

From: City of Ashland, Oregon <administration@ashland.or.us>
Sent: Wednesday, July 1, 2020 3:25 PM
To: Parks Commissioners <parcs_commissioners@ashland.or.us>
Subject: Contact the APRC Commissioners Submitted

*** FORM FIELD DATA***

Name : **Jim Bachman**

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Subject: Single Use Projects (from the accounting perspective of asset utilization)0

Message : Good Afternoon Commissioners, I'm writing today to encourage you to consider the idea of asset utilization when reviewing capital projects that come before the commission. I spent the early part of my adult life working in accounting and finance, mostly within large corporations. One of my assignments was to analyse proposals for capital projects that would either lower costs of production or increase production volume. Both of these outcomes were intended to improve our bottom line. Asset utilization refers to what percentage of the time a given asset is "working," as opposed to sitting idle. That matters; an asset can only contribute to a company's profitability when it is working. The second half of my adult life was spent in the public sector, specifically public schools---including the district office where I sat in on meetings that related to our budget, including capital expenditures. Asset utilization was not ignored, but it was also not treated rigorously when making asset purchase decisions. Buses, classrooms, etc., sit idle a great deal of the time. From my perches on Ashland's Citizen's Budget Committee and the Ad Hoc Cost Review Committee, it's pretty clear that asset utilization could use some more attention in our fair city. A couple of years ago, I spent the better part of two years attending APRC study sessions and business meetings where citizen groups were arguing for single-use projects such as pickleball courts that could easily be planned in such a way that would serve a wider group of Ashland citizens---the public sector equivalent of improving the bottom line. It seems to me that any "hard surface" project should accommodate as many possible hard surface activities as possible, spread throughout the recreational day (hours of operation). One could imagine basketball, volleyball, roller hockey, pickleball, tennis, etc., all able to use the same facility. Not at the same time of course, but keeping the playing surface as busy as possible. That's asset utilization and it can be applied to any capital expenditure---the most bang for the buck. In these times of painfully scarce financial resources, I ask that you maximize the "return" on Parks and Recreation CIP funds by keeping the concept of asset utilization in mind when planning projects. Thanks for listening! Keep up the good work! Jim Bachman Ashland Citizen's Budget Committee Ashland Ad Hoc Cost Review Committee