions) - AND combine them with former Mayor Shaw's initiative in a form that can be taken to the voters for approval as early as this coming Fall election.

2. Simultaneously investigate "Cost Reduction/Efficiency/Outside Revenue Sources/Fundamental Structural Changes" to cope with on-going PERS and healthcare costs increases in particular.

Proposed Approaches

Task 1 (led by Mayor) Develop a work group to continue discussions already underway of meeting with Councilors Graham and Rosenthal, relevant City staff and former Mayor Shaw to inform me of logistical/financial/procedural issues involved in one or more "Resiliency Services" options. I will bring my conclusions to the City Council for review and action.

Task 2 (led by Councilor Slattery) Establish a "Cost Reduction/Efficiency/Alternative Funding/PERS

& healthcare Strategies” ad hoc committee of up to 9 members, to be populated as early as the July 16th Council meeting.

Motions

1) I move confirmation of the ad hoc committee for Task 2 “Cost Reduction/Efficiency/Alternative Funding/PERS & healthcare Strategies” with Councilor Slattery as non-voting liaison and Chair. [The City Administrator will prepare a revised charge for this ad hoc committee, to be presented to the Council at an up-coming meeting (no confirmation required).]

Comments

Task 1 utilizes an informal process of meetings among Councilors, staff and citizens, by which preliminary ideas are honed to provide me information that I can bring before the Council.

Task 2’s work plan through December, 2019, would supplant the planned budget committee ‘off-season’ schedule of meetings - and interested citizen members of the budget committee would be considered for membership while the number of participating Councilors would be limited to three.

Conclusion

Seen more comprehensively, this Spring’s budget process, combined with Tasks 1 and 2 (above) constitutes a creative response to disruptive external fiscal forces and also takes fresh looks at both the cost side and the revenue side of the General Fund, not just for the next budget cycle but for at least three budget cycles, which generally coincides with the length of an operating levy.

City Efficiency and Community Resilience

Ad Hoc Committees Proposal

Community Resilience Ad Hoc Committee

Goal 1: Develop long-term budget resilience

Objective:

- Identify and put in place revenue mechanisms to put the City on a sustainable path regarding continued escalation of PERS and health care expenses through at least 2030.

Goal 2: Build climate resilience

Objectives:

- Identify and fund the mechanisms necessary to meet our greenhouse gas reduction targets as identified in the Climate and Energy Action Plan, including transforming electricity generation
- Address adaptation needs as complementary to greenhouse gas emissions efforts

Goal 3: Strengthen wildfire Resilience

Objectives:

- Significantly reduce building ignitability within the City (options from Wildfire Safety Commission – help homeowners reduce ignitability w/inspectors and financing system and data portal, quint, fire inspector)
- Address issues related to land managed by other jurisdictions that abuts Ashland’s city limits to protect the community from accidental fires.
- Ensure fire department is fully staffed and those positions have sustainable funding

Goal 4: Improve overall community resilience (emergency preparedness)

Objectives:

- Build Emergency Operations Center
- Strengthen emergency preparedness across the community
- Emergency power sources for essential services (water system, hospital, etc.)
- Communication position in place as part of emergency management team
- Evacuation planning (SIM Table or internal GIS)
- City hall remodel
- Ensure public safety (police) staffing is adequate to address emergency management needs
- Identify risk transfer (insurance) products coming on the market to help communities address resilience related to wildfire, earthquake, flood, etc.

Goal 5: Identify revenue streams that are equitably shared by the people of Ashland to be put before voters

Objective:

- Research and identify the best revenue mechanisms based on traditional funding options as well as new products that are being developed by the financial markets to address community resilience

City Efficiency Ad Hoc Committee

Goal: Analyze City departments/programs to gain efficiencies, reduce costs and improve services

Objectives:

- Systematically assess City departments to identify changes that create cost savings while maintaining service levels.
- Conduct a facilities and land assessment to determine what changes can be made to ensure that the City is using its assets in the most effective way.