

**BUDGET COMMITTEE MEETING
MINUTES
April 27, 2021
Meeting conducted via Zoom**

Chair Shane Hunter called the meeting to order at 3:00 p.m. via online meeting on Zoom

ROLL CALL

Present:

Councilor Paula Hyatt	Ellen Alphonso
Councilor Stephen Jensen	Jim Bachman
Councilor Shaun Moran	Shane Hunter
Councilor Gina DuQuenne	Bob Kaplan
Councilor Tonya Graham	Mike Morris
<i>(Arrived at 3:01 p.m.)</i>	
Councilor Stefani Seffinger	Saladin Amery
<i>(Arrived at 3:05 p.m., returned late from break)</i>	<i>(Arrived at 3:06 p.m.)</i>
Mayor Julie Akins	David Runkel
<i>(Left Meeting at 3:15 p.m., Returned to meeting at 4:15 p.m. returned late from break)</i>	

Absent: None

COMMITTEE CHAIR ANNOUNCEMENTS

Hunter discussed with the Committee the meeting format and schedule. Hunter also reminded those who have volunteered to be on the Grants Subcommittee to follow up on their availability for the meeting via doodle.

Hunter added that there would be a presentation of the Parks Commission at the May 11th meeting of the Committee and questions of the Parks Commission could be asked at that time.

APPROVAL OF MINUTES

Hyatt/Alphonso m/s to move approval of the April 13, 2021 meeting minutes as presented.

DISCUSSION: None, Voice Vote All in Favor, Motion Approved

DISCUSSION OF ADDITIONAL MEETING

Hunter began a discussion of the possibility of adding another meeting to the Committee Meeting schedule considering that additional time was needed because of the presentation by the Parks Commission at the May 11th Committee meeting. He provided an additional day of May 14, 2021 as a day to add a meeting. Ellen Alphonso, Committee Member suggested that time not in the morning be chosen due to work schedules.

Bachman/Jensen m/s to move for the Committee to meet from 3:00 p.m. to 6:00 p.m. on Friday, May 14th, 2021 **DISCUSSION: None, Voice Vote All in Favor, Motion Approved**

PUBLIC FOURM

Written Testimony Submitted By (See attached): *No discussion from the Committee.*

Oral Testimony Given-

Hunter introduced speaker noting that she had 3 minutes to speak to the committee.

Leda Shapiro began by explaining that she was new to Ashland but had done research prior to moving here. Her background she noted was in Financial Management and that she had looked at budget information during her move to Ashland but that at that time there was more information available online. She then explained what she was used to seeing and how notes are made on assumptions between new and old budgets. She also expressed that she expected to see an adjustment made related to COVID but that she did not see one, as tourism is a revenue source for the City. She added that a detailed budget is really needed online to allow for the Committee to see where cuts can be made. She suggested looking at an item like PERS as it is the biggest line item and that thought should be given to employees paying their portion not the City. She ended by reiterating that line items and details are needed for the Committee to look at, as she is surprised at how a budget could be done without this information.

PROPRIETARY FUNDS PRESENTATION (Time Stamp 00:11:19)

Melanie Purcell, Finance Director presented to the Committee on Proprietary Funds (**See attached**). Purcell began by looking at what Proprietary Funds are. These she explained were the Enterprise Funds and Internal Service Funds. She further shared that the enterprise funds include Water, Wastewater, Electric, Stormwater, and Telecommunications explaining what each one was and how it works. She then explained that many of the enterprise funds are supported by Utility Rates and how rates are determined as well as looking at local comparables. Next Purcell explained franchise fees, how they are charged, and the thought given to funding stabilization and rate relief. Next Purcell presented on the Enterprise Fund expenditures including changes to personnel services, and materials and services. She then explained sources, uses, challenges, opportunities, changes in service current and in the future of funds for Water, as well as its expenses and revenues by type.

Councilor Paula Hyatt spoke to the franchise fee overview and asked since it seemed that franchise fees were escalating over the years, what the max goal for Water would be. Purcell responded that it is intended to go to 50% and stay at this level with a goal to codify this in ordinance so it remains there. City Manager Pro Tem, Adam Hanks added that a conversation in future years would look at what is needing to be accomplished is being done. Conversations although they are ongoing have noted that the General Fund may not be able to handle more than 50%, he added. He further noted as capital that is behind is caught up on, this will need to be looked at.

Committee Member David Runkel spoke to increases of \$7 million in expenditures as he noted were on pages 71, 143 and 144 of the proposed budget. He asked Purcell if she could explain specifically increases in Water Supply of \$3 million, the \$800,000 increase in Water Treatment and the \$1.4 million in Water Distribution. Purcell pointed the Committee to the presentation and a graph that explained that a majority of the increases is capital with an emphasis on dam repair, transmission line repairs and the water plant which has multi-year costs. She added that there will not be changes to materials and services and that the staff change will not be a service charge but a direct cost. Overall, she further explained the costs have not changed just the classification. Runkel further asked about the numbers in the budget document which show an increase in

materials and services of \$650,000. Purcell responded that this is directly related to the increases in chemical and petroleum products, as well as the change from Central service. She also added that there was an increase in insurance to all the Operating Funds, as well as Fleet increases, which allowed for the costs to be fully charged out from the Central Service funds. This she said allowed for there to be no disparity between the cost allocation plan and the actual charges, which almost all departments saw fluctuations in. Runkel then asked about Water Treatment on page 144 of the proposed budget and the increase of over \$800,000, as well as Water Materials and Services which is up \$650,000 which he could not reconcile. Purcell responded that most of the increases in Materials and Services is chemicals. He further asked about the increase of \$1.4 million in Distribution and what this cost was, to which Purcell stated was related to the Capital in the lines. Runkel clarified that costs for line improvements would not be borrowed, to which Purcell responded to as no, as this is a part of operations.

Councilor Shaun Moran asked about charges to Materials and Services on page 71 of the proposed budget, which he noted were answered in the previous conversation with Runkel. He then specifically asked about increases to Personnel Services. In the 2019-20 budget to the 2021-22 budget an increase of 17-18% is noted. He further questioned what accounts for this increase as no hiring is taking place. Purcell answered that this was the shift from Central Services to a direct allocation of the program manager, which she added is a clearer process. He then stated that there was an assumption that a \$40 million Water treatment plant will go forward, but that with the fiscal realities of the budget there may be an option to fix the present plant at \$9 million. He asked how this would impact projections for the ending fund balance and other items. He further asked Purcell if any numbers had been ran for this. Purcell stated she has not run numbers, but what would happen would be revenues and expenditures would drop. Moran clarified that he was looking to see what impact this type of change would have on Water in general in items such as the ending fund balance. Based on her understanding Purcell responded this would not have an impact on ending fund balance of daily operating costs but that some costs would be impacted when there was a change for compliance, but staff would not be impacted. Hanks added that if Council was to make a vote to step in a different direction that information would be provided, as this type of scenario planning is not part of a recommended budget. Prior Council decisions have allowed for this project to move forward he added and that is why this information has been added to this budget.

Committee Member Saladin Amery explained that he was confused looking at the new Wastewater Treatment Plant as other options like fixing it or tying into Medford's system should have been explored. Hanks responded that first what was being talked about previously is in regard to the Water Treatment Plant and second some analysis has been done which is not in the budget document as it was done prior. Amery asked if this could be shared with Council so they could see if a new Wastewater Treatment plant was the way to go. Hanks again clarified that this is a decision regarding the Water Treatment plant and that the budget reflects decisions that have already been made by Council previously. Council he explained has decided to move forward with the construction of a new plant, but Council could amend this and go a different direction and the budget would be amended to match Council's decisions.

Councilor Gina DuQuenne spoke that she understands that this is the budget process but that she believes that the Water Treatment plant can be fixed at a lower price that will last for another 20 years. As the City is in a different situation when this was approved, she believes it would be good to look at all the options before a budget is approved, as there is such a large deficit. Purcell noted two items the first being that Council can change whatever they wish and that if they change the direction the budget will change with it as the financials but reflect Council decisions. The

second item that Purcell spoke to was that if the Budget Committee wishes to recommend Council that changes be made to the water fund that is fine. The budget would then be amended at that time. She then added it is not best practice for a known topic of conversations to not be acknowledged when it has policy decisions. If the Committee feels strongly that a recommendation is needed to make changes, she added then those can be taken to Council, this will require that the City Council take additional actions particularly in year two and staff will respond accordingly. Hanks added that this is the City Managers recommended budget which considers what the City Manager has been directed to do by Council to date. Runkel further asked if there had been a vote by the Council regarding the Water Treatment plant. Hanks responded that there had been several.

Councilor Tonya Graham added that it would be helpful to keep in mind that having a capital expenditure in the budget doesn't mean that it is required to be spent if the Council decided to go in a different direction. Allocations she explained are based on the decisions that have been made up to this point but does not obligate the money to be spent this way.

Committee Member Bob Kaplan asked about the proposed rates. He asked about the rates in relation to the policy changes to ending fund balance. He then asked if these are based on studies and if these reflect unintended issues. Purcell responded that these are based on Bonneville Power Administration Rates and that the hope would be that there will be some rate relief but that even with this it would not bring the City up to the policy level, as this would take two years. She further added that this however would allow for time to use the debt issuance to purchase the substation which would free the City from the issues that surround this volatile cost. Water and Wastewater will still be within policy even with rates held flat for the first year. In the second year she explained there will be pressure to meet policy, but this would depend on the debt structure. Purcell then noted that a rate evaluation will come back to Council mid-cycle. Hanks added that a very in-depth cost of service study for Electric took place that looked at rates and this included a look at customer classes and how the rate structure is applied. A suggestion was made he added in this study to look at debt funding. This studies implementation he explained is similar to a master plan with small changes that need to take place along the way.

Moran went on to state that when it came to rates in the water fund there was only rate relief in the first year and that Wastewater rates were zero over the two years because the City moved \$1.4 million from the Wastewater Fund and the decision was then made not to pay this back, but rate payers have already paid. He went on to say that electric is counting at 4.5% and stormwater 9%. In the CIP master plan that is over the next 8 years, rates will go up by 75% he added. He asked if there were other reductions in rates. Hanks responded that Moran had captured all these, however what took place in year two of the current biennium was not noted. Most rates he noted were at a zero percent increase, which was not planned or budgeted for. Generally, he explained rates are about capital. Many of the adjustments that are made to rates are the decision of Council, but these rates are not likely to go down he also stated. Moran responded that there is a lot of emphasis put on the affordability of Ashland and the presented budget is only really giving rate relief in the first year with their water bills. He believes that this is a function of the Capital Improvement Plan.

Purcell went on to present to the Committee on the Wastewater Fund including its sources, uses, challenges, opportunities, and changes in service. She further presented on the revenues and expenses by type **(See attached)** *(Time Stamp 00:56:00)*.

Runkel stated that on pages 145 and 146 of the proposed budgets there is a \$5.7 million increase in the operating costs. He asked if this was due to a shift in the way personnel is counted. He further commented that there was an increase in spending in both Water and Wastewater due to Capital Projects with it all being done at the same time. He asked if consideration has been made as to why projects were being done at the same time. He expressed concern for this and the effect it will have and suggested that projects be spread-out. Hanks explained that the timeline for these is not always known, as permits are needed for much of this work. He also added that these are two separate funds with different debt structures, and these will not spike rates to the community as they are happening at the same time. Purcell reiterated that the permitting is something of the State and the City is dependent on this. She also explained that funding is coming in the future in the way of Grants for mandated items and with that an adopted plan must be ready. Many times, debt is bundled where it can be to have less impacts on infrastructure and the best access to the market. This is the reason she explained that there is a certain level that bonds are gone after, as it would be too expensive to access the debt if not. In Wastewater in particular state loans have also been able to be accessed in order which is one factor that comes into play she added. She ended by noting that the approval of these projects comes back to Council for approval many times in the form of contract approval and other steps along the way and the hope is to minimize the impact to rate payers over time with this type of debt. Runkel furthered asked if staff were available to supervise these projects. Purcell responded that yes there was staff available.

Hanks further added that steps are being made to reduce costs with the disposal of sludge.

Moran added that he had suggested while on Council that Rogue Valley Sanitation come and present to Council. He added that it was agreed previously that this be discussed after the budget process. His question to this was how much of the \$11 million listed is regulatory driven and if it would be best to wait to hear from Rogue Valley Sanitation. Hanks responded and reiterated Grahams point that because an item is in the budget it is not an obligation to spend. He added that the CIP categorizes projects across many different categories and with this the item that are considered regulatory are listed as such in the CIP document. He went on to say that connecting to a regional system is a long and big discussion were a lot of analysis has to be done and that using this system is only for the treatment of the system and would not look at the collection. This he explained that capital for this project would come at a great cost and would take years to make work functionally.

Amery asked Purcell about the State grants and loans toward the Wastewater Treatment Plant and if there are restrictions on these or if loans of this nature could be given to fix the current plan or tie into the regional system. Purcell responded by saying that many of these loans are project specific. She further clarified that projects listed with Wastewater fund are for repairs and updates not replacement. The project would have to be approved she stated as funds are not discretionary. Hanks also added that given the elements needed to be completed that it would be a push to get there by 2024. Amery responded that he understands this, but he is looking at this from a budget perspective as the City is in a new reality. He suggested that the City is earning less and that Citizens are not making as much as they used to and that it may not be prudent to make plans to spend like this as the City will be deeper in the red in the future. Hanks added that his thought was that was what was being done and that the conversation needs to be had around areas where they don't have choices, as many of these projects are regulatory driven. Amery then asked if these were regulatory to which Hanks stated the projects help to meet Federal regulations.

Hanks responded to Amery's comments regarding a drop in revenues of 56% stating that there have been two main areas where revenues have dropped. These he said were in the Lodging Tax which was a 3% to 4% in the General Fund and the Food and Beverage Tax which goes to Parks and Wastewater debt. The Food and Beverage Tax loss in revenue was made up for with a slowdown in Streets projects while still maintaining the Wastewater Debt. Other areas he stated have only flattened and did not occur in Enterprise Funds.

Amery stated he was confused that it was being said that the budget was balanced as page 18 of the proposed budget states that there is a deficit of around \$2 million and that a onetime 4.3 million payment was going to be used to pay this off and buffer so cuts be made could be absorbed. But looking further in 3 to 4 years' time he explained as detailed on page 18 the City would be looking at a \$4 million deficit. Purcell responded that this was a matter of terms and that what was being presented to the Committee is a legally balanced budget. This budget she stated has the use of fund balance to offset that operating revenues do not meet operating expenses. The budget she added is balanced on the premises that Council get into the policy of what should be done from here, as staff has been clear that this cannot be maintained. The Enterprise Funds are in good shape she explained but they need attention given the amount of Capital demands upon them. Noting that the committee sees the budget does not look bright for the future the Committee can make suggestion to Council on where to concentrate their efforts for the next six to eighteen months.

Councilor Stephen Jensen responded to Moran's comments on the Rogue Valley Sewer System stating that Council had specifically asked staff not to bring this back for consideration until after the budget process was complete. Council then will vote on whether to consider further analysis. Moran responded that he did not think this was true and that this could be addressed at the City Council level.

Graham asked that the person who is speaking be allowed to do so without interruptions so that Hunter can run the meeting appropriately.

Alphonso stated that what she thought the Committee was struggling with was how to encourage a more sustainable and fiscally responsive environment for Ashland in the future. Some of these she added takes place on the Council level but as Citizen members of the Committee they hear it from their neighbors and from themselves that the strategies that have been used for operations need to change.

Purcell further clarified the role of the Citizens' Budget Committee and that recommendations of focused areas by Council can be made.

Mayor Julie Akins thanked the Committee for their input and clarity. She also explained that she believes hearing this frustration helps Council keep a pulse on things and do their jobs better when it comes to policy decisions.

Hunter called the meeting into a break at 4:26 p.m. and asked the Committee to resume its meeting at 4:36 p.m.

Hunter called the meeting back into order at 4:36 p.m. and asked Purcell to begin presenting on the Stormwater Fund.

Purcell presented to the committee on the Stormwater fund including its sources, uses, challenges, opportunities, and changes in service. She further presented on the revenues and expenses by type **(See attached)** *(Time Stamp 01:36:45)*.

Hunter asked about the near \$800,000 in operating revenue with the operating expenses being close to \$1 million. Purcell explained the use of drawing down ending fund balance and using funding from the current year for ongoing projects. Hunter asked if the plan was to make sure that these two align. Purcell responded that this was the plan and that this fund is under review. Hanks added that on the regulatory side it is growing fast with proactive work being added recently. He added that Rogue Valley Sewer is a likely partner within the Stormwater area as well.

Purcell presented to the committee on the Electric fund including its sources, uses, challenges, opportunities, and changes in service. She further presented on the revenues and expenses by type **(See attached)** *(Time Stamp 01:42:36)*.

Kaplan asked about City assistance that is offered for low income rate payers. He stated that he thought the amount was around \$100,000 and asked for further information on the evolution of the Ashland Low Income Energy Assistance Program. Purcell explained that they have seen an increase in funding for assistance like this to third party organizations, as the City cannot receive or distribute this type of funding. There has been a push she added for the federal government to release such funding to local governments. Bryn Morrison, Financial Systems Manager began explaining the program by stating that there are different programs within this including the Ashland Low Income Energy Assistance Program which is a wintertime assistance program with assistance dependent on income level. There is also a year-round senior and disabled low income program, which is applied to the entire bill except for internet. This program she added is also based on income level. Hanks added that the allocation for this is typically budgeted but the City has never capped it and has gone over budget as the numbers have fluctuated from year to year. Morrison also added information on the timeline to apply for these funds.

Runkel spoke to a \$6 million increase he saw. The substantial increase he saw was within personnel, which he asked what the reason for was. Purcell explained that first although there is a vacancy, they budget for full staffing, and second there is a contractual obligation for a market adjustment.

DuQuenne asked when the contract was up for Bonneville Power Administration. Hanks responded that this is a 20-year contract and it is up in 2028. Staff are currently working with other organizations and contract options should be available around 2025. Updates will be given for Council review he added and more options for contract may be given for the future. He also added that a look at other power to buy may also be an option.

Akins asked about the low-income assistance program and what the threshold of income there was for Seniors as she believes it is hard for people to qualify. She also asked about the comments made regarding the difficulty in hiring staff and if because of this if any of the functions within the Electric Department can be outsourced. Morrison responded that the Senior discount was 125% or 100% of the Federal poverty level with a 20% or 30% discount applied at each level. Hanks answering the second question responded that some limited jobs can be outsourced. There could also be a look at selling the utility, but this has policy implications with serious conversation that would need to have, he added. Thought could be given to lower utility rates; however, the City has been cost competitive with Pacific Power.

Moran spoke to the Personnel Services increases, as he was confused that there were no new positions, yet staff had stated they were trying to hire. Purcell responded that they are filling a vacated position. He further clarified that this person was included in the 2017-19 Budget. To which Purcell responded yes. Moran also spoke to the placement of Climate Energy Action Plan staff within the Electric Fund and Conservation Staff as well. Hanks responded that yes staff are within this fund. Moran then asked how many people are in the Electric fund. Staff would get back to them on this he responded.

Hanks offered more information about the purchase of the substation and its project timing. He stated that he has been in conversations regarding this for over 10 years as negotiations have been close and sometimes not so close. He added that the current Electrical Director, Tom McBartlett has done excellent work to get this project moved forward and would allow for additional benefits that are not within the line item. One of these items he stated was the growth in electrification and another would be a payoff in around seven years.

Purcell then responded to Moran's questions that there are 18.5 FTE in the Electric Fund.

Purcell presented to the committee on the Telecommunications fund including its sources, uses, challenges, opportunities, and changes in service. She further presented on the revenues and expenses by type (**See attached**) (*Time Stamp 02:03:28*).

Amery spoke to his time looking at Ashland Fiber Network in 2017 and at that time the question was asked on how this could possibly grow and compete with large companies. He referenced the outstanding debt at \$5 million and its profit as he believes the market for Ashland Fiber Network is capped. He wonders what the future for Ashland Fiber Network was. Hanks responded that he was right but with its profit it does pay the debt share and that a conversation at the Council level should be had. There are he added different ways of looking at the profit. Amery questioned if the debt service for Ashland Fiber Network was at a certain amount and the profit being made was lower how they could be covering their portion of the debt service. Hanks explained that other utility funds help pay for this. Amery concluded that if more money is being allocated for Ashland Fiber Network then there should be a way to get it back.

DuQuenne added that she appreciated Amery's questions.

Graham asked about the avoided costs at the City in relation to not having to use another internet provider and asked if any research had been done to explore such costs. Hanks responded that many systems do rely on AFN include some on the infrastructure side and there is some rationale for the way the charges are setup to pay for the debt service. He added that there are also community assets that are also housed within AFN. Decisions he added need to be made as the age of the equipment is changing and becoming outdated, he also explained some of these options.

Moran asked who the Department Head for AFN was to which Hanks responded that it was him. Moran stated that this should be looked at like a business, and that looking at page 82 referencing personnel service and knowing that the City is in a crisis he sees a 39% increase in the line item. He asked what this accounted for. Hanks responded that employees in Ashland Fiber Network are part of the IBEW union and changes in the Deputy Manager Position. Purcell responded that she would like to come back with a more specific detailed look. Moran reference back to the increases and added that from a business standpoint for a fund that is not making a profit an increase in personnel services is something that needs to be looked at. He further commented

that assumptions are being stated that the growth will be seen, but with factors such as aging equipment and competitors he would like to know how this can happen. Purcell responded that this would go along with materials and supplies as they are expecting a continuation of the market. Moran then questioned the profit and the debt service and details on page 199-201. Purcell responded that the debt was \$4.7 million over the next 5 years. She added that the debt is not all funded by Telecommunications and suggested looking at the complete contribution of the debt service which she would get to the Committee. Hanks also added that this level of debt is being operated as it has been since approved by Council.

Hyatt added that this is an area where there is a policy decision and that she welcomes input from the Budget Committee. She added that as technology progresses it becomes obsolete and maintenance and investment costs go up. She also added that as previously mentioned there is a need to make a list of recommendations associated with the budget as it is brought forward. She asked the committee how they could start making such a list so that it can go back and inform the decisions of the Council. Hunter explained what a process like this would look like.

Graham spoke to her understanding that Ashland Fiber Network was never created to make money and that she looks forward to a community conversation around this. She also added that many communities are looking to build something similar and there is potential to this system being important as work from home options for community have become greater. She added that speaking to Hyatt's point that this is a great place to start this conversation with Council.

Jensen suggested a deep dive by Council as this was not the form to do so with this committee meeting.

Amery agreed that a deep dive into this needs to take place. He asked that prior to Council talking about this that they get a breakdown of the numbers and nonnumbered related benefits to Ashland Fiber Network.

Mike Morris, Committee Member commented that one of the frustrations has been that they do not have a firm set of Council goals and what they want to do. Knowing this, all the Committee can do is look at dollars and cents, he said adding that the conversation of goals needs to be an offline discussion out of the budget process.

Akins added that it was understood that Ashland Fiber Network has not been built out to serve the entire City of Ashland, which she added effects for the ability for a good return on investment. She added that this goes along with the conversation of outsourcing as more dialogue in regard to Ashland Fiber Network is to be had regarding this and keeping up with technology. Hanks added that the information on the build out was correct that the build out is a 92% and what is left is pretty expensive places.

Moran asked what percentage AFN was built out and Hanks responded that it was about 92%. He also asked if this means that 92% of Ashland can use AFN. Hanks went on to say that yes, but it was a bit more complicated than that, but it was right around there. He then asked if the second part that include the Information Technology Department would be a part of this conversation. Purcell responded that this is part of the General Fund not a part of the Enterprise Funds. Moran stated that he asked if this was going to be covered in this meeting during the last meeting. Purcell responded that it was discussed in the general fund and what had been asked about was AFN, which was a part of what was being discussed during the current meeting.

Tonya Graham asked due to time if the meeting could move forward.

Purcell presented to the committee on the Internal Services which includes the City & Parks equipment funds, health insurance fund, and insurance fund. Further discussed was its sources, uses, challenges, opportunities, and changes in service. She further presented on the revenues and expenses by type **(See attached)** *(Time Stamp 02:32:26)*.

Purcell ended her presentation to the committee by explaining the steps looking forward. **(See attached)** *(Time Stamp 02:40:00)*.

Runkel asked about how the committee will proceed. He went on to say that in past budget meetings he has made recommendations for specific cuts in certain areas with a redirected of money to other things. He then asked with the change in the form of government if it would make sense to go forward with a proposal that would set a general fund figure and that the City Manager would then have to work within. He asked further for clarification from City Attorney David Lohman. He then went on to explain that if the general fund figure is \$38 million dollars or something like it, would a motion to move it \$36 million be appropriate. Lohman responded that he had to think about this, but his instinct would be that that is an appropriate motion and that is within the Budget Committee's purview. He also added that this would also include significant policy changes, that are beyond the authority of a City Manager.

Hunter explained that in the past suggestions and scenarios were presented to staff and input was asked for. Hunter then asked what it would look like if there was a hiring freeze. Purcell said that in general it would not look much different then what is taking place now, as vacated positions are held to high scrutiny as to if they are essential. With Police and Fire these are eased up on, as the cuts in police came from unfilled positions.

Hanks added that on the side of motions, as Runkel suggested, it would be helpful for the proposer to recommend both the reduction on the expenditure and the revenue. So that staff can get a sense of what is being accomplished and answer if these are hitting at what is being talked about.

Moran asked about presenting ideas and Amery suggested sending these suggestions to Purcell earlier, so she had time to respond.

Moran then asked the previous budget with 258 FTE's with 243 being in this budget. Looking at the average cost per employee being \$140,000 in the last budget, with less FTE's this budget and no new hires he asked where the cost saving would be. Purcell stated this falls to ending fund balance. He then asked if this money was not being saved then to hire for back filled positions. Hanks then added that with COVID the FTE position count was 231 for a time, so there was a combination of savings in these budgets.

Councilor Stefani Seffinger stated that this has been a very sobering discussion as life has changed in regards to the quality of life issues that were important to Council. She added that Council was running out of money to do many of these things and that she sees the need of a deep dive with help from the Budget Committee. Things like the Fire and Pandemic have caused for priorities to be looked at.

Jensen thanks Purcell and Hanks for their work on the budget and presentations.

Hunter reminded the Committee to send any suggestions and scenarios to Purcell and Hanks and reminded the Committee to include intent in these.

Purcell also spoke to the Grants Subcommittee meeting and Vice Chair Jim Bachman suggested that this be approved in the May 11th meeting of the Committee.

ADJOURNMENT

Bachman/Alphonso motioned/seconded the adjournment of the meeting. Discussion: None. Voice Vote Approved. Meeting adjourned at 6:00 p.m.

Respectfully submitted,
Natalie Thomason
Administrative Assistant

City of Ashland

BN 2021-2023 City Manager's Recommended Budget - Proprietary Funds

ASHLAND CITIZENS' BUDGET COMMITTEE

APRIL 27, 2021

What are Proprietary Funds?

“used to account for activities that receive significant support from fees and charges.” Government Accounting, Auditing, and Financial Reporting (the Blue Book)

- **Enterprise Funds:**

- Water, Wastewater, Electric, Stormwater, Telecommunications

- **Internal Service Funds:**

- Vehicle/Equipment, Parks Vehicle/Equipment (to be presented on 04/27), Health Benefits, Insurance

Enterprise Funds

Enterprise funds sell goods and services to the public . Enterprises are intended to be self-supporting through user charges without subsidy from taxes. These are usually operations that require a scale of operations often not provided by the private sector or other factors encourage public ownership. Related capital improvements and debt service are included within the fund.

- **Water Fund**- Account for water system. Operates and maintains the City's water system including reservoirs, treatment facilities, and distribution.
- **Wastewater Fund**- Account for wastewater system. Operates and maintains the City's wastewater system including treatment facilities, and collections.
- **Electric Fund**- Account for electric system. Includes the operation and maintenance of the City's electric system including purchase and distribution of electricity.
- **Stormwater Fund**- Account for the collection, transportation, and discharge of Stormwater collected on City streets. Operates and maintains the City's stormwater system.
- **Telecommunications Fund**- Account for the City-owned internet service operations and capital and revenues. Includes the operation and maintenance of the City's wholesale and retail internet system.

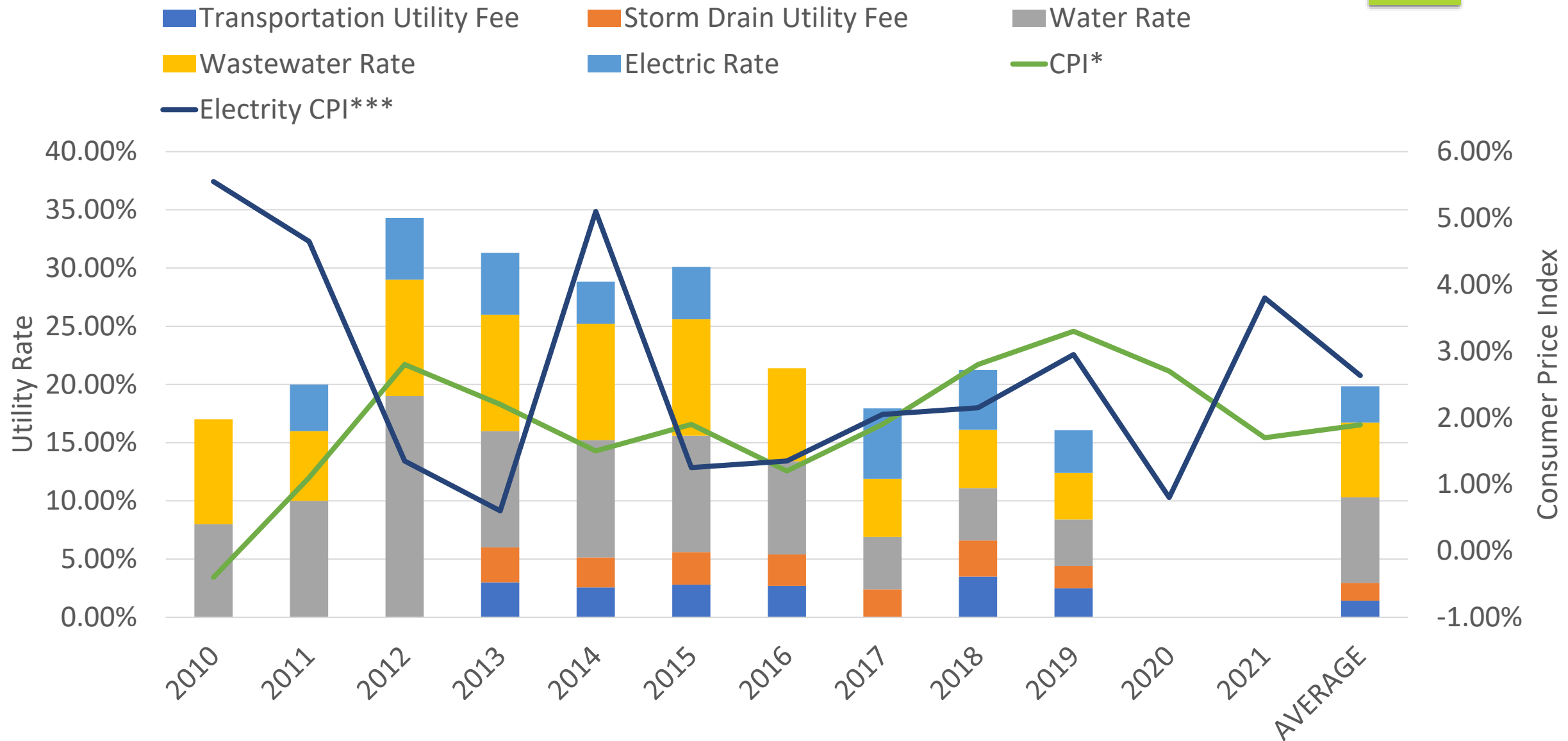
Utility Rates

- Utility charges and fees for other services are evaluated each biennium to ensure sufficient revenue is generated to cover the cost of providing the services and maintaining the necessary infrastructure to support them. Consistent with industry best practices, Council has historically approved gradual increases in utility rates to avoid significantly larger rate shocks more intermittently.

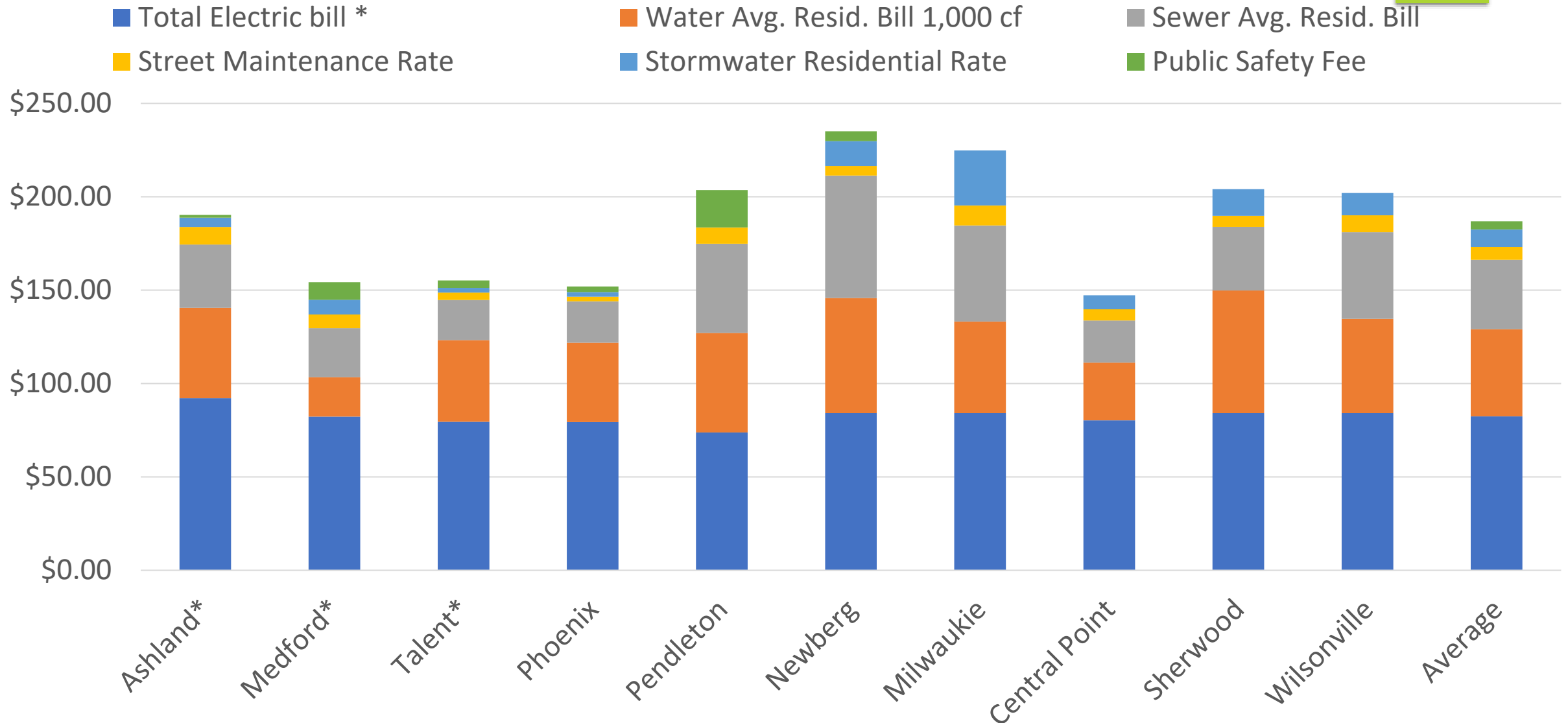
Utility	FY2021-2022 Proposed Rate Increase	FY2022-2023 Proposed Rate Increase
Water	0%	4%
Wastewater	0%	0%
Electric	4.5%	4.5%
Stormwater	9% (45 cents per month)	9% (49 cents per month)
Telecommunications (AFN)	0%	0%

- Revenue is highly dependent on consumption by utility users and can be strongly impacted by the weather.

Utility Rate Growth History



Comparable Community Utility Bills



with User Tax, Franchise, Tax, Low Income Assistance*

Comparable Community Utility Bills

	Ashland *	Medford*	Talent*	Milwaukie	Pendleton	Newberg
Total Electric bill *	92.13	82.32	79.54	84.22	73.83	84.22
Water Avg. Resid. Bill 1,000 cf	48.38	21.05	43.72	49.00	53.25	61.58
Sewer Avg. Resid. Bill	33.94	26.28	21.50	51.42	47.80	65.60
Street Maintenance Rate	9.37	7.35	3.92	10.71	8.70	5.09
Stormwater Residential Rate	4.99	7.85	2.50	29.47	0.00	13.34
Public Safety Fee	1.50	9.42	4.00	0.00	20.00	5.26
TOTAL Comparable Fees	190.31	154.27	155.18	224.82	203.58	235.09

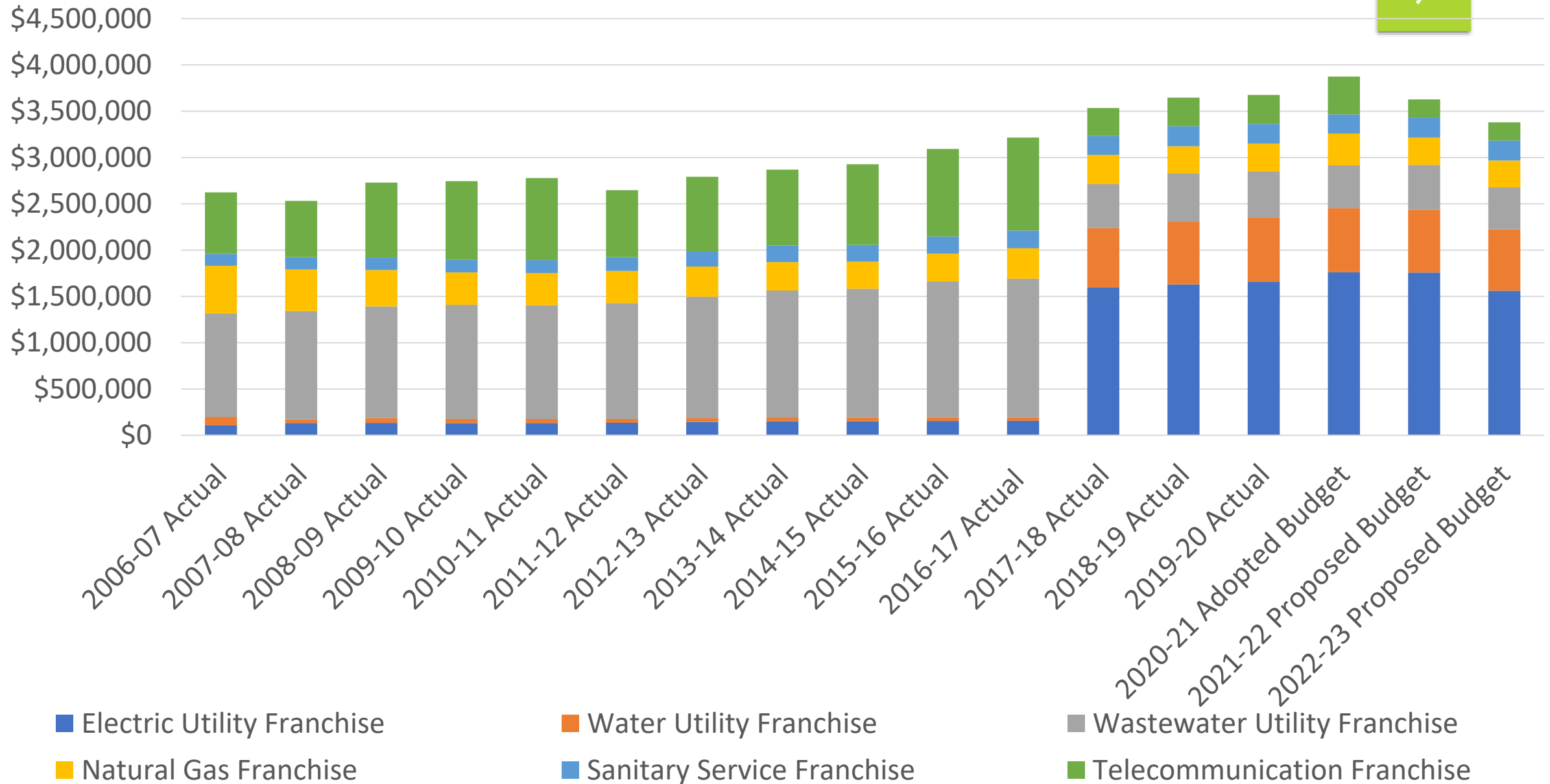
	Central				
	Phoenix	Point	Sherwood	Wilsonville	Average
Total Electric bill *	79.36	80.33	84.22	84.22	82.44
Water Avg. Resid. Bill 1,000 cf	42.51	30.87	65.65	50.43	46.64
Sewer Avg. Resid. Bill	22.16	22.58	34.00	46.39	37.17
Street Maintenance Rate	2.44	6.00	5.95	9.08	6.86
Stormwater Residential Rate	2.50	7.50	14.27	11.90	9.43
Public Safety Fee	3.00	0.00	0.00	0.00	4.32
TOTAL Comparable Fees	151.97	147.28	204.09	202.02	186.86

with User Tax, Franchise, Tax, Low Income Assistance*

Franchise Fees

- Franchise Fees are charged to all utilities for use of the City's rights-of-way and are designed to reimburse the local government for impacts of those utilities on that government, especially on the infrastructure owned by the governmental funds.
- Franchise Fees are paid to the General Fund.
- Revenue is highly dependent on consumption by utility users and can be strongly impacted by the weather.

Franchise Fees Revenue History



Rate and Funding Stabilization

- Better policy and financial alignment of franchise fee revenue stream
- Increased stability and structure for General Fund, APRC and Street Capital funding
- Three elements only work when implemented concurrently
 - Food & Beverage Tax Revenues to APRC/ reduction of property tax transfer to APRC
 - Reduction of Franchise Rates to Water, Wastewater and Electric Utilities
 - Allocation of a portion (eventually up to 50%) of franchise fee revenues to Street Fund for capital only

Franchise Fees as part of Rate Relief

- The BN2019-2021 budget recommended a comprehensive review of franchise fees to maintain affordability and competitiveness of the utilities.
- The BN2021-2023 Recommended Budget includes stepped reductions in franchise fees and codification of the rates for consistency across utilities including external agencies.

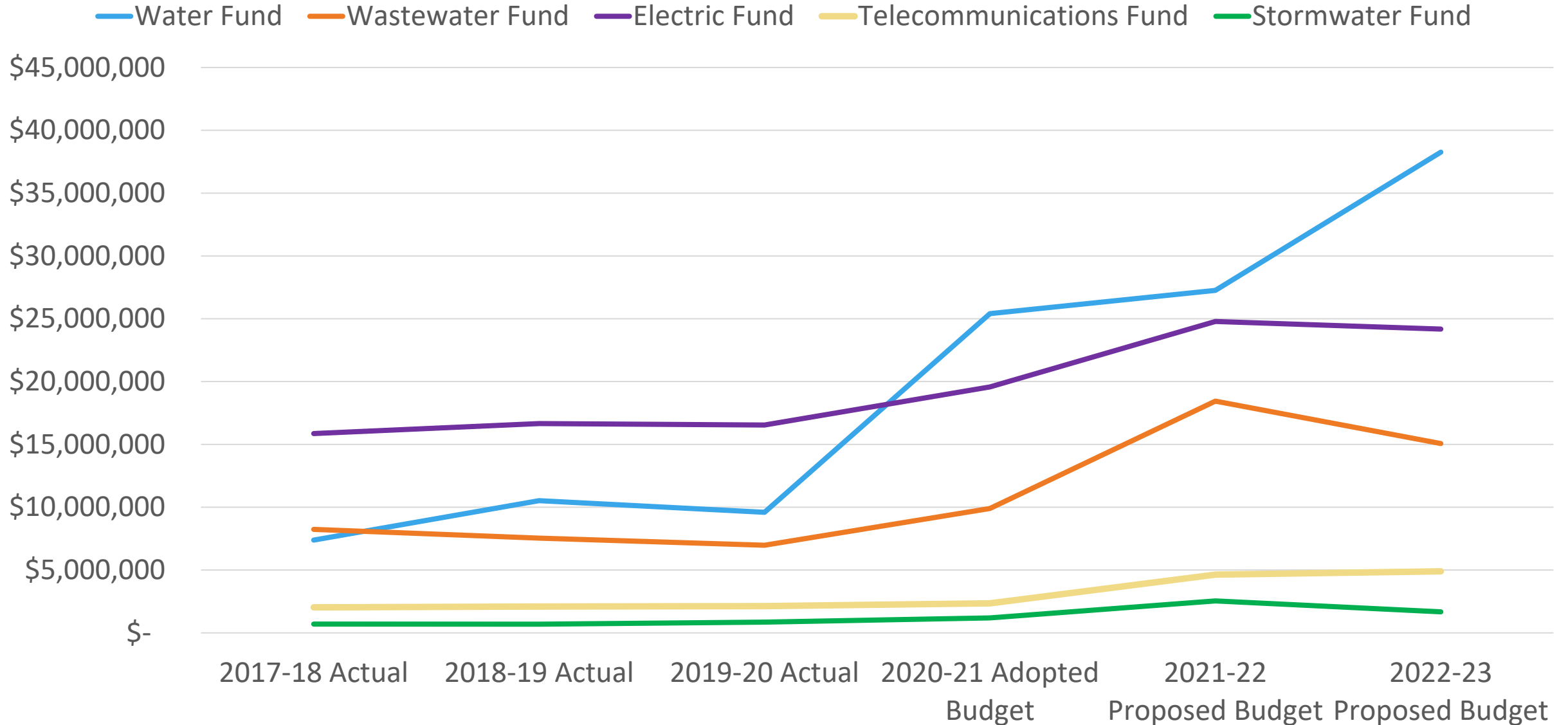
Franchise Fee Rate Structure			
	Current Franchise Rates	Proposed FY2022-23 Franchise Rates	FY2023-24 and forward Franchise Rates
Wastewater	8.00%	7.50%	7.50%
Water	8.00%	7.50%	7.50%
Electric	10.00%	8.50%	7.50%
Avista	7.00%	7.50%	7.50%
Stormwater	0.00%	0.00%	0.00%

Franchise Fees in Funding Stability

- The City has struggled to find a stable and appropriate funding stream for Street repairs. Franchise Fees are designed to pay the City for impacts to Streets making a clear nexus.
- The BN2021-2023 Recommended Budget includes stepped increases in the percentage of franchise fees dedicated to Street capital improvements and codification of the contribution.

Franchise Fee Distribution	FY2022-23	FY2023-24	FY2024-25	FY2025-26
Dedicated to Street Funding	20.00%	25.00%	35.00%	50.00%

Enterprise Funds- Expenditures



Personnel Services

- The primary accounting change is the movement of program management staff from a central charge under Materials and Supplies to direct cost allocation in the Water, Wastewater, and Stormwater funds.
- There are no operational changes in staffing.

Materials & Services

- Chemical and petroleum-based product prices are increasing in the Water and Wastewater operations.
- Physical, purchasable materials increasing
 - World-side Supply Chain issues continue to impact prices.
- Small changes in professional and contracted services; majority have held flat for the past few years. With change in economy and market including to return to office services, expense is expected to increase in the second year.

Water Fund

- The Water Fund houses the Water Division of the Public Works Department and provides drinking water to 7,736 residences, 608 business and 217 “institutions” (Governments and City) within the City of Ashland. The Water Division manages the City's water system, consisting of storage reservoirs, treatment facilities, and distribution systems.
- Sources: Charges for Services, Debt Proceeds
- Uses: Sourcing, treatment and distribution of water
- Challenges/ Opportunities:
 - Developing an updated Intergovernmental Agreement with Talent and Phoenix and part of the TAP system operations, maintenance and fiscal responsibilities
 - Infrastructure requires continuous maintenance to ensure the water needs of the community are met from both a consumption standpoint, but also an emergency standpoint (fire).
 - Cost effective delivery of major planned improvements, Dam Safety Project, Water Treatment Plant and non-peak bypass for the TAP line. Projects are defined to meet regulatory compliance issues (Dam-FERC, Water Treatment Plant- Oregon Health Authority and future proof).
 - Emergency preparedness

Changes in Service – Current and Future

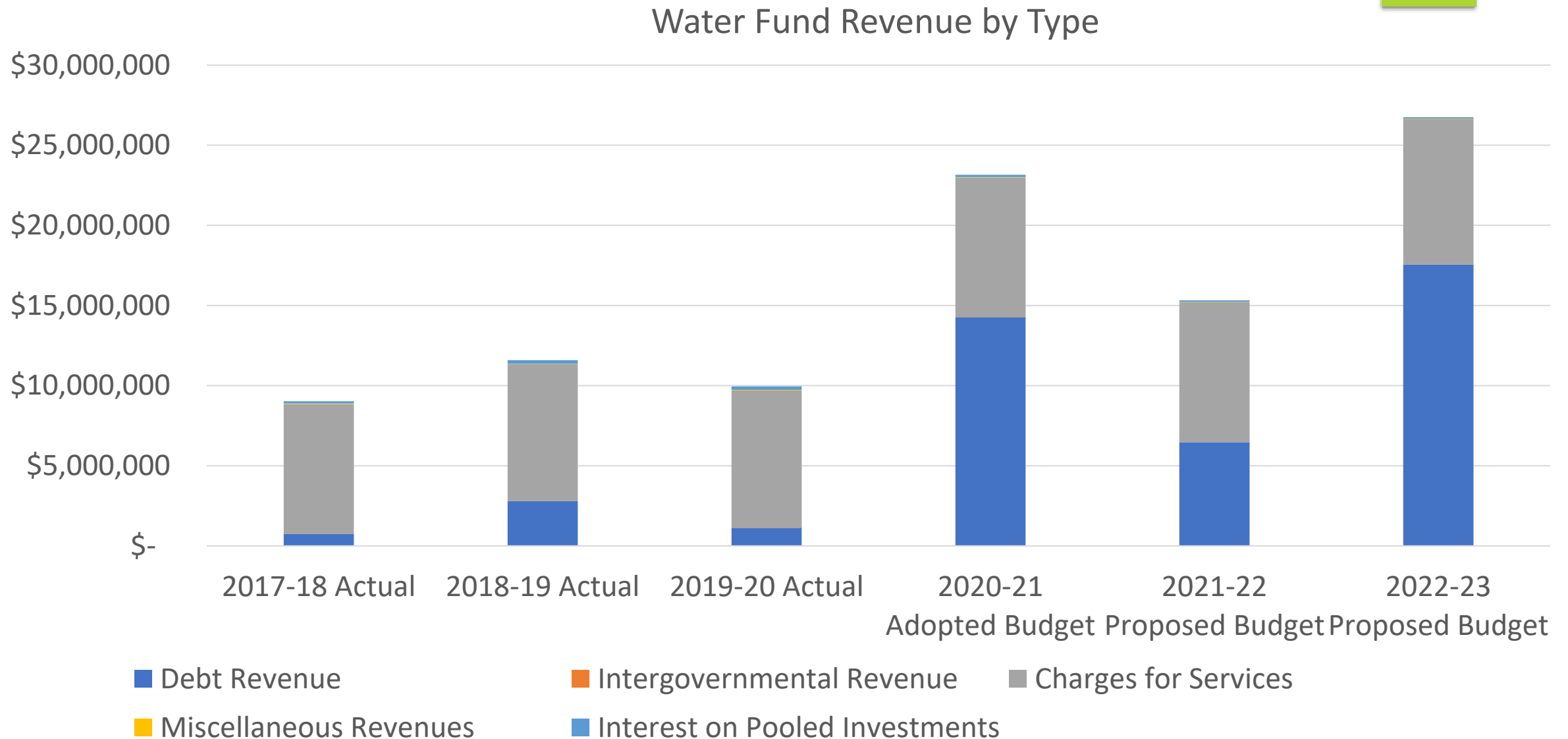
Current

- Staffing levels may result in reduced hours for open public access (phones, counters)
- No changes in Water operations or services.
- Capital outlay includes repairs of older equipment and anticipated projects dependent on Council review and approval.

Future

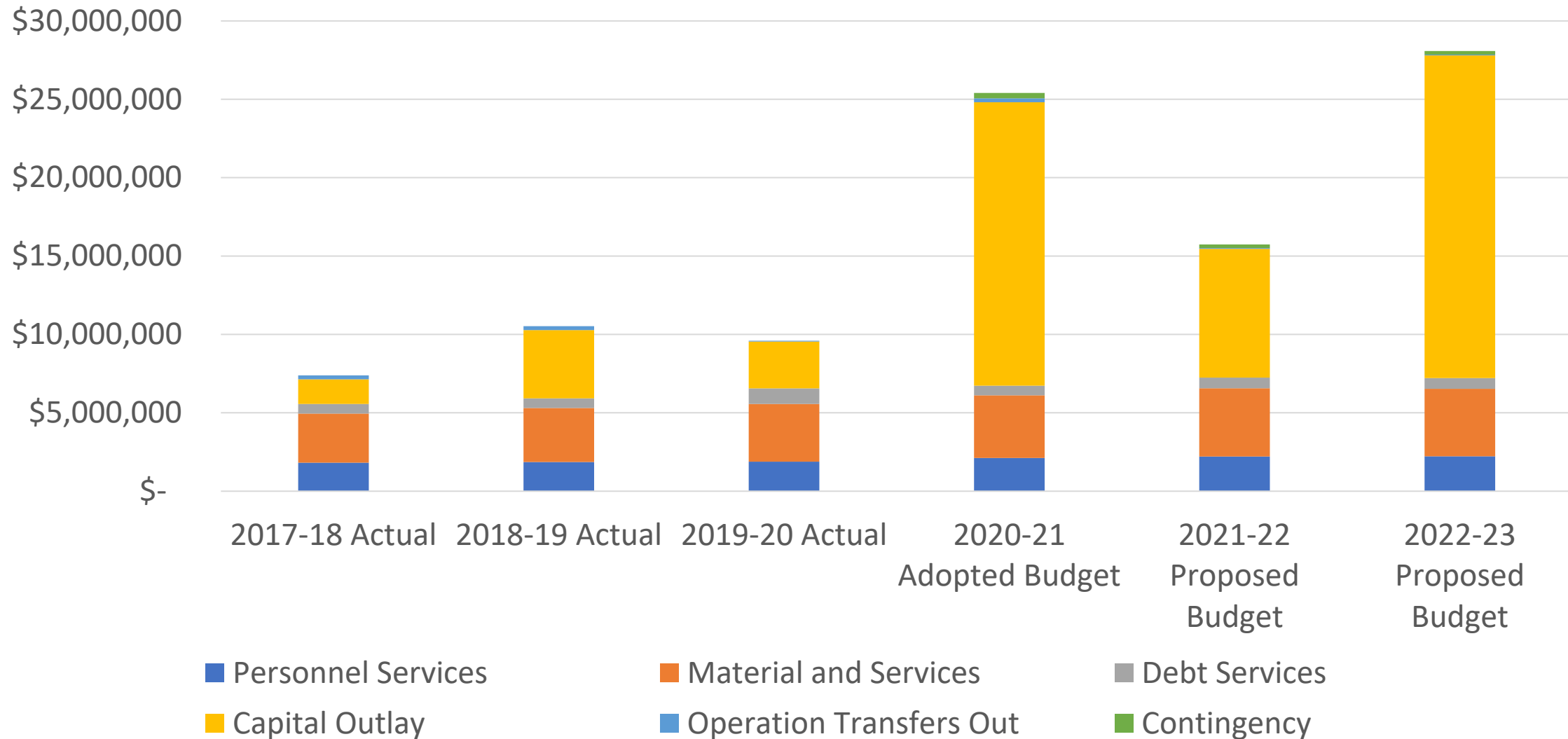
- Operating changes and expenses are dependent on future modifications and approval of specific repair and replacement infrastructure investments, particularly the water treatment plant.
- The water plant is included in the second year as a placeholder because it is a known topic of consideration.

Water Fund Revenues by Type



Water Fund Expenses by Type

Water Fund Expense by Type



Wastewater Fund

- The Wastewater Fund is home to the Wastewater Division of the Public Works Department providing sewage collection and treatment to 8,644 customers. The Wastewater treatment process is closely regulated within Federal and State Law.
- Sources: Charges for Services, Debt Proceeds
- Uses: Collection, treatment and discharge of sewage
- Challenges/ Opportunities:
 - National Pollution Discharge Elimination System Permit (NPDES) Compliance within the 5-year permit window
 - Cost effective delivery of major projects that provide compliance
 - Ongoing maintenance activities, for both the collections and treatment systems
 - Analyze ways to reduce energy consumption with respect to treatment operations
 - Monitor and implement cost effective measures to reduce inflow and infiltration into the system
 - Emergency preparedness

Changes in Service – Current and Future

Current

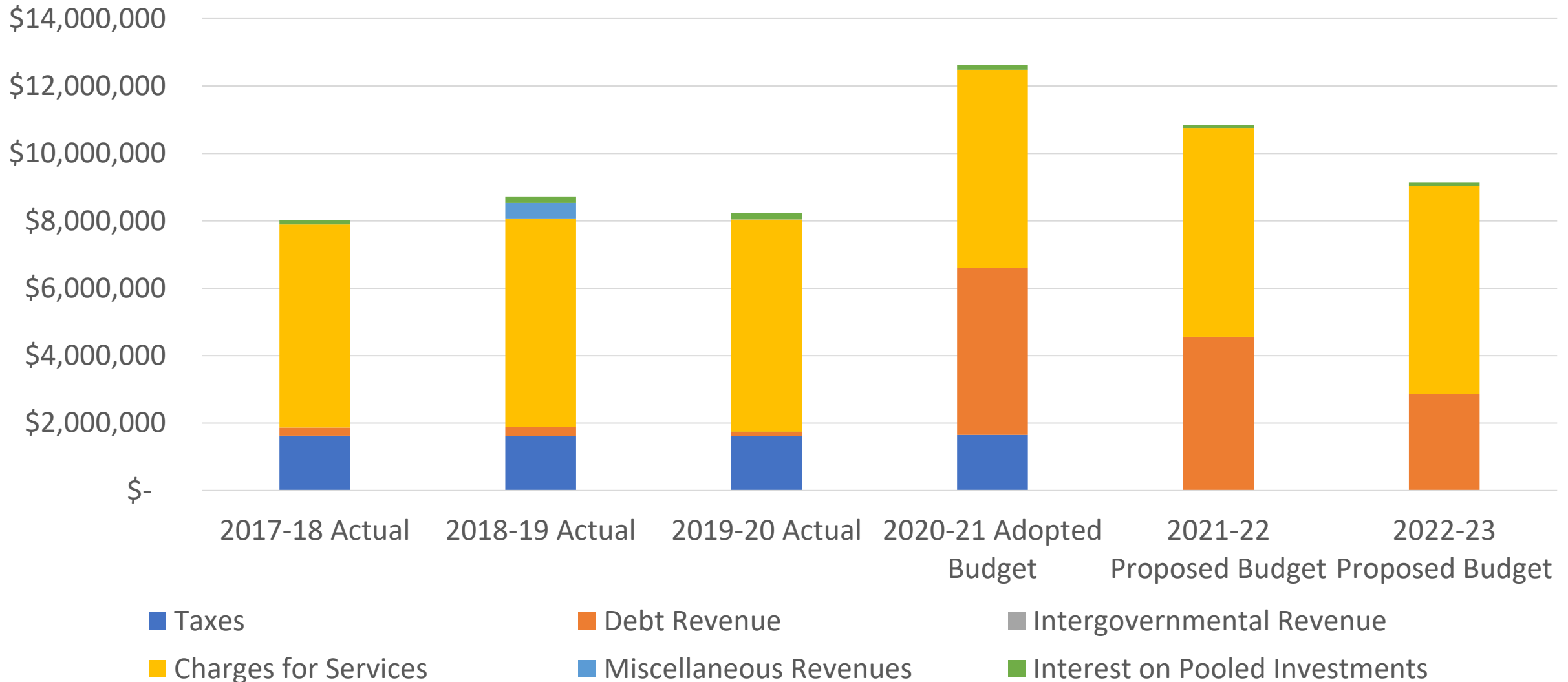
- Staffing levels may result in reduced hours for open public access (phones, counters)
- No changes in Wastewater operations or services.
- Sale of properties to fund infrastructure investments contributes to rate stability.

Future

- Additional treatment and discharge requirements will require changes in operations and potentially increased expenses.

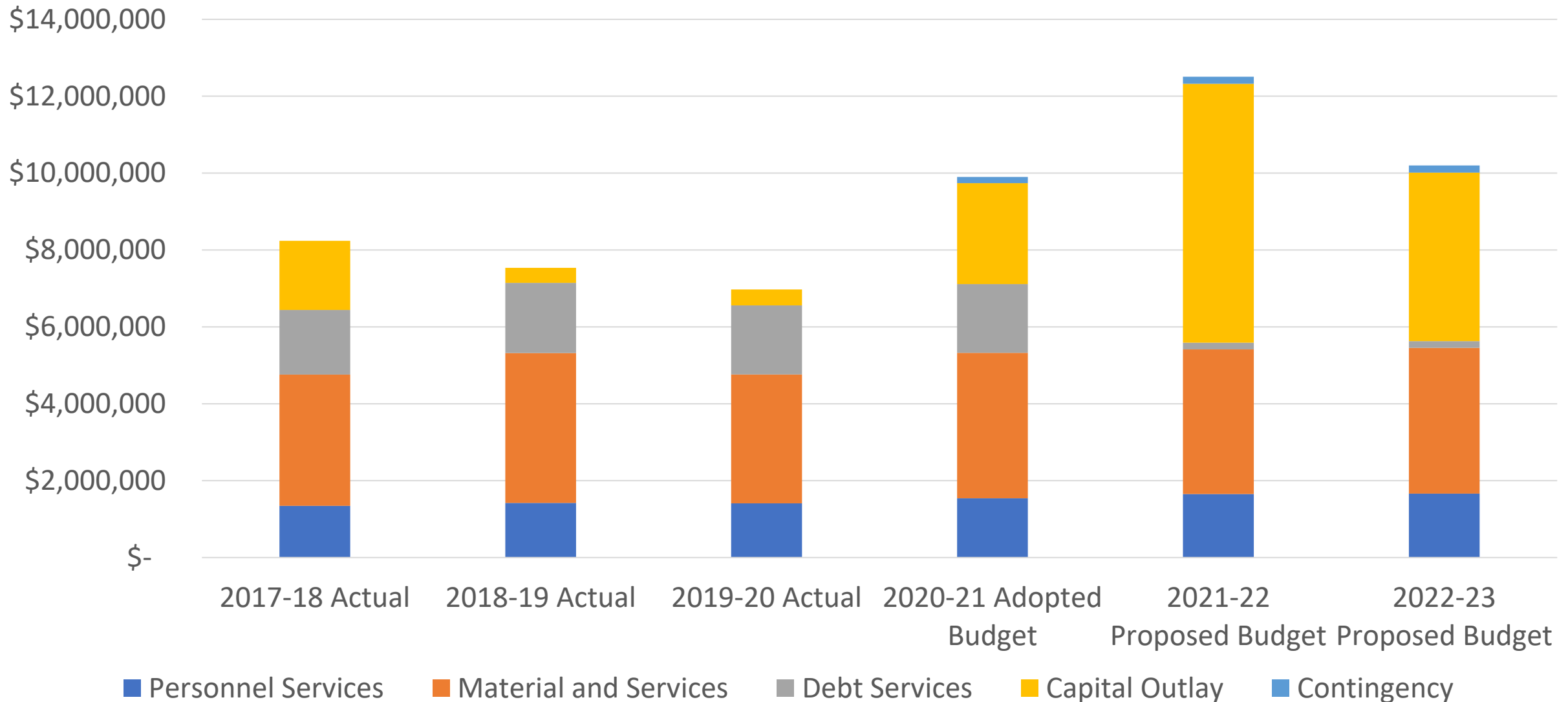
Wastewater Fund Revenues by Type

Wastewater Fund Revenue by Type



Wastewater Fund Expenses by Type

Wastewater Fund Expense by Type



Stormwater Fund

- The Stormwater Fund was created in BN2017-2019 to account for the collection and transportation of Stormwater collected on City streets and properly discharged into approved streams and creeks. These operations were formally housed within the Streets Fund. For this reason, the charts for Stormwater will only show information since FY2017-18.
- Sources: Charges for Services
- Uses: Collect and transport stormwater
- Challenges/ Opportunities:
 - MS4 Permit Compliance within the 5-year permit window
 - Establishing the appropriate rate and system development structure to support this newly created fund
 - Ashland Municipal Code update requirements as required by DEQ and the MS4 permit

Changes in Service – Current and Future

Current

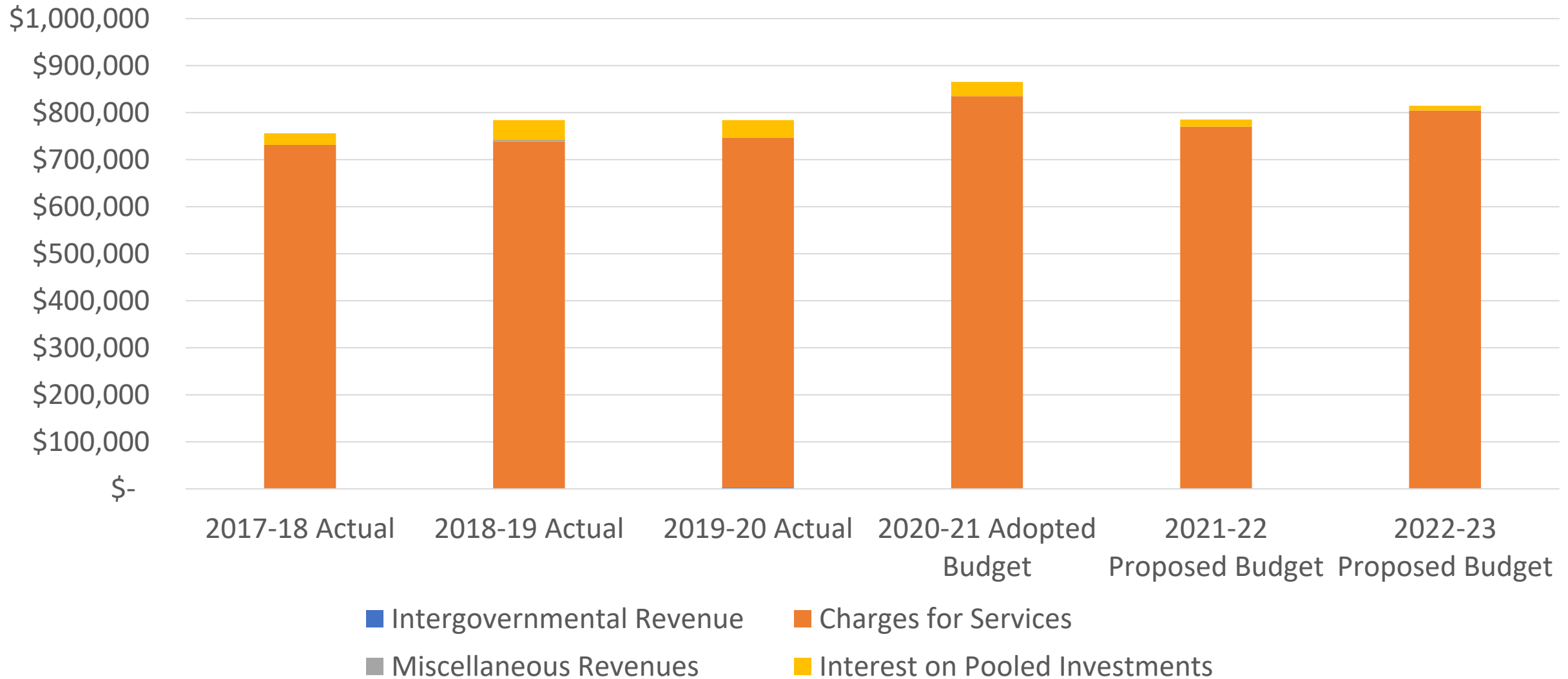
- Staffing levels may result in reduced hours for open public access (phones, counters)
- Explore ability to meet DEQ requirements for permit compliance with existing resources or through regional partnerships. Evaluate cost-benefit of capacity options.

Future

- DEQ requirements are anticipated to be stricter in terms of compliance being ensured separate from other functions which may require expansion of operations.

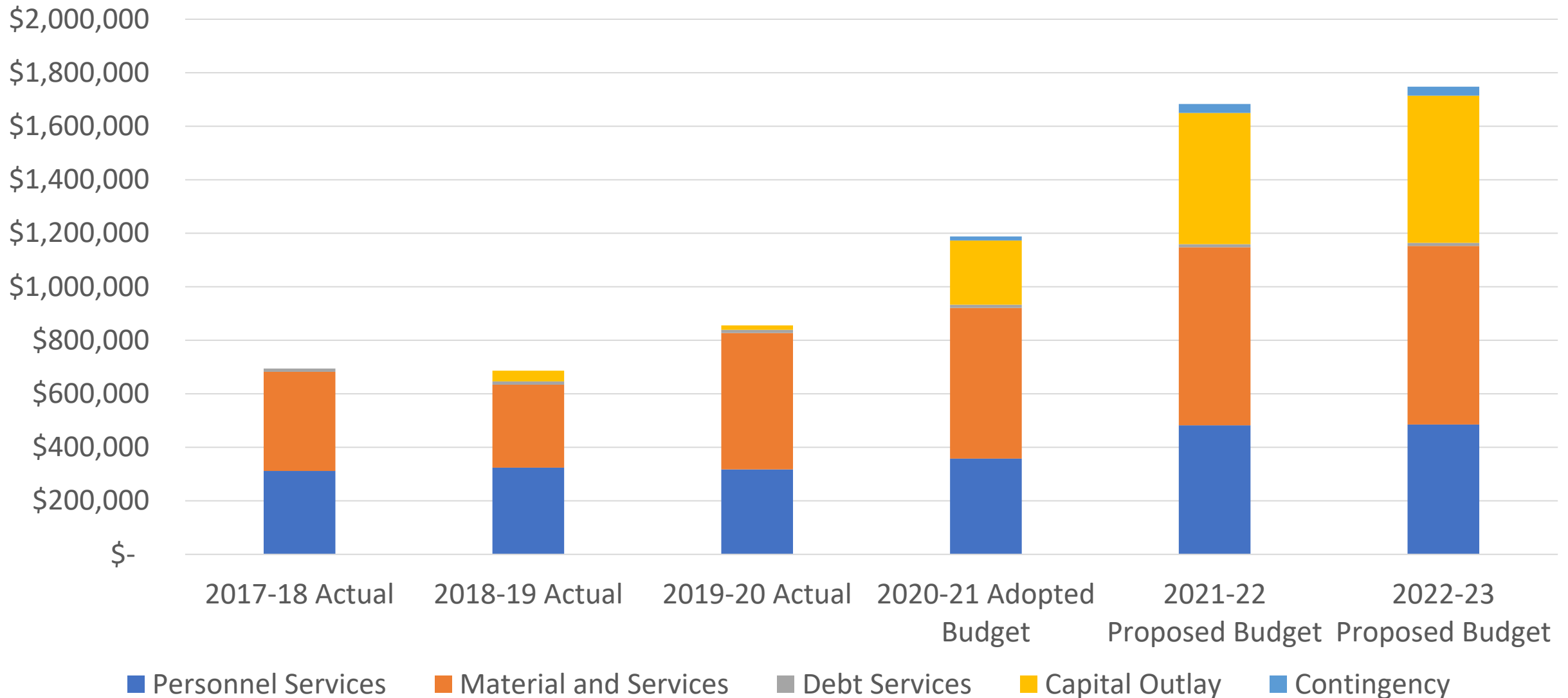
Stormwater Fund Revenues by Type

Stormwater Fund Revenue by Type



Stormwater Fund Expenses by Type

Stormwater Fund Expense by Type



Electric Fund

- The Electric Fund accounts for the all revenue and expenses relating to the Electric Utility operations. The Electric Fund purchases wholesale electricity from the Bonneville Power Administration (BPA), transmits that power throughout the City's distribution system and sells the electricity to residential, business and institutional customers.
- Primary Sources: Charges for Services, Debt Proceeds
- Uses: Purchase, transmission, and distribution of electricity
- Challenges/ Opportunities:
 - Staying ahead of demand created by fuel switching and EV's
 - Attracting and retaining qualified journey level employees
 - The pending expiration of current wholesale power purchase agreements with BPA

Changes in Service – Current and Future

Current

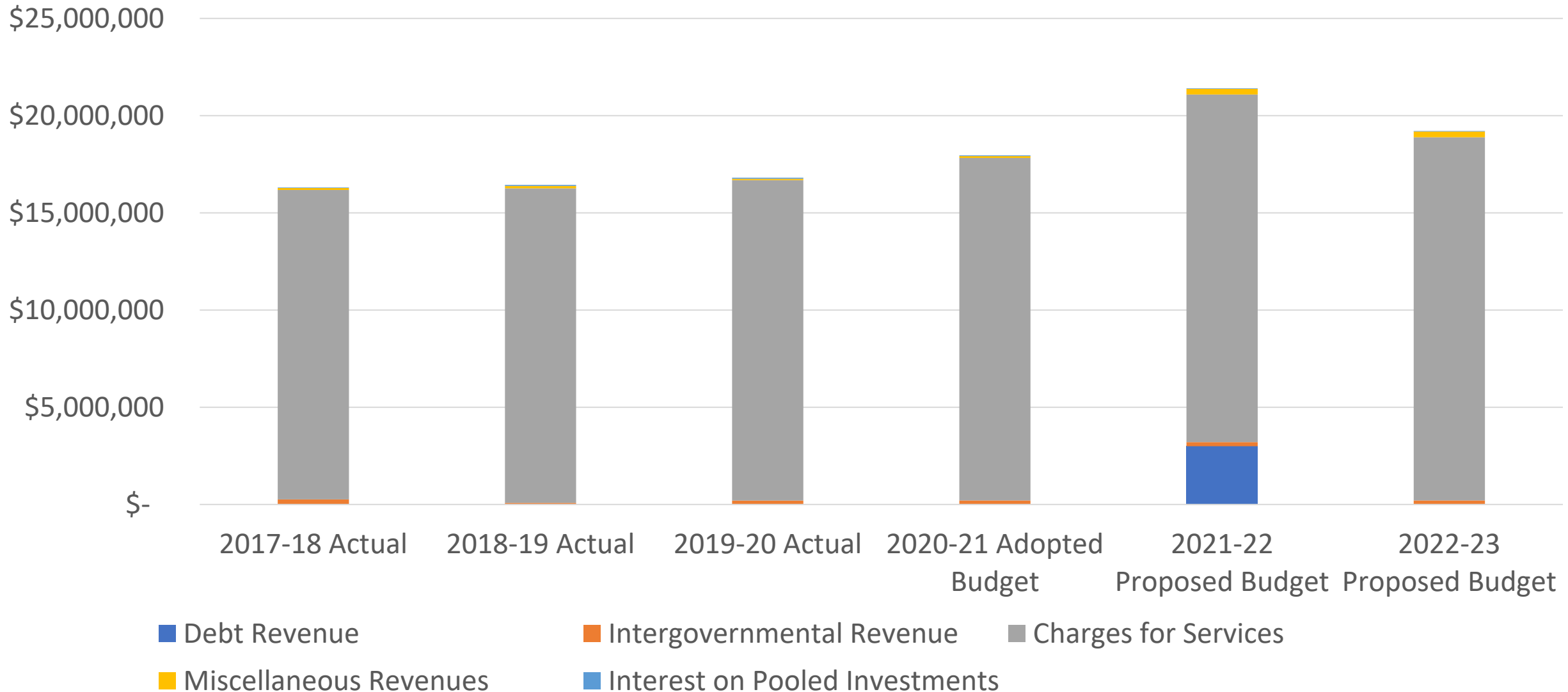
- Continued challenges in filling line positions.
- Increase in electric rates from Bonneville Power Authority (BPA).
- Negotiation to purchase and update substation for greater redundancy and reduced volatility in transmission costs.

Future

- Negotiation of agreement with Bonneville Power Authority (BPA) for continued electricity purchasing.

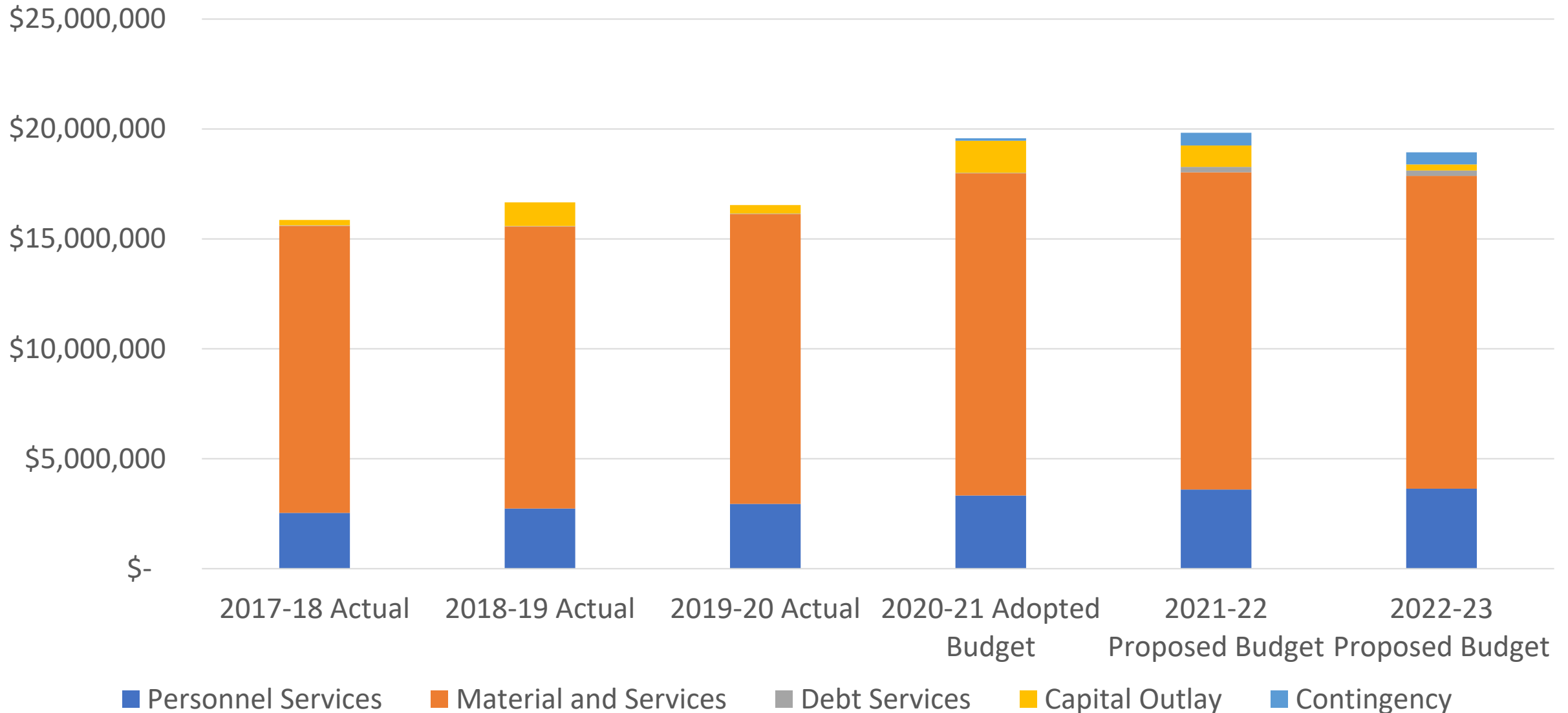
Electric Fund Revenues by Type

Electric Fund Revenue by Type



Electric Fund Expenses by Type

Electric Fund Expense by Type



Telecommunications Fund

- The Telecommunications Fund accounts for all revenue and expenses relating to the City's wholesale and retail Internet Service Utility, Ashland Fiber Network (AFN).
- Sources: Charges for Services
- Uses: Provision of internet services
- Challenges/ Opportunities:
 - As a technology-provider, AFN must evolve with technology.
 - Short investment window; revenue potential will decline over time.
 - Existing infrastructure requires labor-intensive maintenance.

Changes in Service – Current and Future

Current

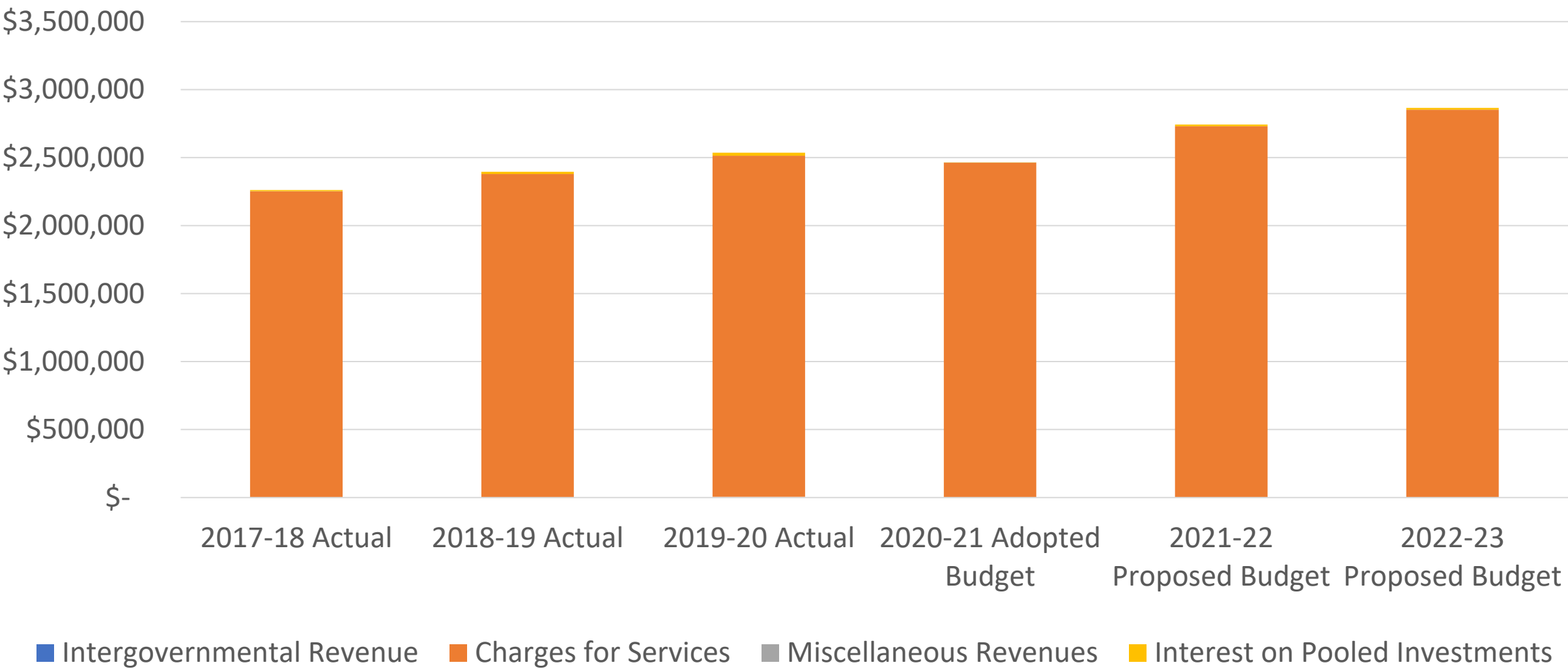
- Review options and determine mid- and long-term direction of the enterprise

Future

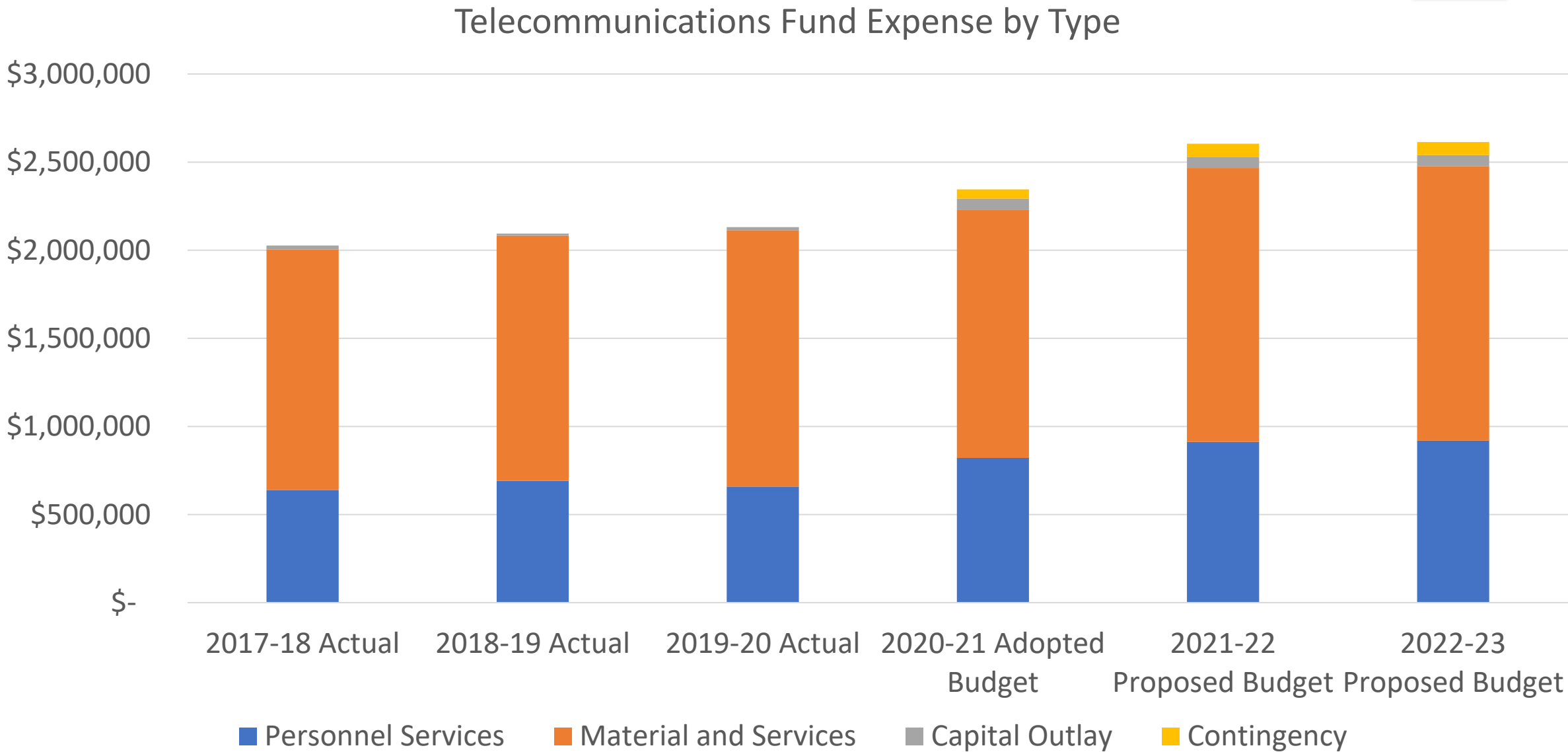
- Implement direction of City Council regarding system technology and enterprise market position

Telecommunications Fund Revenues by Type

Telecommunications Fund Revenue by Type



Telecommunications Fund Expenses by Type

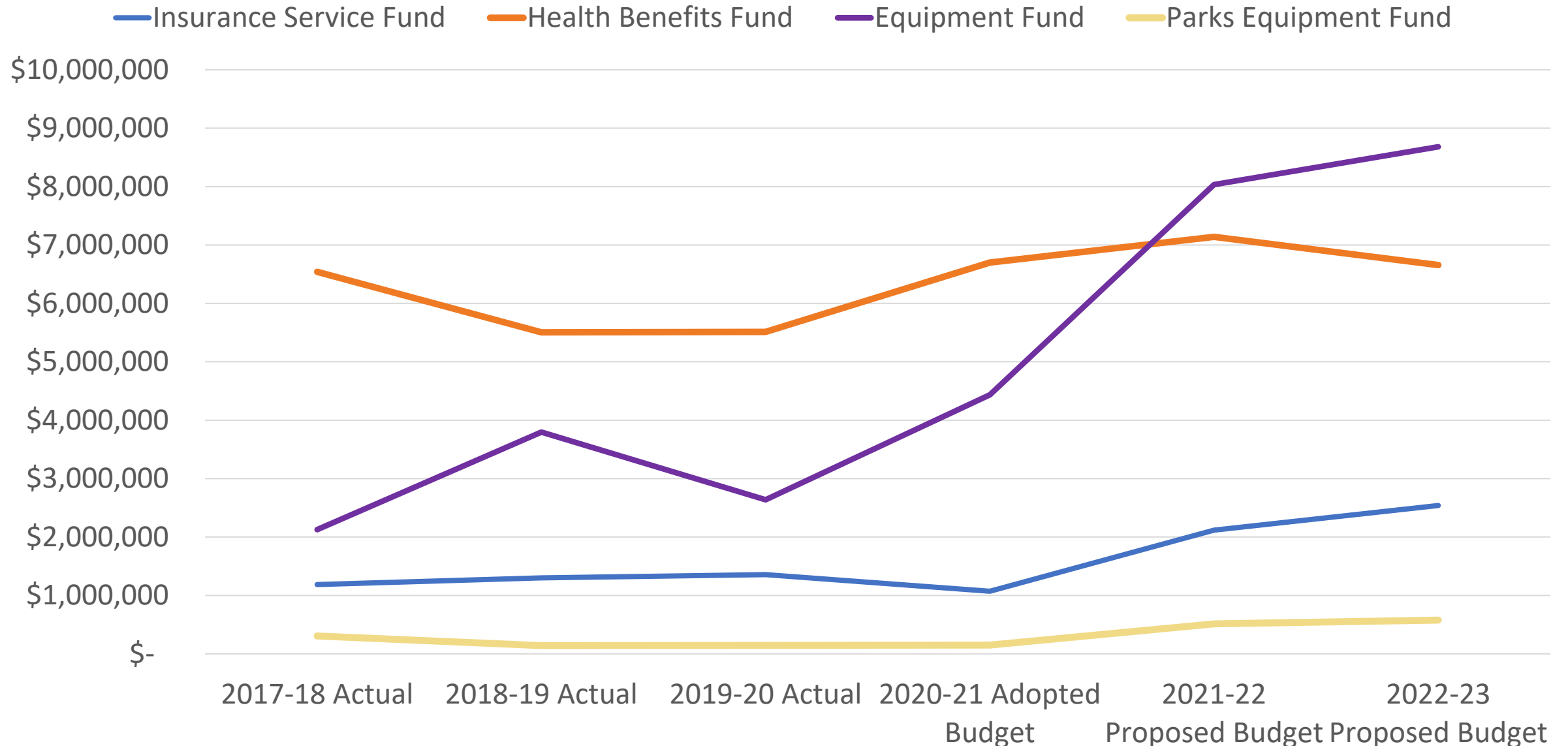


Internal Service Funds

Internal Services Funds sell goods and services to other parts of the City, particularly the primary operating departments that provides services to residents and customers. These funds are intended to be self-supporting through user charges.

- **City/ Parks Equipment Funds-** Account for the maintenance and replacement of equipment including vehicles and large equipment. Uses internal charges for purchase and maintenance of most motorized equipment (rolling stock) and some larger non-rolling stock equipment (generators, cutting equipment, etc.) within the City.
- **Health Insurance Fund-** Account for health care costs and to use reserves built over time to stabilize health care costs. Uses internal transfers from operating departments and employee contributions to pay for employee health insurance premiums.
- **Insurance Fund-** Account for the purchase of insurances including workers' compensation, property, and liability coverage. Uses internal charges for purchase of insurance and pays non-covered claims and deductibles.

Internal Service Funds- Expenditures



Equipment Fund

- The Equipment Fund is an internal service funds that provides for the maintenance and replacement of most motorized equipment (rolling stock) and some larger non-rolling stock equipment (generators, cutting equipment, etc.) within the City.
- Sources: Charges for Services
- Uses: Repair and replacement of equipment used by City departments
- Challenges/ Opportunities:
 - Supply chain issues continuing to impact prices and ability to maintain/repair equipment.
 - Evaluation of vehicle usage provides opportunity to delay replacements and consolidate users.

Changes in Service – Current and Future

Current

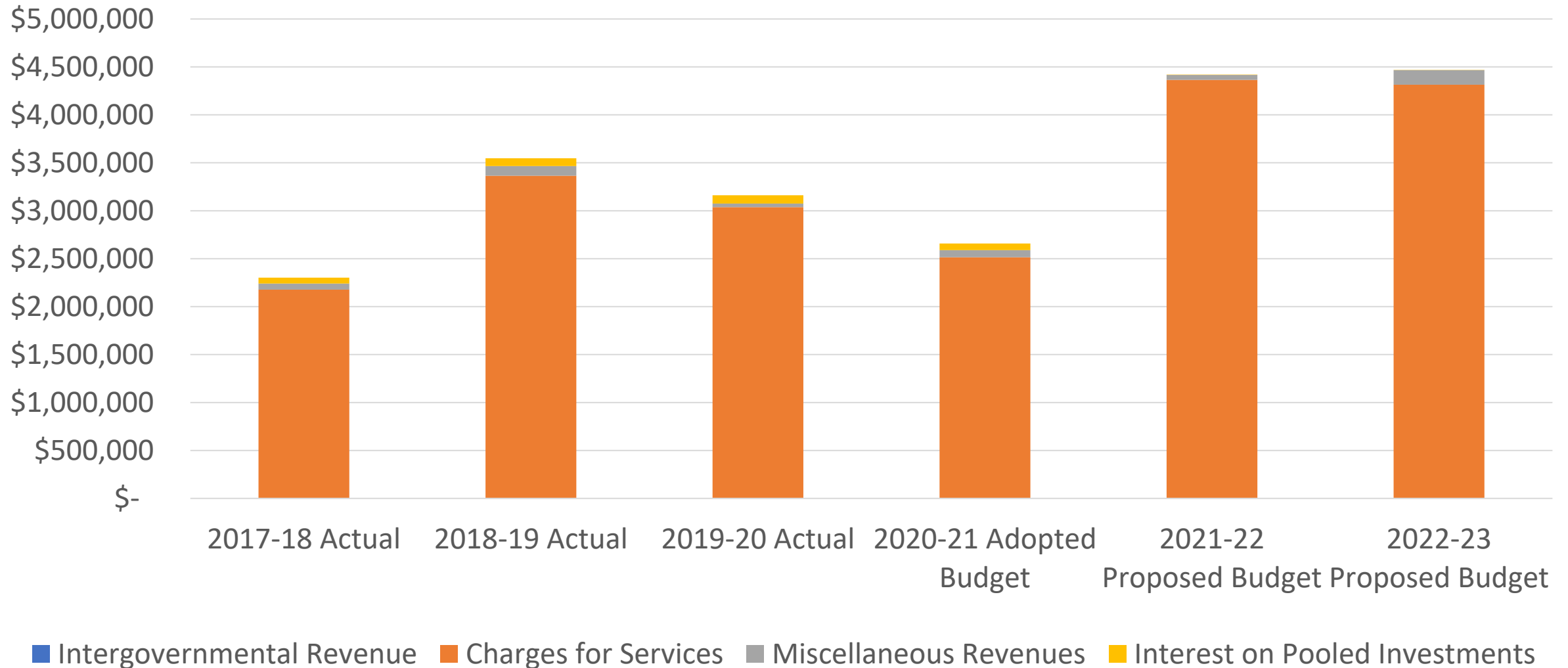
- No changes in operations or services.
- Increase in Capital costs are for vehicle replacement including postponed ambulance, two trucks for the electric Fund, and Paint Machine, Sweeper, and Grader for Street Fund.

Future

- Demand dependent on operating department needs.

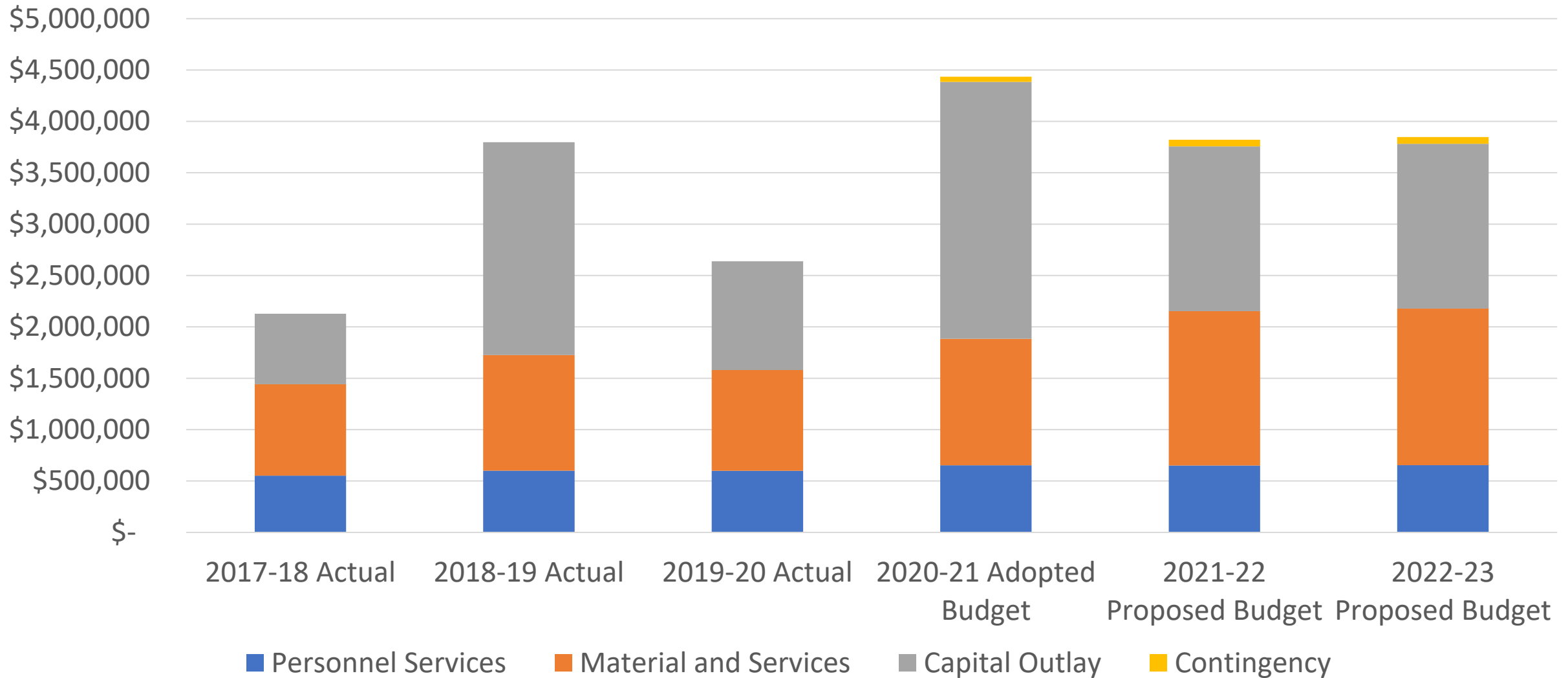
Equipment Fund Revenues by Type

Equipment Fund Revenue by Type



Equipment Fund Expenses by Type

Equipment Fund Expense by Type



Insurance Fund

- The Insurance Services Fund accounts for the purchase of insurance for the City along with the City's Workers' Compensation program.
- Sources: Charges for Services
- Uses: Payment of insurance premiums and claims
- Challenges/ Opportunities:
 - Increases in small claims below the insured level
 - Need for increased training and risk management activities to bring rate of increases
 - Review of Workers Compensation structure: self-funded vs. insured

Changes in Service – Current and Future

Current

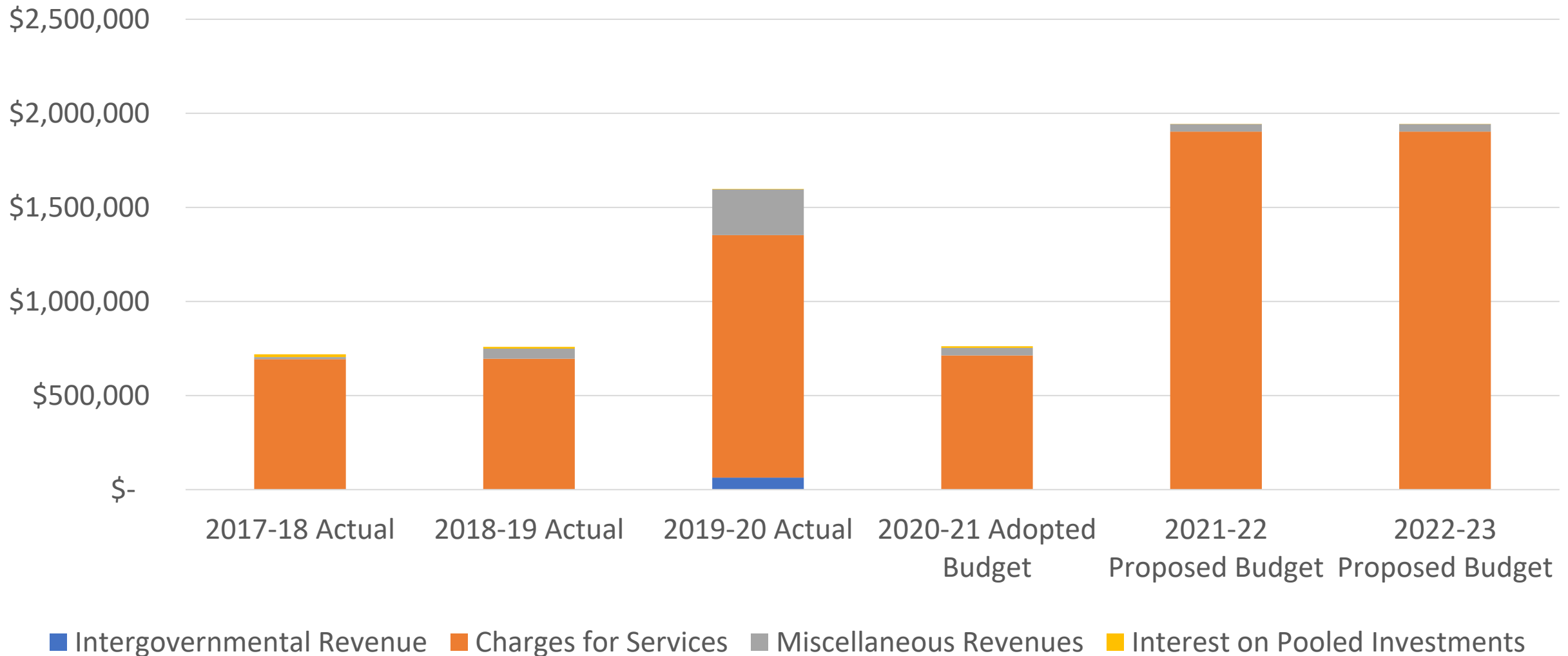
- Increase in premiums consistent with state-wide increase
- Increase in small claims; increase in training efforts
- Avoid supplemental budget appropriations and stabilize charges to operating departments
- Review workers compensation structure

Future

- Update policies and procedures and continue assertive training and risk management
- Implement workers compensation structure direction upon completion of review and approval by City Council

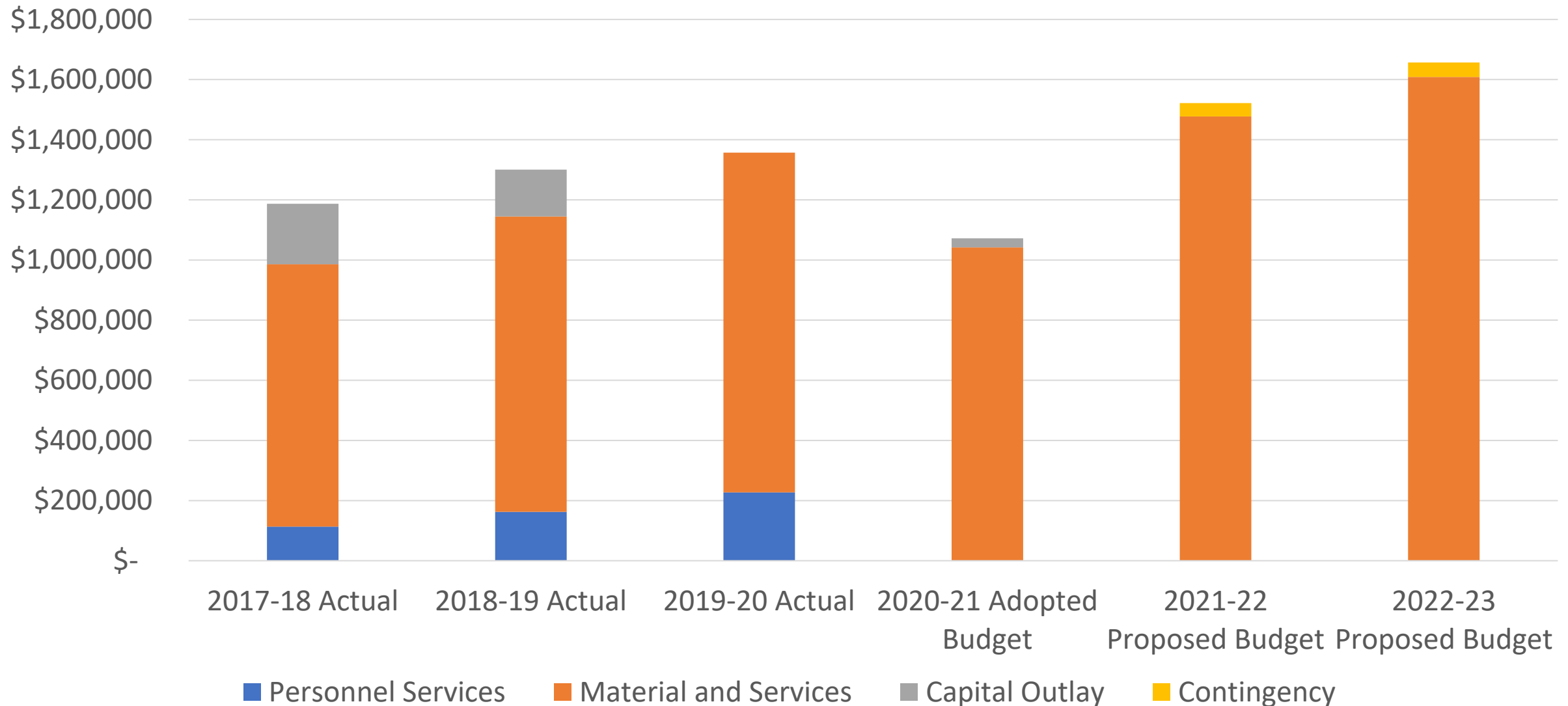
Insurance Fund Revenues by Type

Insurance Fund Revenue By Type



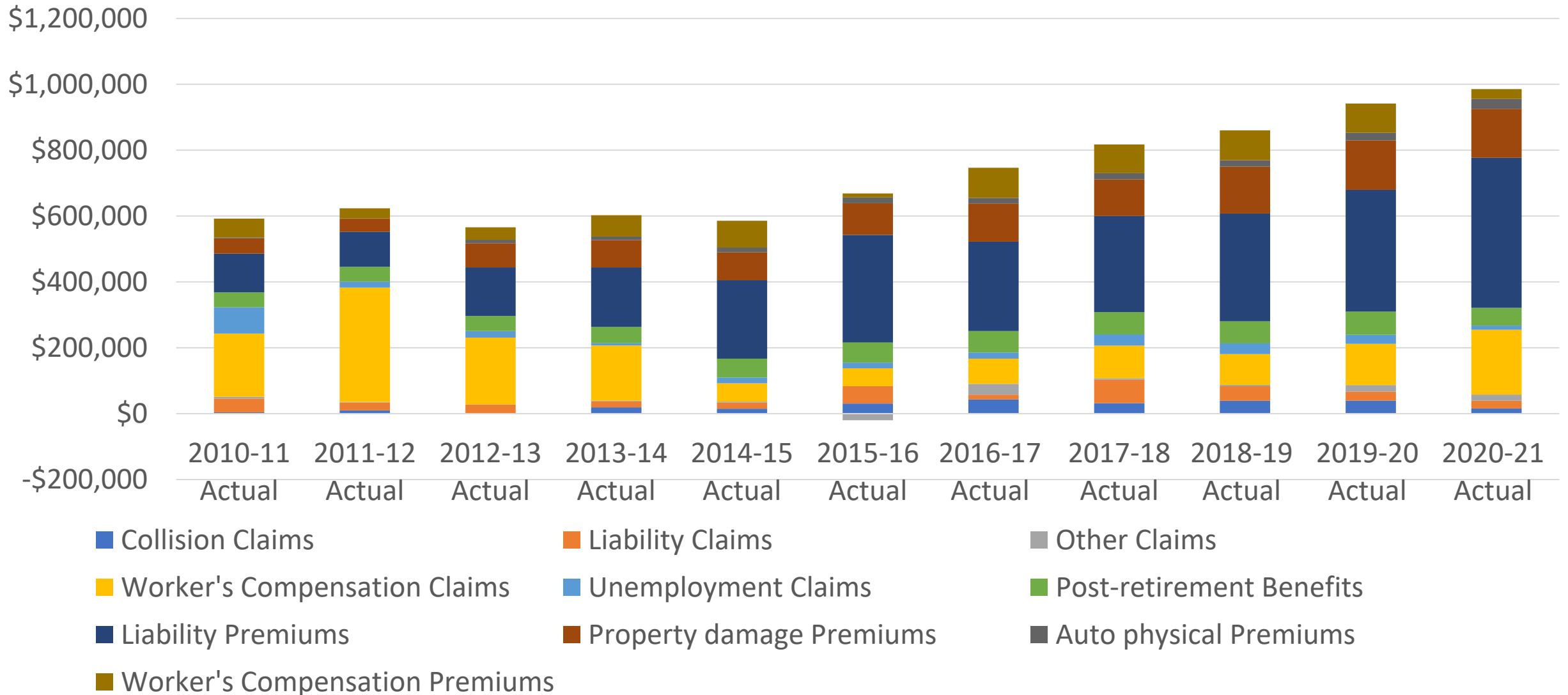
Insurance Fund Expenses by Type

Insurance Fund Expense by Type



Insurance Fund Materials & Services Details

Insurance Fund Materials & Services Details



Health Benefits Fund

- The City operated a self-funded health insurance plan before changing to a fully insured plan on July 1, 2019. The City made the decision to keep the fund open and build a reserve to help mitigate future rate increases.
- Sources: Charges for Services
- Uses: Payment of health insurance premiums
- Challenges/ Opportunities:
 - The City has successfully built sufficient reserves to allow for lower charges to operating departments with the intent of smoothing costs through the biennium.
 - Future market behavior is not known or reliably predicted.

Changes in Service – Current and Future

Current

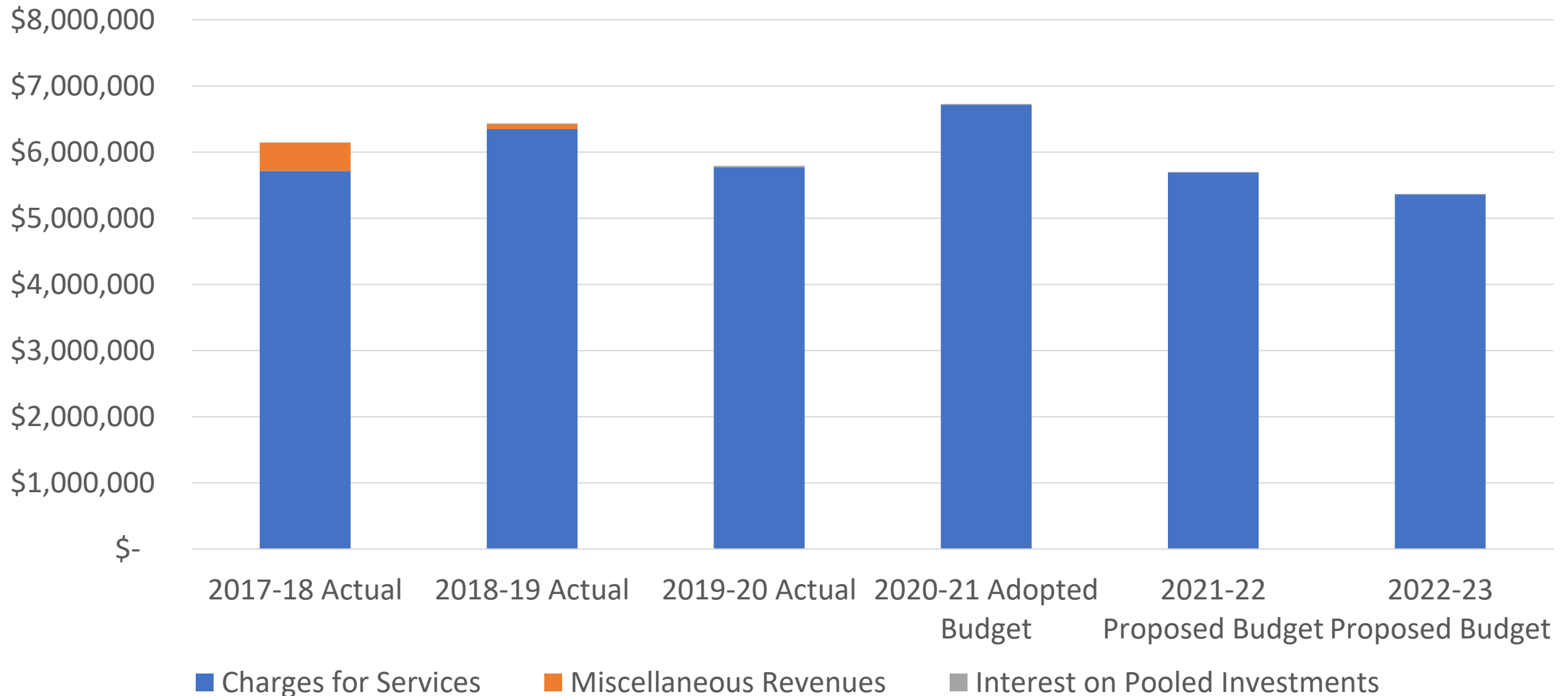
- The recommended budget includes lower charges to departments than anticipated expenses with the intent of smoothing costs to the operating departments by utilizing a modest portion of the available surplus balances.
- All employees except Police, Fire, and Laborer groups are currently contributing 5% more to health insurance coverage, approximately \$150,000 annually.

Future

- Rates are dependent on market and claims behavior post-COVID-19 pandemic.
- City contribution to health insurance premiums are also dependent on specifics negotiated in labor agreements.

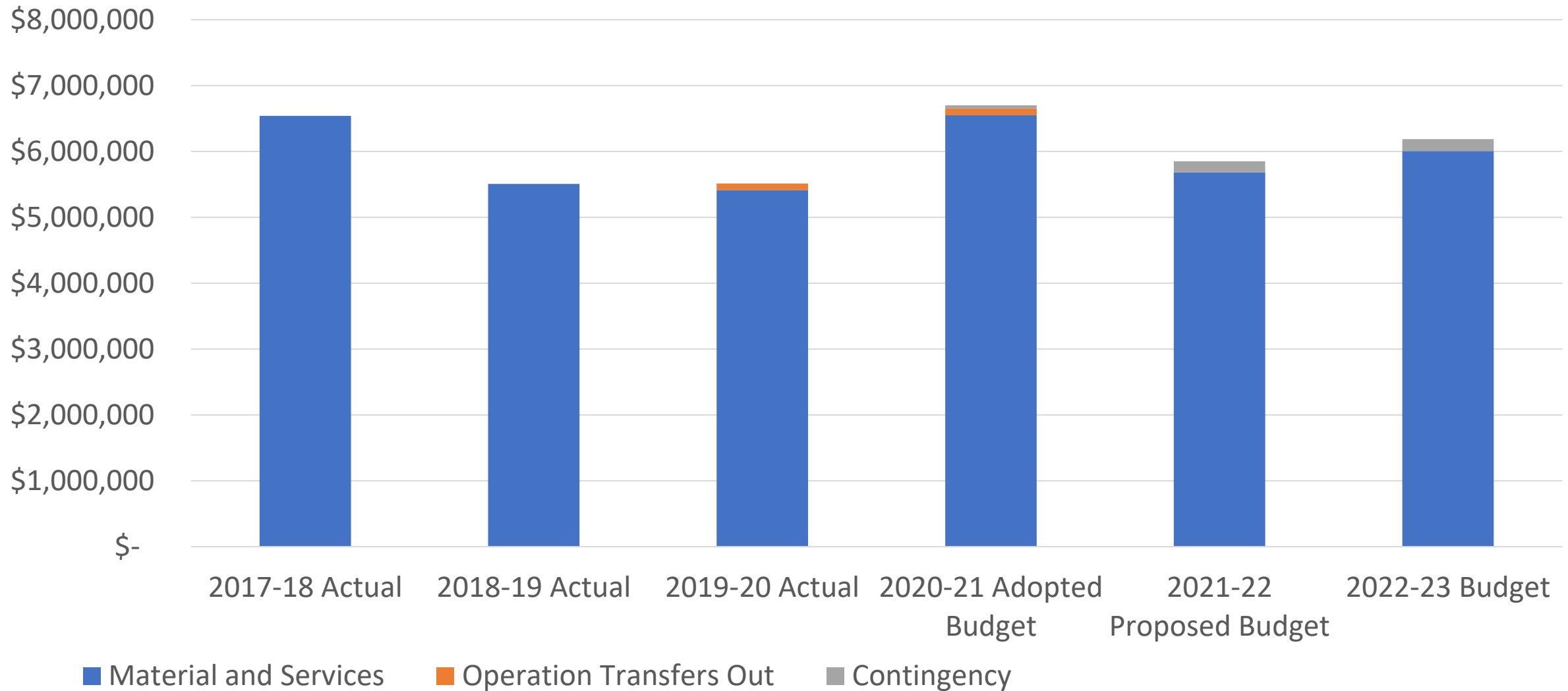
Health Benefits Fund Revenues by Type

Health Benefits Fund Revenue by Type



Health Benefits Fund Expenses by Type

Health Benefits Fund Expense by Type



Looking Forward

- Update of the F&B ordinance to distribute 98% of the proceeds to the Ashland Parks & Recreation Commission and 2% to be retained by the General Fund to offset administration. This change does not require an election but F&B modifications have been referred to the voters in the past;
- Adopt an ordinance directing the specific allocation of property tax millage to be transferred to the Ashland Parks & Recreation Commission on a stepwise decreasing schedule;
- Adopt a Franchise Fee ordinance to establish universally applied franchise fees to all purveyors of utilities within Ashland City limits and direct a stepwise increasing amount to the Streets Fund for capital investment; and
- Schedule study sessions for Council to explore strategic financial plan elements including Capital Improvements Plan, debt management, labor negotiations strategy, and service array options such as a regional fire district or partnership. September 2021- March 2022

Next Steps

Budget Committee Meetings

- Tuesday, May 11 (Parks Commission, Final Review, and CBC Deliberation)
- Friday, May 14 (CBC Deliberation and Approval including Grants Recommendations).

City Council Meetings

- Tuesday, June 1 and Tuesday, June 15 at 6 p.m.

Please visit the City's website, www.ashland.or.us, more information.

[REDACTED]

From: Risa Buck [REDACTED]
Sent: Tuesday, April 13, 2021 1:22 PM
To: Natalie Thomason
Subject: Re: follow up Engage

[EXTERNAL SENDER]

Hi Natalie

Your response was not the one I was hoping to hear. Particularly at this time when transparency of government and the increasing challenges for the public to provide input in decisions that affect us, a process like this one, should in my opinion hold a higher priority. Giving lip service to our voices by creating a process that is inconvenient and time consuming for the public and paid staff makes no sense to me.

I want to participate in our democratic process and I trust that your department will expedite improvements to serve the public good.

Thank you,

Risa

On 4/13/2021 9:55 AM, Natalie Thomason wrote:

Hello again Risa,

Thank you for reaching back out to us, we again appreciate the input because we have heard now from a couple of other people expressing similar concerns. We are definitely considering all input for our future processes.

Thank you again and as always please feel free to reach out to us if you have any comments or questions,

Natalie Thomason
Administrative Assistant
Risk Management Claims Intake
City of Ashland Finance
20 East Main Street, Ashland, OR 97520
541-552-2012 Direct Voice, TTY 800-735-2900 | 541-552-2059 fax

From: Risa Buck [REDACTED]
Sent: Monday, April 12, 2021 4:44 PM
To: Natalie Thomason <natalie.thomason@ashland.or.us>
Cc: Elizabeth Taylor <elizabeth.taylor@ashland.or.us>; Finance <finance@ashland.or.us>
Subject: Re: follow up Engage

[EXTERNAL SENDER]

Hi Natalie

From my perspective, asking the public to weigh in once and getting success is PLENTY. Feeding questions 2 at a time is an "interesting" approach. I can't speak for everyone but committing once to answer questions is something I am able to do. The piece meal approach seems inefficient for the public as well as what it costs to tabulate the info one time vs 4 times. My vote is to send me the entirety one time and I'm done and on to the next long list of things I need to do. If I can get the whole survey I will happily do it. I find this process a disincentive to participate in a critically important process.

Thanks

Risa

On 4/12/2021 3:34 PM, Natalie Thomason wrote:

Hello Risa,

Thank you for reaching out to us regarding the survey, we really appreciate the feedback. In regards to your question on the nature of input we are seeking for this week we decided to get some service quality feedback as part of the series of questions. They all provide the Budget Committee and City Council with points of information regarding the success or need for improvement in all service areas. Below is a full list of the questions that have been or will be presented for public input, we opened our survey questions on March 10th. In addition to the question we are asking this week and have been asked prior, all other questions will be asked two at a time every week until April 27th. If you would like to answer any of the questions that have already been asked or provide other input we welcome and encourage you to email finance@ashland.or.us with this information and it will be forward to the Citizens' Budget Committee prior to their next meeting. All public comment is attached to the meeting minutes as part of the public record.

2021-23 BN Survey Questions

1. How closely do you follow the news about Ashland City government and the City's finances including the budget:
 1. very closely,
 2. somewhat closely,
 3. not too closely, or
 4. not at all?

2. What do you feel are the three biggest concerns currently facing the City of Ashland? Please choose your top three responses:
 1. Homeless Services
 2. Affordable Housing
 3. Streets or other Infrastructure
 4. Public safety (Fire and Police Response)

5. City finances
 6. Government and city council oversight
 7. Parks commission oversight
 8. Fire prevention/ Emergency management
 9. Climate Change/ Environmental Sustainability
 10. Diversity, equity, and inclusion activities for the community
 11. Local economy/ Business opportunities
 12. Other
3. Overall, would you say you approve or disapprove of the job being done by the City of Ashland?
4. How satisfied are you with the services listed? (Very satisfied, somewhat satisfied, somewhat dissatisfied, very dissatisfied)

Service	Very satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Very Dissatisfied
Providing police protection and crime prevention in your neighborhood				
Supporting the development of housing affordable to working families				
Preparing for natural disasters				
Using technology for communication and to improve access to information and City services				
Maintaining public areas like street medians				
Maintaining public parks and related facilities				
Maintaining streets and roads				

5. Would you say you approve or disapprove of the job being done by the City of Ashland in managing local tax dollars?
6. How satisfied are you with the services listed? (Very satisfied, somewhat satisfied, somewhat dissatisfied, very dissatisfied)

Service	Very satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Very Dissatisfied
Providing building code enforcement				
Enforcing traffic laws to protect the safety of pedestrians, cyclists, and drivers				
Promoting environmental sustainability; pursuing climate sustainability				
Providing diversity, equity, and inclusion activities for the community				
Providing adequate fire services in your neighborhood				

Providing adequate medical response services in your neighborhood				
Communicating with residents on upcoming changes in the City				

7. In your personal opinion, do you think there is a great need, some need, little need, or no real need for additional funds to provide the level of City services that Ashland residents need and want?
8. How important is it to you personally that the City allocate funding to this service (extremely important, very important, somewhat important, or not too important)?

Service	Extremely important	Very important	Somewhat important	Not too important
Providing police protection and crime prevention in your neighborhood				
Supporting the development of housing affordable to working families				
Maintaining/ improving streets and roads				
Providing building and other code enforcement				
Enforcing traffic laws to protect the safety of pedestrians, cyclists, and drivers				
Preparing for natural disasters				
Maintaining public parks				
Expanding public parks facilities				
Promoting environmental sustainability				
Diversity, equity, and inclusion activities for the community				
Providing adequate fire services in your neighborhood				
Providing adequate medical response services in your neighborhood				
Communicating with residents on upcoming changes in the City				
Using technology for communication and to improve access to information and City services				
Maintaining public areas like street medians and downtown Plaza				

9. Over the last two years, have you had contact with a City department or agency?
10. With which City department did you have contact?
 1. City Administration
 2. Finance Department

3. Police Department
4. Fire Department
5. Public Works (Water, Sewer, Engineering, Stormwater)
6. Electric
7. Planning, Building, and Community Development
8. Ashland Fiber Network (AFN)
9. City Council/ City Recorder

11. Would you say that overall, you are very satisfied, somewhat satisfied, not too satisfied, or not at all satisfied with the service you received from the City of Ashland?

12. How do you rate the following issues? (Extremely serious problem, a very serious problem, a somewhat serious problem, or not too serious a problem)

Issue	Extremely serious problem	Very serious problem	Somewhat serious problem	Not too serious a problem
Crime in general				
Amount paid in taxes				
Amount paid for utilities including water, sewer, stormwater, electric, and internet				
Cost of housing				
Condition of local parks and recreation facilities				
Waste and inefficiency in City government				
Insufficient homeless services and/or facilities				
Condition of City streets				
Other				

13. Over the past three years, do you think the following have increased, stayed the same, or decreased in the City of Ashland?

Circumstance	Increased	Stayed the same	Decreased
Crime, in general			
Homeless activity			
Homeless services			
Property crimes			
Person crimes			
Structure fires			
Medical emergency responses			

Planning/building activities			
Communications from the City			
Value of City services for taxes/fees/charges paid			
Environmental protection activities			
Diversity, equity, and inclusion activities for the community			

14. In your opinion, what is the most important thing the City of Ashland can do to improve City services for the people who live here? (pick top three)

1. Expand City services
 1. Street maintenance
 2. Homeless shelters and services
 3. Law enforcement and crime prevention
 4. Fire prevention and response
 5. Emergency medical response
 6. Parks facilities and maintenance
2. Support the development of affordable housing
3. Local economy/ business opportunities/ business support
4. Diversity, equity, and inclusion activities for the community
5. City government transparency and communication
6. Environmental impact/ climate change
7. Reduce services and related taxes/charges/fees

15. Which areas of service do you think the City of Ashland should explore as part of a regional approach? Mark as many as apply.

1. Parks & Recreation
2. Fire Protection
3. Medical Response (Ambulance)
4. Emergency Management
5. Law Enforcement
6. Court
7. Water and/or Wastewater
8. None of these
9. Other

Once again we really appreciate your feedback and welcome any other questions and comments that you may have, please feel free to reach out to us again.

Thank you,

Natalie Thomason
 Administrative Assistant
 Risk Management Claims Intake

City of Ashland Finance
20 East Main Street, Ashland, OR 97520
541-552-2012 Direct Voice, TTY 800-735-2900 | 541-552-2059 fax

From: Elizabeth Taylor <elizabeth.taylor@ashland.or.us>
Sent: Monday, April 12, 2021 1:51 PM
To: Risa Buck [REDACTED]
Cc: Natalie Thomason <natalie.thomason@ashland.or.us>
Subject: Re: follow up Engage

Hi Risa,

I'm cc'ing Natalie Thomason who is the assistant for Finance here. She will be able to answer your question better than I can.

Elizabeth Taylor, Executive Assistant
City of Ashland, Administration
20 East Main Street, Ashland, Oregon 97520
(541) 552-2100, TTY: (800) 735-2900
FAX: (541) 488-5311

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From: Risa Buck [REDACTED]
Sent: Monday, April 12, 2021 1:47 PM
To: Elizabeth Taylor <elizabeth.taylor@ashland.or.us>
Subject: follow up Engage

[EXTERNAL SENDER]

Hi E

Is it possible that the budget committee feedback involves only 3 questions that don't get into spending at all.

I cannot access an actual survey that gets into details about budget, HOW money ought be allocated ect...

What am I doing wrong or what is wrong with the website?

I'd like to give my input but am finding it impossible.

Thanks

Risa

----- Forwarded Message -----

Subject: Verify your email address

Date: Mon, 12 Apr 2021 20:05:33 +0000

From: OpenGov <support@opengov.com>

To: [REDACTED]

Please click the button below to confirm your email address and show your response publicly on Engage Ashland.

[Confirm my email address](#)

This email was sent to verify the information provided on the [Engage Ashland](#) web site. By clicking this link you are agreeing to the OpenGov [terms of service](#)

This email was sent [REDACTED] [unsubscribe from this list](#)

Subject:

City Council Contact Form Submitted

From: City of Ashland, Oregon <administration@ashland.or.us>

Sent: Tuesday, April 13, 2021 10:54 AM

To: City Council <council@ashland.or.us>

Subject: City Council Contact Form Submitted

[EXTERNAL SENDER]

*** FORM FIELD DATA***

Full Name: **Leda Shapiro**

Phone: [REDACTED]

Email: [REDACTED]

Subject: **THE BUDGET**

Message: I have over 40 years of experience in Fiscal Management, both for profit and non profit organizations. My last ten years were for Upward Bound House, (in Santa Monica, CA) where I was the Finance Director and my last job before retiring was with as Finance Director for AFSCME Council 36 (Los Angeles County Union). Budgets were a primary responsibility. Here are some of my thoughts about your city budget, which it appears now has been taken off line! 1. The city has now not only taken off their website information about staff and how to contact them, but now also taken down salaries and benefit information. This is public information and the public needs to be able to see it. They gave ?security? as the reason they took down email information. This frankly is a lot of BS. Other cities have that information online and there are all sorts of ways to obfuscate email addresses, It is really an easy thing to add on/implement. 2. The budget simply needs to be balanced with current revenues, not based on increased taxes and fees. election, some of this is obviously in the I am not one that thinks personnel must be cut, but if benefit expenses are not cut, furloughs and salary cuts should happen. In order to keep all personnel, the very least should be that they all either take a pay cut of 10% or contribute their obligatory 6% to their pensions. That 6% that the city pays for them is worth more like 10% since they do not pay taxes on it. This is pretty standard solution taken in cities when they are in hard economic times, as we certainly are. (Perhaps lower salaried and hourly staff might get a slight increase in pay to compensate for reductions). 3. Parks and other planned projects is the other part that needs drastic cuts. The goal of a park within a 1/4 mile of all residents needs to be reviewed! Parks should not be able to get any more land, annexed or otherwise, which is desperately needed for housing? affordable housing. If Ashland really believes the progressive policies we espouse now is the time to make any land available for affordable housing projects. The other part of limiting the acquisition of park land now is that Ashland needs a larger tax base, and more parks means more non taxable land, as well as increased expenses maintaining it. This is not being fiscally responsible. The city budget simply cannot assume new fees and increased taxes to cover expenses that are not absolutely necessary. In these economic times we must be cautious. Understand that planning for 20 years needs to take into account the future, but this is a wish list, not to be in this current budget. When is the Council going to get serious about cutting expenses - and yes, personnel PERS should be at the top of the list. I am not going to argue that our city has too many employees, or that they are paid too well in comparison to other cities?BUT their benefit package is more generous than any I have seen in at least 10 years, and HR was one of my responsibilities (and we dealt with Union contracts!) 4. The City expenses with regard to the pensions needs to be reduced and that can easily be done without staff reductions or reductions in salaries. Employees would just have to pay the required share of their pensions. This would result in over a \$2M reductions (at least since I am going by the 19-21 budget in calculating). This % is required by the state of Oregon and the City has generously picked up this tab. In a time of decreasing revenue, this is no longer viable! I understand that health benefits are totally picked up by the City - another benefit unheard of in most cities in the country - I think that the employees should pay a percentage of their

premiums (or dependent coverage, or some other option) In addition, the Administration of the health package needs to be reviewed. The premiums do seem exceptionally high. I would like a confirmation that this email has been received since I got no response to the last one I sent over a month ago. If possible I would like it in the record at the next Council Meeting.

*** USER INFORMATION ***

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[REDACTED]

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[REDACTED]

From: Jim Bachman [REDACTED]
Sent: Tuesday, April 13, 2021 10:59 AM
To: Melanie Purcell; Budget Committee
Subject: Re: Budget Committee public comments

Follow Up Flag: Follow up
Flag Status: Flagged

[EXTERNAL SENDER]

Good morning, Melanie. Thank you for this! And also for your comprehensive response to my clarifying question about council vs. cbc roles. I particularly like the model motions which provide a great operational definition of what the cbc ought and ought not to do. jb

On Tue, Apr 13, 2021 at 10:45 AM Melanie Purcell <melanie.purcell@ashland.or.us> wrote:

Good morning,

Attached are the public comments we received as of noon on Monday, April 12, 2021.

Thank you,

Melanie

Melanie D. Purcell, CPFO, SHRM-SCP

Finance Director

City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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[REDACTED]

From: Dean Silver [REDACTED]
Sent: Tuesday, April 13, 2021 11:34 AM
To: City Council; Budget Committee
Subject: more missing data on OpenGov

[EXTERNAL SENDER]

As of this morning, the budget data has also gone missing from OpenGov.

I assume it has been pulled because major errors have been discovered. If not, then the presumption is that it's being hidden, although I would find that hard to believe.

It is up to you guys to find out just what the heck is going on.

PLEASE ask the questions. And don't accept evasive answers! Get the facts!

Dean Silver

[REDACTED]

[REDACTED]

From: Stephen Jensen
Sent: Tuesday, April 13, 2021 2:27 PM
To: Melanie Purcell; Budget Committee
Cc: Department_Heads
Subject: RE: Response to unfortunate assertions

Thank you, Melanie, for taking your valuable time to respond to the irresponsible and patently false allegations that have been flung at you and City staff by several community members. Such destructive chatter does nothing to advance the vital budget discussions now underway. Please carry on with the professional excellence and personal grace that you have heretofore demonstrated and try to ignore this unfortunate noise.

Thank you,
Stephen Jensen
City Councilor

From: Melanie Purcell <melanie.purcell@ashland.or.us>
Sent: Tuesday, April 13, 2021 2:00 PM
To: Budget Committee <BudgetCommittee@ashland.or.us>
Cc: Department_Heads <Department_Heads@ashland.or.us>
Subject: Response to unfortunate assertions

Good afternoon,

Several recent statements made directly to Councilmembers and the Budget Committee and in public forums regarding the City of Ashland's and its Finance Department's intent, responsiveness, and competence have been grievously misleading. Normally, staff would not take valuable time to respond to specious attacks on their professionalism and integrity. Unfortunately, these particularly spurious allegations seem to be circulating in the community, causing unwarranted distrust and animosity. The attached statement is to refute such claims and clarify facts.

Thank you,
Melanie

Melanie D. Purcell, CPFO, SHRM-SCP
Finance Director
City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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From: Jim Bachman <jimbachman.ashlandcbc@gmail.com>
Sent: Tuesday, April 13, 2021 3:08 PM
To: Melanie Purcell
Cc: Budget Committee; Department_Heads
Subject: Re: Response to unfortunate assertions

[EXTERNAL SENDER]

Melanie, thank you so much for your memo standing against the ridiculous conspiracy theories circulating in the community regarding staff work related to the budget process. In my opinion, the allegations made by certain individuals have gone well beyond any standard of constructive engagement and civil discourse.

I thoroughly appreciate your professionalism in the face of such outlandish allegations.

Jim Bachman
Ashland CBC Vice Chair

On Tue, Apr 13, 2021 at 2:00 PM Melanie Purcell <melanie.purcell@ashland.or.us> wrote:

Good afternoon,

Several recent statements made directly to Councilmembers and the Budget Committee and in public forums regarding the City of Ashland's and its Finance Department's intent, responsiveness, and competence have been grievously misleading. Normally, staff would not take valuable time to respond to specious attacks on their professionalism and integrity. Unfortunately, these particularly spurious allegations seem to be circulating in the community, causing unwarranted distrust and animosity. The attached statement is to refute such claims and clarify facts.

Thank you,

Melanie

Melanie D. Purcell, CPFO, SHRM-SCP

Finance Director

City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

This email transmission is official business of the City of Ashland, and it is subject to Oregon Public Records Law for disclosure and retention. If you have received this message in error, please contact me at (541) 488-5300.

Memo

TO: Budget Committee Members
FROM: Melanie Purcell, Finance Director
DATE: April 13, 2021
RE: **Recent Public Statements regarding City Financial Information**

Several recent statements made directly to Councilmembers and the Budget Committee and in public forums regarding the City of Ashland's and its Finance Department's intent, responsiveness, and competence have been grievously misleading. Normally, staff would not take valuable time to respond to specious attacks on their professionalism and integrity. Unfortunately, these particularly spurious allegations seem to be circulating in the community, causing unwarranted distrust and animosity. The following is to refute such claims and clarify facts.

The City has significantly increased financial transparency in recent years, in part through the use of the OpenGov tool. OpenGov, however, is just a communications portal, not an accounting system; it is conspicuously not the City's financial system of record. The City's OpenGov software does not purport to be an accounting system and was deliberately designed for lay communication of financial information, as opposed to standard rigorous accounting verification. The City's OpenGov portal can be useful for displaying specified financial data but does not- and does not have the requisite capacity to- replace or replicate all of the information provided through other methods, including the City's annual audit, biennial budget, and financial reports.

Recently, several outdated reports were removed from OpenGov page of the City's website because they were not current and were not automatically maintained as part of the City's financial systems. These particular reports were initially created to respond to discrete matters arising at a specific point in time. These are not retained as ongoing special reports. Attempting to reconstruct and update such analyses would be time-consuming with little or no benefit to the scrutiny of the proposed BN2021-2023 budget. The reports that remain are those that are automatically updated from the City's accounting system, MUNIS, and are prepared so as to provide consistent presentation of the information. These reports contain much of the data of prior reports with the most current data added.

As noted in the Finance Department section of the workplan discussed with City Council in February, an update of the pertinent OpenGov reports has been planned for this summer. In my response to a recent inquiry, I stated that the some of the past OpenGov report display had errors and/or data that could not



Memo

be corroborated; this was in reference to the Positions report that was created in 2019 that would require manual export and research to verify, recreate, and then update. Not retaining or reconstructing the Positions report is an example of judicious management of only that financial data which can be useful-not, as has been alleged, a sign of misleading financial data management.

The City of Ashland maintains its financial records in accordance with Generally Accepted Accounting Principles (GAAP), the Government Accounting Standards Board (GASB), the State of Oregon regulations and statutes, and the federal government requirements including those governing grants, debt issues, loans, and personnel. The City also prepares its Comprehensive Annual Financial Report and biennial budget in accordance with the Government Finance Officers Association presentation awards criteria. The City's Comprehensive Annual Financial Report (audit) is reviewed by an external audit firm, Moss Adams, LLP, selected by the City's Municipal Audit Commission. The financial report is subjected to strenuous testing per national and state standards, procedures and policies are vetted and verified, and staff has been commended for the accuracy and detail of the records maintained by the City.

Staff has also had some repeated requests for personal information about City employees with frustration shown when that information is not immediately provided. Many public agencies have recognized that their agency cyber security is at greater risk when individual names are made readily available, particularly those in non-leadership positions. City staff are committed to protecting the public's assets and information by not exposing the systems to direct access to the degree possible. In addition, as noted below public agencies and their employees are personally at greater risk than ever before. The City of Ashland is exploring ways to create greater access for web users without compromising the system.

Federal law specifically prohibits the release of information that can be used to identify medical or health information about individuals. Therefore, healthcare coverage information is not provided either by cost or other detail on an individual or easily identifiable basis. In the current heightened environment, public agencies must be cautious in releasing information that can be extrapolated to potentially cause harm to its employees.

Further, while City employees must expect to have their positions and salary ranges made public pursuant to Public Records requirements, as an employer, the City has an obligation to ensure that its employees' privacy is compromised only to the degree required by law. The unfortunate reality of the current political environment across the United States includes online harassment and even physical



Memo

assaults on public employees and public workspaces. Where discussion of public policy is furthered by the release of information, such as the recent release of average salaries and benefits by employee group, City staff makes every effort to provide relevant information promptly. However, where discussion of public policy is not obviously furthered by release of personal information, the City provides personal information only to the degree required by law. Hence the use of the Public Records request process is the appropriate means for determining what personal information about staff is disclosable.

Finally, some of the erroneous allegations discussed in this memo cast aspersions on the professionalism and integrity of my staff and me. Those allegations warrant a moment of refutation. Through many years of public service, I have adhered to the Codes of Ethics proudly espoused by the International City/County Management Association and the Government Finance Officers Association of the United States and Canada. Both organizations demand steadfast, demonstrable commitment to the best interests of the community and the organization I serve. In the time I have served as Ashland's Finance Director, the Finance Department staff to a person has proven to be responsive and professional in their actions and product. When mistakes are made, we own them and correct them. We do not ever hide information, mislead, or undermine the public or governing body. Reckless or intentional misstatements about the City staff's motives or competence cause disruption and distrust, undermining the capacity of the community to address its real issues and make reasoned preparations for upcoming challenges.



[REDACTED]

From: Rick Sparks [REDACTED]
Sent: Tuesday, April 13, 2021 7:21 PM
To: Finance
Subject: 4/27/21 Budget Committee Testimony

[EXTERNAL SENDER]

Citizens Budget Committee.... Thank you for accepting my input.

I am appreciative that everyone in the Committee has this in their minutes.
My hope is only that this will prompt thought.

Thank you for taking the time to work on this Committee
..... and thanks for reading so far.

It is hard for anyone to say No.

City Council for years has had a City environment of high-end tourism with prosperity for many.
We could afford many things.... and.
... many in Ashland are very opinionated and vocal about how we should do more for someone.

City Council always said Yes to any new initiative.... because they could afford to.
... and, besides, if you say No to anyone, they will be vocal, strident, and all over social media with criticism.

That is not now. Times are different. Tourism is dead. Fires were devastating.

As a result, this leaves the City in its current state:
" ... a growing "structural deficit" has been identified with expenditures exceeding revenues for years to come."

So... from what I understand, the current plan is that deficit will be met by raising utility fees ?

If so, maybe that's the right answer?... is it ??
... but if so, let people know.... and give them an estimate of future increasing costs to live here.
It may just have to cost more to live in Ashland.

Another alternative is to cut costs. Say No to some things that we said Yes to before.
Even City headcount, if it's the right thing to do.

Seems like one plan worth considering would be:
Come up with a list of 20 prioritized programs to consider ending to save money.

I suggest full programs (eg: sell or close Golf Course / stop local Climate Change initiatives)
.... because a percentage cut to a department will always be done in the most painful way for the public
... in the hopes that funds will be restored.

The end result would be a list for City Council with the directive:
Here's 20.....end 2.
Which two will you say No to ?

Thank you for reading.
I make no claim to know what I'm talking about.
Any feedback appreciated.
I care about our City and want it to work.

Respectfully,
Rick Sparks, 

[REDACTED]

From: John_Engelhardt [REDACTED]
Sent: Wednesday, April 14, 2021 3:16 PM
To: Finance
Subject: Budget Thoughts

[EXTERNAL SENDER]

I am writing as an individual citizen, but my comments are framed by my work with St. Vincent de Paul serving the poor and vulnerable here in Ashland and Talent.

By way of background, in the fall of 2019 I presented data to the Housing and Human Services Commission showing that our (St. Vincent de Paul) client numbers for city of Ashland utility assistance increased from 13 in fiscal 2018 to 180 in fiscal 2019, and our financial assistance increased from \$2,000 to \$33,000 over that time period. This resulted in an ad-hoc group formed of H&HS committee chair Rich Rohde, city council liaison Dennis Slattery, previous city manager Kelly Madding, OHRA board member Ken Gudger and myself developing a list of recommendations for the city council to consider to reduce utility burdens on our low-income and vulnerable citizens. We were all prepared to go before the city council when COVID-19 hit and plans went awry. Sigh.

The point I want to bring before the budget committee is that, knowing the city is in financial straights with structural deficits, please do what you can to prioritize services the city offers its residents, with the knowledge that a significant proportion of our population cannot sustain an increase in utility fees, particularly additions to the base fee. The current base fee for the city of Ashland utility bill totals \$99.25 for a single-family residence before a light switch or a faucet is turned on. This is a burden particularly on low-income seniors living alone. From what I've seen of proposed increases to these fees over the coming years, the hit on our vulnerable population will be too much. In recommendations to the council, please keep that in mind if we want to have a diverse community going forward.

Regards,

John

--

John Engelhardt
President, SVdP-OLM Conference
[REDACTED]

Natalie Thomason

From: Dean Silver [REDACTED]
Sent: Wednesday, April 14, 2021 6:21 PM
To: City Council; Budget Committee
Subject: A Suggestion for Solving the Parks Budget Problem

[EXTERNAL SENDER]

It's clear that APR is major problem in the budget. It was gratifying to see so many of the CBC recognizing the importance of controlling expenditures for APR since it is clearly one of the least essential services provided by the City. It is also the least accountable department, being beyond the control of the Council.

Here's my suggestion for addressing the problem:

- Budget less money than is required to ensure continuation of operation of current properties and activities. Capital improvements and acquisitions will not be funded by the City until further notice. This will not preclude APR from requesting bond approval from the electorate for any purpose, e.g., a pool.
- Update the F&B ordinance to distribute 0% of the proceeds to the Ashland Parks & Recreation Commission.
- Instruct APR that the goal of a park within 1/4 mi of every resident is heretofore abandoned.
- Inform APR that it is authorized to sell any surplus properties that it currently controls for additional revenue which will remain in the Parks Fund to utilize as the APRC sees fit, and make up the "shortfall" in its budget.

The advantages are:

- Reduces the contributions of the General Fund to the Parks Fund.
- Gives exclusive control of APR's supplementary funding to APR. That provides symmetry with its exclusive control of its budget expenditures.
- Forces APR to dispose of excess property. This will lessen the operating demands on its budget while increasing available land for affordable housing and increasing the City's tax base.

This is an effective way of making APRC respect the goals of the rest of the City and its taxpayers. It is necessary because APRC clearly does NOT do so.

Since the funding sources for the city are uncertain from year to year there's no reason that it should not be the same for APR. APR needs to adjust to changing conditions just as the rest of the city funds must.

Keep it simple.

How do we determine how much to budget APR? Have the Parks Director make a presentation to the CBC. We were told at the last meeting that there will be no presentations from division heads during the CBC deliberations. All information will come from the Finance Director and the City Manager Pro Tem. That's not acceptable, but they make the rules. This way, Parks makes their pitch to the CBC, or they just wind up with whatever the CC decides to put in the budget. I'll think they'll show up.

One more thing to examine is whether APR really requires 33.75 FTE at an average of over \$99K/yr. Is it necessary to have a Golf Course Manager AND a Superintendent, a Recreation Manager AND a Superintendent, and a Senior Superintendent since there is a Senior Center Specialist?

This is just my back of the napkin idea, so let's hear what others have to think about it.

In the proposed budget, for the number crunchers:

APR operating transfer from the General Fund	\$5,553,439
APR contingency transfer from the General Fund	\$1,119,253
subtotal	\$6,672,692

Suggestion: budget \$4,000,000 maximum

Thanks for your careful consideration.

Dean Silver



[REDACTED]

From: Karen Horn [REDACTED]
Sent: Thursday, April 15, 2021 4:53 PM
To: Finance
Subject: budget questionnaire comment

[EXTERNAL SENDER]

I think the biggest problem facing Ashland today is mitigation we need to do today to lessen the effects of the next wildfire. I am shocked that this is not even listed as a potential source of expenditures in the new budget.

People, if the town burns down, all the other things you are worried about will be rendered irrelevant. It's not if, it's when. The forecasts about what we are facing from wildfire are extremely dire.

We need to have a community reckoning about this topic. And the city needs to be more transparent about what actually happened last September — what were the failures and what did we do right...

Karen Horn

Subject:

FW: City Council Contact Form Submitted

From: City of Ashland, Oregon <administration@ashland.or.us>

Sent: Thursday, April 15, 2021 12:55 PM

To: City Council <council@ashland.or.us>

Subject: City Council Contact Form Submitted

[EXTERNAL SENDER]

*** FORM FIELD DATA***

Full Name: **Gwen Davies**

Phone:

Email: [REDACTED]

Subject: **unanswered budget questions**

Message: In the most recent CBC meeting, several questions came up with differing numbers on what our deficit will be and why many departments are requesting big increases in their budgets. Those questions were not answered. The questions Mr Runkel had about the departmental increases were referred to email. Every taxpayer wants to hear about those increases and what they are all about. Please, either direct us to the emails or publish the answers to Mr. Runkel's questions so all of us can hear the explanation immediately. This is not the time for any increase unless it is to the Fire Department. I was disappointed that the presentation and Adam Hanks' comments dominated the meeting and seemed to crowd out real discussion, questions, conversation. What seems like much more substantive active progress got sidelined.....or at least put out of the meeting that the public can listen to. There were excellent questions and comments. Those were what I would have liked to hear about. I particularly appreciated Shaun Moran's questions, Dave Runkel's, and Mr Amery. I absolutely support Gina Duquenne's suggestion that top management not covered by union contracts take pay cuts now....perhaps for 2 years...to assist in getting us out of the red. Paula Hyatt had some very important comments about APRC ...I do not support turning over F&B to APRC at all. I support controlling the APRC budget much more than now, not cutting them loose. Do not give them the F&B; limit the money they get this biennium that has a chance of ensuring they face the crisis we face. Otherwise they will continue their current style. I love the parks, but big revisions are called for now. The discussion should include changing the Charter to clarify their position..and change it. The parks are beloved and important to us, but we do not need more parks at this point and could sell some of the newer ones...decisions about the parks should be brought much more under the control of the CC and the PUBLIC. I especially recommend looking at the land the Golf Course is on. It always should have been a private venture. However I think the best use of that land should be thoroughly discussed and new decisions made...and not by a small group of elected officials and ambitious staff. That land should be used in a new way for the benefit of the residents of Ashland and our future....not for recreation for a very few. I was very disappointed that the CBC was told, quite rudely I thought, that they were not allowed to speak to department heads. I had hoped for zero budget balancing this budget cycle. I would like to know who made that decision. I support the CBC to have that opportunity to talk directly to department heads immediately. Now is the time for transparency and full disclosure to the public...not the opposite. In 2017 to 2019 the budget had huge inaccuracies never fully acknowledged by the then Mayor or CC. The public never received a true apology. In 2019 to 2021 everyone said they "did not have the time" to fully look at needed changes and they had better pass the budget quickly because there was a legal deadline. Theoretically much effort was to have been put into really addressing huge crises. Those processes and changes never happened the way they needed to. The proof is the disaster we now face. The proof that Ashlanders are done with the insatiable spending spree is in the Charter change, the defeat of the Bond Measure, and the anger at the machinations of our former mayor and his small working group approach that sidestepped the public meeting laws and going through proper channels. I believe Ashlanders will continue to stand

up for widespread public involvement in addressing our future. If you cannot act now, then just make big cuts in every department, except the fire department, and hash it out later. THat of course should have huge consequences....but if you cannot hammer out selective, intelligent cuts now....make the blanket cuts and do it in the coming months. Do not kick the cuts down the road again. I would like to hear from each person on the CBC what their top five cuts would be in the next week or two...and get it into the public records. I will be emailing the CBC so community members can hear my request and participate. I know many of them are eager to do their jobs.

*** USER INFORMATION ***

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SubscriberEmail:

[REDACTED]

RemoteUser:

Natalie Thomason

From: Ellen Alphonso [REDACTED]
Sent: Thursday, April 15, 2021 2:27 PM
To: Melanie Purcell; Budget Committee; City Council; Adam Hanks
Subject: Re: Budget Committee Meeting #2 materials

[EXTERNAL SENDER]

Hello budget committee and council,

I had what may be a point of order question in advance of our next meeting, which may be borne out of my own newness to the process. While we have been getting really great information on budget as such, I am concerned that our current format is not providing enough time to thoughtfully discuss and make meaningful recommendations in the process. I agree that getting too granular is a hold up for the entire group, but in talking so broadly about the budget, I'm concerned that we are struggling as a group to strategize and prioritize.

It's not my intention to demand that we change formatting every meeting, I am just very mindful that our time is limited and our task is considerable.

Best regards,
Ellen Alphonso

On Fri, Apr 9, 2021 at 4:18 PM Melanie Purcell <melanie.purcell@ashland.or.us> wrote:

Good afternoon,

Attached are the agenda and presentation slides for Tuesday's meeting. Also included are the community budget survey results and the draft minutes from the first meeting. The financial update presented to City Council in February covering through December 31, 2021 is included. Materials will be loaded to the website this weekend or early Monday. I have received some questions and will continue to work on those and others that come in for next week. We will send out any public comments received by noon on Monday and any additional materials including additional information on the Public Employee Retirement System (PERS) before the meeting.

Please let me know if you have questions or there are any issues with the materials coming through.

Thank you and have a wonderful weekend,
Melanie

Melanie D. Purcell, CPFO, SHRM-SCP

Finance Director

City of Ashland | Finance

20 East Main Street, Ashland, OR 97520

541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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Subject:

FW: BUDGET and BUDGET PROCESS

From: Leda Shapiro [REDACTED]

Sent: Friday, April 16, 2021 11:16 AM

To: Melanie Purcell <melanie.purcell@ashland.or.us>

Cc: City Council <council@ashland.or.us>; Julie Akins [REDACTED]

Subject: Re: BUDGET and BUDGET PROCESS

[EXTERNAL SENDER]

Hi Melanie

Thank you for sending my comments to the budget committee.

I think I understand some of why we are having a communication problem. You are right-OpenGov is not an accounting system. The OpenGov reports information with graphs and pie charts and narrative which may make the finances more clear for some folks but in order to get down to an informed budget review detailed financial reporting from the Accounting System is what is being asked for, with the budget compared to last actual and explanations as to differentials. This may see "old fashioned" but really what is being requested by some members of the Council and the Budget committee.

OpenGov really raises more questions than it answers. Actual numbers with detail is what is needed and being requested.

The best example would be of course personnel expenses because it is such a huge portion of the budget.

Line item totals of wages, pension, Health insurance, auto allowances, work comp, payroll taxes etc should be available by department along with FTE numbers.

This needs to be available to the public and before OpenGov these reports were available online. And the budget committee should certainly be able to request and get whatever information they need for a proper, timely review of the budget. I do not see how they can do their job without this.

I know it must have been a big job to install and use OpenGov and it may be what the general public wants to see but I think that the actual numbers and previous way of reporting is more applicable for a budget review.

That is certainly what I would be looking for, and what was able to find easily a year ago.

I hope you will see my observations as just that and not some staff bashing. I have the utmost respect for you and your staff as professionals and hope that there can be open and trusting communication between staff, the Council, the Budget Committee and concerned citizens.

Thank you

Leda Shapiro

Leda

On Apr 15, 2021, at 11:37 AM, Melanie Purcell <melanie.purcell@ashland.or.us> wrote:

Good morning Ms. Shapiro,

Thank you for your comments and feedback. We will include your comments in the Citizen Budget Committee packet.

Melanie

Melanie Purcell
Finance Director
City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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From: Leda Shapiro [REDACTED]
Sent: Tuesday, April 13, 2021 10:57 AM
To: City Council <council@ashland.or.us>; Julie Akins [REDACTED]
Cc: Leda Shapiro [REDACTED]
Subject: BUDGET and BUDGET PROCESS

[EXTERNAL SENDER]

YOUR SURVEY AS A VEHICLE FOR INPUT IS SADLY LACKING.
So here are some my thoughts

I have written this into the form online, and sending this as well...because I never got a response to my last email.

I have over 40 years of experience in Fiscal Management, both for profit and non profit organizations. My last ten years were for Upward Bound House, (in Santa Monica, CA) where I was the Finance Director and my last job before retiring was with as Finance Director for AFSCME Council 36 (Los Angeles County Union). Budgets were a primary responsibility.

Here are some of my thoughts about your city budget, which it appears now has been taken off line!

1. The city has now not only taken off their website information about staff and how to contact them, but now also taken down salaries and benefit information. This is public information and the public needs to be able to see it. They gave "security" as the reason they took down email information. This frankly is a lot of BS. Other cities have that information online and there are all sorts of ways to obfuscate email addresses, It is really an easy thing to add on/implement.

2. The budget simply needs to be balanced with current revenues, not based on increased taxes and fees. election, some of this is obviously in the I am not one that thinks personnel must be cut, but if benefit expenses are not cut, furloughs and salary cuts should happen. In order to keep all personnel, the very least should be that they all either take a pay cut of 10% or contribute their

obligatory 6% to their pensions. That 6% that the city pays for them is worth more like 10% since they do not pay taxes on it. This is pretty standard solution taken in cities when they are in hard economic times, as we certainly are. (Perhaps lower salaried and hourly staff might get a slight increase in pay to compensate for reductions).

3. Parks and other planned projects is the other part that needs drastic cuts. The goal of a park within a 1/4 mile of all residents needs to be reviewed! Parks should not be able to get any more land, annexed or otherwise, which is desperately needed for housing... affordable housing. If Ashland really believes the progressive policies we espouse now is the time to make any land available for affordable housing projects.

The other part of limiting the acquisition of park land now is that Ashland needs a larger tax base, and more parks means more non taxable land, as well as increased expenses maintaining it. This is not being fiscally responsible.

The city budget simply cannot assume new dees and increased taxes to cover expenses that are not absolutely necessary. In these economic times we must be cautious. Understand that planning for 20 years needs to take into account the future, but this is a wish list, not to be in this current budget.

When is the Council going to get serious about cutting expenses - and yes, personnel PERS should be at the top of the list. I am not going to argue that our city has toto many employees, or that they are paid too well in comparison to other cities...BUT their benefit package is more generous than any I have seen in at least 10 years, and HR was one of my responsibilities (and we dealt with Union contracts!)

4. The City expenses with regard to the pensions needs to be reduced and that can easily be done without staff reductions or reductions in salaries. Employees would just have to pay the required share of their pensions. This would result in over a \$2M reductions (at least since I am going by the 19-21 budget in calculating). This % is required by the state of Oregon and the City has generously picked up this tab. In a time of decreasing revenue, this is no longer viable!

I understand that health benefits are totally picked up by the City - another benefit unheard of in most cities in the country - I think that the employees should pay a percentage of their premiums (or dependent coverage, or some other option) In addition, the Administration of the health package needs to be reviewed. The premiums do seem exceptionally high.

I would like a confirmation that this email has been received since I got no response to the last one I sent over a month ago. If possible I would like it in the record at the next Council Meeting.

Thank you

Leda Shapiro

[REDACTED]

[REDACTED]

[REDACTED]

From: Dean Silver [REDACTED]
Sent: Sunday, April 18, 2021 7:13 PM
To: Budget Committee; City Council
Subject: a little research for you
Attachments: CBC-comparative per capita.pdf

[EXTERNAL SENDER]

FYI. Some data you won't get from staff.

Thanks for reading.

Dean Silver

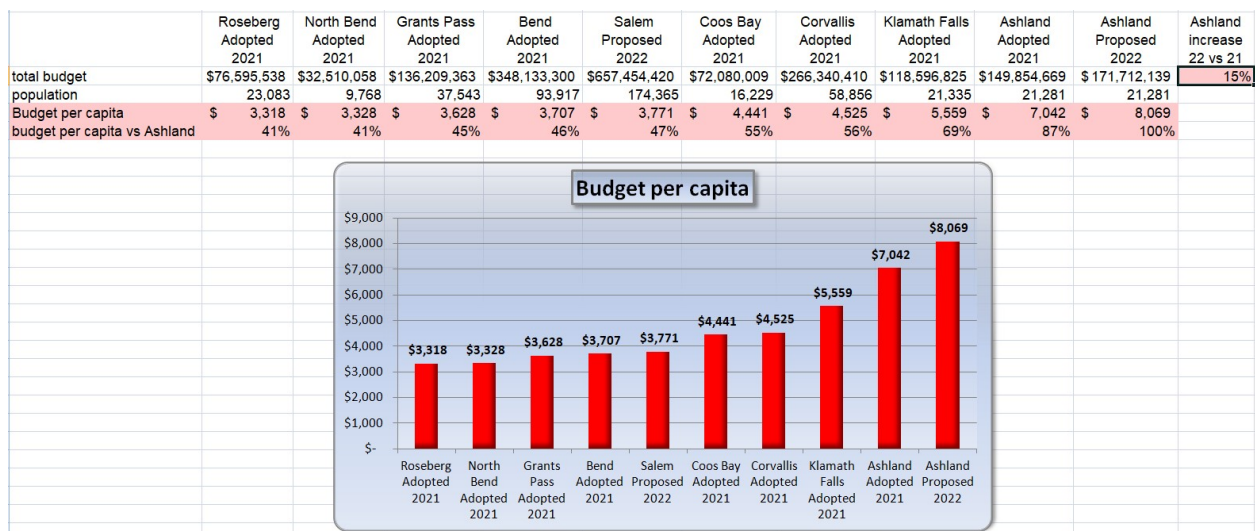
[REDACTED]

I thought it would be interesting and informative to compare Ashland's spending per capita compared to other Oregon cities. Not every city has posted their 2022 proposed budgets, so I used 2021 approved budgets for them. Every municipality does it differently. It's not all directly and precisely comparable, but the overall comparison is undeniable.

Also note that Ashland's 2022 proposed budget is about 15% higher than the 2021 approved budget. I don't think Finance has emphasized that enough. And I know they haven't explained it adequately.

All of the data collected here is available on the web for verification at the municipalities' websites.

If you do visit those websites, please note how much more complete the data is on most of them as compared to Ashland.



Dean Silver

[REDACTED]

From: Dean Silver [REDACTED]
Sent: Sunday, April 18, 2021 7:37 PM
To: Budget Committee; City Council
Subject: a little research for you - REVISED
Attachments: CBC-comparative per capita-REV.pdf

[EXTERNAL SENDER]

With apologies. I omitted Medford in the original. Please refer to this instead.

Dean Silver

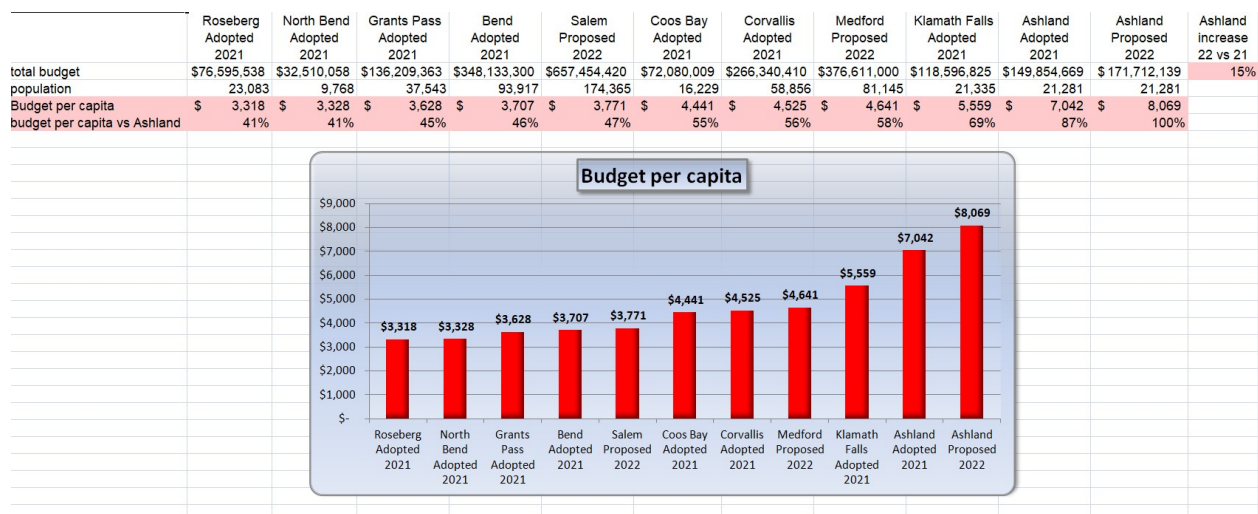
[REDACTED]

I thought it would be interesting and informative to compare Ashland's spending per capita compared to other Oregon cities. Not every city has posted their 2022 proposed budgets, so I used 2021 approved budgets for them. Every municipality does it differently. It's not all directly and precisely comparable, but the overall comparison is undeniable.

Also note that Ashland's 2022 proposed budget is about 15% higher than the 2021 approved budget. I don't think Finance has emphasized that enough. And I know they haven't explained it adequately.

All of the data collected here is available on the web for verification at the municipalities' websites.

If you do visit those websites, please note how much more complete the data is on most of them as compared to Ashland.



Dean Silver

[REDACTED]

From: Dean Silver [REDACTED]
Sent: Tuesday, April 20, 2021 11:17 AM
To: Melanie Purcell
Cc: Budget Committee; City Council
Subject: RE: budget document

[EXTERNAL SENDER]

Thanks for pointing that out, Melanie, I missed it. Now I see that I must search both the minutes and the agenda to find all of the material. Rather unwieldy; important to know.

Thank you for the explanation of the lack of detail, as well. My uncertainty derives from seeing that kind of detail on other municipalities' budgets, but your explanation makes sense to me. However, although it may not be used for budgetary purposes, it is useful for the taxpayers to see the previous years' data to see more precisely where their tax dollars are being spent. It's a matter of disclosure and transparency, if not in the budget, then in the quarterly reports.

Now if you can just restore all of the reports that were on OpenGov six weeks ago when I started looking at it with current data, it will go a long way to addressing the many remaining questions about our financial health. Since personnel costs are presented as one of our largest requirements, it would make sense to make the specifics of each position available, without compromising anyone's personal privacy. Please consider it, for transparency's sake.

With sincere appreciation,
Dean

From: Melanie Purcell [mailto:melanie.purcell@ashland.or.us]
Sent: Tuesday, April 20, 2021 10:18 AM
To: Dean Silver
Cc: Budget Committee; City Council
Subject: RE: budget document

Here is the report attached under the Council Communications for the Feb 16, 2021
([021621 Financial Update CCFinal.pdf \(ashland.or.us\)](#))

We do not generate "lower level" reports for the budget process. While line items are useful for transaction tracking and financial reporting, we do not budget to that level as specific transactions may land in a slightly different accounting location. We look for trends and "by type" behavior patterns to determine if departments are meeting their financial management responsibilities and to assist them in analyzing operations for greater efficiencies and effectiveness. Management researches greater detail as needed based on specific service analysis. The line item detail is presented within the OpenGov reporting functionality by clicking through to each level or by selecting specific filters, [Ashland / City Manager Proposed Budget BN 21/23 \(opengov.com\)](#).

Thanks,
Melanie

Melanie Purcell

Finance Director
City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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From: Dean Silver [REDACTED]
Sent: Tuesday, April 20, 2021 9:39 AM
To: Melanie Purcell <melanie.purcell@ashland.or.us>
Cc: Budget Committee <BudgetCommittee@ashland.or.us>; City Council <council@ashland.or.us>
Subject: RE: budget document

[EXTERNAL SENDER]
Thank you, Melanie.

I just want to verify that I've found it all. Was the 2/16/21 report just the powerpoint, or was there something else I missed?

The material from 11/16/20 is self-evident.

I will know how to search for any earlier reports in the future.

I look forward to your future reorganization of your documents on the website. "Challenging to find" is putting it mildly.

Lastly, I need a definitive answer regarding the budget data sheets. Do they not exist, or have they just not been made available... what is their status? I need to know how much detail of the actual expenses of each account in each department will be disclosed, beyond the summary numbers in the released budget document. Those are top level accounts. I'm looking for lower level accounts.

I appreciate you taking the time to help me find these critical reports. I wouldn't know who else to ask or how to find them.

Dean

From: Melanie Purcell [<mailto:melanie.purcell@ashland.or.us>]
Sent: Monday, April 19, 2021 7:07 PM
To: Dean Silver
Cc: Budget Committee; City Council
Subject: RE: budget document

Good evening,

The FY2020 4th Quarter and FY2021 1st Quarter reports were presented to City Council on November 16, 2020 ([Study Session - City Council - City of Ashland, Oregon](#)). The FY2021 2nd Quarter or Mid-year Report was presented to City Council on February 16, 2021 ([Council Business Meeting - City Council - City of Ashland, Oregon](#)). I recognize that these can be challenging to locate within the Minutes and Agendas; we will be working to update the organization of financial reports on the website later this summer.

Melanie

Melanie Purcell
Finance Director
City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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From: Dean Silver [REDACTED]
Sent: Monday, April 19, 2021 4:44 PM
To: Melanie Purcell <melanie.purcell@ashland.or.us>
Cc: Budget Committee <BudgetCommittee@ashland.or.us>; City Council <council@ashland.or.us>
Subject: RE: budget document

[EXTERNAL SENDER]

Thank you, Melanie. I have searched the City's website extensively, and have been unable to find those items. It should not be difficult for you to provide the links. Please do so as soon as possible. As you know, the budget data is required to be easily accessible by the public as of the date of the release of the budget. The Quarterly reports should always be available.

Thank you for adding the budget to OpenGov. Although it merely duplicates the information in the narrative budget, it is a convenient tool. I trust you will be posting more current data to OpenGov or in tabular form on the website in the very near future, in time to be useful for the budget deliberations.

As always, I appreciate your help.
-Dean

From: Melanie Purcell [<mailto:melanie.purcell@ashland.or.us>]
Sent: Monday, April 19, 2021 4:21 PM
To: Dean Silver
Cc: Budget Committee; City Council
Subject: RE: budget document

I received your message and will get you the links as soon as I can. The majority of what you have requested is on the City's website. We have also activated the Recommended Budget in the OpenGov portal so the back-up detail is more easily navigated.

Melanie Purcell
Finance Director
City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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From: Dean Silver [REDACTED]
Sent: Monday, April 19, 2021 3:01 PM
To: Melanie Purcell <melanie.purcell@ashland.or.us>

Cc: Budget Committee <BudgetCommittee@ashland.or.us>; City Council <council@ashland.or.us>

Subject: FW: budget document

[EXTERNAL SENDER]

Melanie, since I haven't heard back from you, I wanted to make sure you received my reply and request below.

These are very simple questions. The answers are important.

Kindly reply by the end of the day today.

Thank you.

-Dean

From: Dean Silver [REDACTED]
Sent: Monday, April 19, 2021 9:30 AM
To: 'Melanie Purcell'
Cc: 'Budget Committee'; 'City Council'
Subject: RE: budget document

Thank you for your prompt reply, Melanie. I have several more quick questions.

To be sure there is no confusion, can you verify that the document you are referring to is entitled "City_of_Ashland-City_Managers_Recommend_2021-2023_Biennium_Budget_033021.pdf"?

Also for clarification, are you telling me that there are no budget detail sheets available for viewing? Is there any place taxpayers and the CBC can see the source data from which the summary totals in the recommended budget are derived?

I have also been trying to locate the "Quarterly financial reports, prepared on the budgetary basis of accounting, are distributed to the Budget Committee, the Audit Committee, and the general public" that are referenced on p.41 of the recommended budget. Can you tell me where to find them?

I appreciate your help,
Dean

From: Melanie Purcell [<mailto:melanie.purcell@ashland.or.us>]
Sent: Monday, April 19, 2021 7:36 AM
To: Dean Silver
Cc: Budget Committee; City Council
Subject: RE: budget document

Good morning Dean,

The budget presented to the Citizen Budget Committee is the complete budget document and meets the requirements of law with the revenues and expenditures by type under each fund. It is located on the City's website under the Finance Department page on the Budget Process tab, [City of Ashland, Oregon - Finance - Budget Process Homepage](#)

Thank you,
Melanie

Melanie Purcell
Finance Director
City of Ashland | Finance
20 East Main Street, Ashland, OR 97520
541-488-5300 Office | Voice, TTY 800-735-2900 | 541-552-2059 fax

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From: Dean Silver [REDACTED]
Sent: Monday, April 19, 2021 12:01 AM
To: Melanie Purcell <melanie.purcell@ashland.or.us>
Cc: Budget Committee <BudgetCommittee@ashland.or.us>; City Council <council@ashland.or.us>
Subject: budget document

[EXTERNAL SENDER]
Good morning Melanie,

I understand that the recommended budget document that was presented at the first CBC meeting was a "narrative publication".

Please tell me where I can access the complete budget document.
It must include current budget detail sheets for each fund.

This is required by law to be made available to the public, per ORS 294.426(8).

If the complete budget document is not currently available, please let me know before the end of business Monday when it will be available.

Thank you,

Dean Silver

[REDACTED]

[REDACTED]

From: Kathy Kali [REDACTED]
Sent: Monday, April 19, 2021 7:00 PM
To: Budget Committee
Subject: please keep marijuana tax in affordable housing fund

[EXTERNAL SENDER]

Dear Ashland Budget Committee,

I am very much in favor of the marijuana tax continuing to fund the Affordable Housing Trust Fund.

As an Ashland homeowner [REDACTED].) I am very much in favor of opportunities for workforce housing and homes for working families. Both of these have dwindled in the last 20 years due to housing price increases and job declines in the area.

Please keep the marijuana tax funding for the AHTF to make sure Ashland is a town that works for everyone!

Thank you.
Kathy Kali

Kathy Kali, Money & Business Coach

[REDACTED]

Build Wealth. Change the World.

Subject:

FW: City Council Contact Form Submitted

From: City of Ashland, Oregon <administration@ashland.or.us>

Sent: Monday, April 19, 2021 8:25 PM

To: City Council <council@ashland.or.us>

Subject: City Council Contact Form Submitted

[EXTERNAL SENDER]

*** FORM FIELD DATA***

Full Name: **Diane M Werich**

Subject: **Affordable Housing Trust Fund**

Message: **This is the second time in a week I am writing. I imagine the only one will answer this is Tonya Graham but I hope the rest of you are, at least, reading these emails. I was so dismayed to learn that cuts to the funding of the Trust fund funding were being considered. The amount dedicated to the trust fund from the marijuana taxes is totally inadequate as is and I was hoping to organize to encourage the Council to find additional ways to fund the trust fund. We are in the middle of a housing crisis, affordable or not, and it seems not such a good idea to contemplate any cuts to anything that encourages affordable housing. I do not think we are in a golf course crisis or an airport crisis so I think these two entities should be on the chopping block. As a matter a fact, eliminating the golf course would provide land for affordable housing too. There are many places you could cut that would have less of an impact on our stated values and stated Councilors priorities. I will not vote for any money measures put to a vote if my fees keep going up to even more ludicrous amounts. And by the way, in my 34 years here until the city hall bond, I never voted against any tax, bond, or levy. Now I will continue to vote against anything. the Council needs to get their house in order and be the progressive city we pretend to be**

*** USER INFORMATION ***

SubscriberID: **-1**

SubscriberUserName:

SubscriberEmail:

RemoteUser:

[REDACTED]

From: Eileen Dunn [REDACTED]
Sent: Thursday, April 22, 2021 5:08 PM
To: David Runkel
Cc: Budget Committee
Subject: Re: Housing Trust Fund

[EXTERNAL SENDER]

No, the NC housing trust fund was an EXAMPLE of how housing trust funds have helped people soooo let's support Ashland's housing trust fun.

Sent from my iPad

> On Apr 22, 2021, at 1:02 PM, David Runkel [REDACTED] wrote:

>

> I'm confused. I'm assuming Ashland's housing trust fund did not support this family's purchase in NC and our fund does not help individual buyers. Is this correct?

>

>> On Apr 21, 2021, at 6:38 PM, Eileen Dunn [REDACTED] > wrote:

>>

>> [EXTERNAL SENDER]

>>

>> Please continue to fund the Housing Trust Fund with the Marijuana Tax. It works and the trust fund is so needed. It works around the country wherever there s compassion for housing needs.

>> Right now I am staying in my daughters house in NC purchased with the trust fund. They have a family of 5 and would have never been able to purchase a house without the help of his trust fund, for which they are very grateful. They have moved around in apartments for quite awhile and are so appreciative to have the stability of a home of their own.

>>

>> Please continue funding this fund from an ongoing tax like the marijuana tax.

>> Sincerely,

>> Eileen Dunn

>>

>> Sent from my iPad

[REDACTED]

From: Dean Silver [REDACTED]
Sent: Thursday, April 22, 2021 11:17 AM
To: Melanie Purcell
Cc: City Council; Budget Committee
Subject: update please

[EXTERNAL SENDER]

Good morning Melanie,

I notice that there are several new reports on Opengov this morning, and I thank you for them. You're making progress.

Can you give me an update regarding when you will be releasing the current fund balances and the positions report to the public?

It's been two weeks since you told me "We pulled the report because we found errors and data we had trouble corroborating. We will update it and replace it in the next week or so. I'll let you know as soon as we have it up."

The budget deadline is rapidly approaching. The public needs to see the data.

I appreciate your efforts, realizing what a busy time this is for you. I trust that the IS department has tightly integrated Muni to Opengov to minimize the manual labor involved for you and your staff.

Thank you.

Dean Silver

[REDACTED]

[REDACTED]

From: [REDACTED]
Sent: Thursday, April 22, 2021 7:51 AM
To: Finance
Subject: Public Comment Re: City Budget

[EXTERNAL SENDER]

Dear Budget and Finance Committee Members:

I encourage all public representatives and all of you to fulfill your charter in providing advice to City Government on the necessity of achieving a balanced annual operating budget.

All of us realize that we cannot, in our families, regularly spend more than our income.

1. Just so, City of Ashland must operate and spend money within its regular, available income. Examples: if the City decides to increase employee pay and benefits it may need to reduce total employee count. As tax revenues and fee income decline, there must be corresponding reductions in money spent in each and every department. For most of us living within our means necessarily means that some things we must do without. Some things we just cannot afford.
2. City of Ashland must not create new dependencies that it cannot sustain. New social programs, grants and give-aways, new committees, local adoption of progressive national programs e.g. 'Green New Deal' 'Equity' must be entertained with utmost financial caution. Ashland is a small city funded by a small number of homeowners and taxpayers. Essential public services must be prioritized and fully funded e.g. fire and police. Recently, City Officials in communities (e.g. Portland) that have not fully funded these services are learning that homeowners and business owners will leave these communities, thus reducing the tax base.
3. It appears to me, and this is an opinion, that there is a tendency at county and city levels to pay for unfunded expenditures with bond issues. These bonds then are repaid on the backs of homeowners through increases in real estate tax. Two such issues are on the May 18 ballot that if passed will increase my real estate tax by over 9%. If the community votes to provide such additional expenditures, County and City budget committees must find ways to have all residents, not just homeowners, pay for them.

Thank you for listening.

Dennis Toohey
[REDACTED]

[REDACTED]

From: Gina DuQuenne
Sent: Thursday, April 22, 2021 8:31 PM
To: Rich Rohde; Budget Committee
Subject: Re: Needed adjustment in addressing Ashland affordable housing needs in budget: Keep the marijuana tax in Ashland's very successful Housing Trust Fund.

Hello Rich,

Thank you for your continued support. I will do everything I can to make sure that the MJ taxes stay with the housing trust fund. I could not agree with you more. We will fight the good fight.

Rich, I usually get a reminder from Linda about our H&H meeting. I wanted to have 100% attendance. I have our meeting in my calendar so that I never forget again. I had my head in the budget and that is why I forgot.

See you next month if not sooner.

Stay safe!

-Gina

From: Rich Rohde [REDACTED]
Sent: Sunday, April 18, 2021 6:02 PM
To: Budget Committee <BudgetCommittee@ashland.or.us>
Subject: Needed adjustment in addressing Ashland affordable housing needs in budget: Keep the marijuana tax in Ashland's very successful Housing Trust Fund.

[EXTERNAL SENDER]

City Budget Committee members:

In reviewing the proposed city managers budget that you are reviewing I saw that there is a proposal to not fund the dedicated city marijuana tax into our extremely important and successful Housing Trust Fund for the next two budget years.

This will be a tragic mistake for several reasons:

It took many years for the HTF to become operational BECAUSE it did not have in its formation a required dedicated tax assigned to it. Until the current marijuana tax was added the HTF was a lost afterthought in the budget doing nothing for our cities affordable housing needs.

In the very recent years that the tax has been dedicated it leveraged several critical housing projects for our city.

Even as proposed with substituting a couple of useless surplus land the loss of Dedicated revenue source which was very difficult to be started there will be danger of losing the great momentum for affordable housing that the HTF has now initiated.

This is the very definition of cutting into valuable infrastructure that may not be easily repaired.

I cannot overstate how much this proposal to defund the HTF is totally lacking in wisdom.

Please do not support this taking away the marijuana tax from the Housing Trust Fund

Rich Rohde



Sent from [Mail](#) for Windows 10

Natalie Thomason

From: Dean Silver [REDACTED]
Sent: Sunday, April 25, 2021 3:47 PM
To: City Council; Budget Committee
Subject: Debunking the PERS Problem
Attachments: PERS analysis.pdf

[EXTERNAL SENDER]

Councilors and CBC members:

For your consideration, an analysis you haven't seen before.

Executive Summary: PERS is responsible for approximately 5-7% of the budget.
Negotiated benefits are greater than PERS contributions.

We've heard over and over again that PERS is the largest intractable problem in the budget. It's not true. Total compensation, however, is a huge problem.

I'm attaching a spreadsheet I made adapted from one that Melanie Purcell sent me in lieu of giving me the specific position detail that I requested. Keep in mind that this data does NOT include Department Heads, i.e., the largest salaries. Fortunately, it provides enough detail to present the following conclusions:

First, understand that Personnel is about 34% of the total expenses in the budget, call it a third. Admittedly, that's a huge chunk. What my analysis shows is that the legislated PERS portion of total employee costs is 16-20%. Therefore, it is responsible for roughly 5-7% of the total budget.

That's nothing to sneeze at, but it's nothing like the huge proportion as it's always presented to us.

Notice that the ratio of benefits to salaries is 50-60%. I don't know how that compares to other municipalities or the private sector, but it seems very high to me.

The other thing to note is that NEGOTIATED benefits are 20-26% of total employee compensation. That is the part that needs to be addressed, as well as salaries. Negotiated employee benefits therefore accounts for roughly 7-8% of our total budget.

To summarize, the negotiated benefits that we pay city employees is GREATER than the TOTAL PERS contribution, including even the portion that is NOT a benefit to current employees.

Thank you for your consideration.

Dean Silver

[REDACTED]

City of Ashland										
Representative Annual Salary and Fringe Benefits										
As of July 1, 2021										
Union Group FTE Count	Non-Represented 1	Parks 1	IBEW Clerical 40	IBEW Electric 17	Laborers 41	Police 22	Firefighter 30			
Salary - Average	87,262.00	61,789.00	63,087.00	93,445.00	61,253.00	84,835.00	103,911.00			
Overtime - Last Fiscal Average	220.00	346.00	250.00	3,283.00	1,672.00	9,338.00	19,264.00			
Subtotal Salary	87,482.00	62,135.00	63,337.00	96,728.00	62,925.00	94,173.00	123,175.00			
Legislated Benefits:										
Workers Comp	812.00	645.00	381.00	1,254.00	1,492.00	1,603.00	2,464.00			
City Portion PERS/OPSRP (ave 10.07%)	8,810.00	6,257.00	6,379.00	9,741.00	6,337.00	-	-			
City Portion PF PERS/OPSRP (ave 15.33%)	-	-	-	-	-	14,343.00	18,785.00			
City Portion FICA/Medicare tax (7.65%)	6,693.00	4,754.00	4,846.00	7,400.00	4,814.00	7,205.00	9,423.00			
Subtotal Legislated Benefits	16,315.00	11,656.00	11,606.00	18,395.00	12,643.00	23,151.00	30,672.00			
Negotiated Benefits:										
Employee PERS/OPSRP (6%)	5,249.00	3,729.00	3,801.00	5,804.00	3,776.00	5,651.00	7,391.00			
Health/Dental Insurance	19,495.00	19,584.00	19,495.00	19,495.00	19,495.00	19,495.00	22,350.00			
Life Insurance & Long Term Disability	148.00	112.00	112.00	112.00	97.00	123.00	100.00			
Mercy Flights	-	-	70.00	70.00	70.00	-	70.00			
Deferred comp	600.00	600.00	600.00	600.00	540.00	600.00	600.00			
HRAVEBA	1,750.00	1,243.00	1,267.00	1,935.00	1,259.00	1,884.00	2,464.00			
Subtotal Negotiated Benefits	27,242.00	25,268.00	25,345.00	28,016.00	25,237.00	27,753.00	32,975.00			
Sub-Total Benefits	43,557.00	36,924.00	36,951.00	46,411.00	37,880.00	50,904.00	63,647.00			
Total Salary & Benefits	131,039.00	99,059.00	100,288.00	143,139.00	100,805.00	145,077.00	186,822.00			
% Ratio of Total Benefits/Salary	50%	59%	58%	48%	60%	54%	52%			
% Ratio of Negotiated Benefits/Total Compensation	21%	26%	25%	20%	25%	19%	18%			
% Ratio of Legislated PERS/Total Compensation	7%	6%	6%	7%	6%	10%	10%			
Legislated Cost NOT a Benefit:										
City Portion UAL PERS/OPSRP (15.15%)	13,254.00	9,414.00	9,596.00	14,655.00	9,534.00	14,268.00	18,662.00			
all legislated PERS	22,064.00	15,671.00	15,975.00	24,396.00	15,871.00	28,611.00	37,447.00			
% Ratio of total legislated PERS/Total Compensation	17%	16%	16%	17%	16%	20%	20%			

[REDACTED]

From: Dean Silver [REDACTED]
Sent: Sunday, April 25, 2021 4:41 PM
To: City Council; Budget Committee
Subject: A humble request

[EXTERNAL SENDER]

Councilors and Committee members:

You cannot do your job without data. In order to budget for the future, you need to know our current financial position, and how it compares to the current budget.

As you know, about two and a half weeks ago I asked the Finance Director why so much data has disappeared from public view. I am still awaiting a substantive reply and the release of the data requested.

Four of the major things that you need and are not being given are:

1. Current fund balances,
2. Employee compensation details,
3. Specific Departmental and Fund details, not just top level totals,
4. The ability to question department heads regarding their requirements and expenditures.

You are at the midpoint of your deliberations. You only have six hours remaining to make some momentous decisions.

At this next meeting, PLEASE find out why the finance dept/administration is withholding this data from you and from the public. PLEASE press for answers; do not accept evasions, denials, and deflections. PLEASE find out why full disclosure and transparency are not priorities in this process.

Some small subsets of the data have begun to reappear on OpenGov. I have expressed my appreciation to Melanie for those restorations. But far too much is still missing.

Apparently, I do not have sufficient standing as a taxpayer to make this happen. I would hope the budget committee would have the ability. It will only happen if you make it happen.

Thank you.

Dean Silver

[REDACTED]

[REDACTED]

From: gwen davies [REDACTED]
Sent: Sunday, April 25, 2021 5:39 PM
To: Budget Committee
Subject: fund the most essential only

[EXTERNAL SENDER]

We have a short window to prevent even more debt than the 2.5 million figure I hear now. We have not even heard an answer to Mr. Runkel's question about many departments asking for big increases which he read from the budget information in the last meeting. YOu may have emailed him but the public needs that information too.

Fund only the most essential spending now and pause the rest. Enact a stringent zero based budgeting processor cut every department by say 15% effective in the 2021 to 2023 budget. Cut all perks like car allowances now. Cut positions or cut working hours and let union employees know they have to start paying their fair share....their 6%...asap. Lay offs should be considered immediately. Look at top management issues and prune top management positions in Administration...not fire or police. Prioritize the essentials as well as pause the non-essentials.

I would fund fully or increase the Fire Department. If we can, provide funds to lower income residents to limb up trees, take down cedars, dead branches, and dead trees as well other highly flammable landscaping. Make it mandatory. Do not help the wealthiest with paying their way. That has happened already. You could index it for some helpbut multi millionaires should not have those who are living on modest incomes pay their way. Of course this requires action by both CBC and CC. We may burn this summer; start now.

I know there are many who see our situation accurately and have already and will come up with suggestions. I asked for each of you to suggest five spending cuts. I hope you do so and let the public know. Many feel you are accomplishing nothing to cut spending; many feel you are getting the runaround from those who spent us into this situation in the first place. We need to hear actual cuts you will be making.

Thank you for reading this.

[REDACTED]

From: Sandra Theis [REDACTED]
Sent: Sunday, April 25, 2021 6:56 PM
To: Budget Committee
Subject: Input on budget decisions

[EXTERNAL SENDER]

Date: April 25, 2021

To: Ashland Budget Committee Members

From: Sandra Theis, Member Ashland Senior Advisory Committee and Chair, Livable Ashland: An All Age Friendly City

I write to express support for the Ashland Parks & Recreation Commission (APRC) budget as submitted by Director Michael Black. The proposed APRC budget:

- Shares in the accommodations for city-wide funding pressures with realistic cuts and future planning
- Maintains parks and services which are vital for Ashland's livability, as noted in National Citizen Survey's Ashland Livability Report, and have been a critical venue for safe recreation during the pandemic, supporting citizens' physical and mental health
- Contributes to Ashland's economic recovery as a draw for tourism and outdoor sports enthusiasts
- Maintains funding for Ashland Senior Services Division and Ashland Senior Center, which has continued providing critical information and assistance for vulnerable seniors and their families throughout the pandemic

Ashland Senior Services Division runs Ashland Senior Center and partners with other organizations to support our growing senior population. They provide recreation, social connection, education, and a wide array of support services that help seniors maintain independence and help working adults with caregiving responsibilities. The Division accomplishes much with a small staff and budget by connecting Ashland families to existing resources available in the community and extending resources through collaboration with other agencies.

All of the activities of APRC meet the goals of Livable Ashland: An All Age Friendly City. This initiative was entered into by the City of Ashland and APRC as part of the WHO/AARP Age Friendly Cities initiative. The proposed level of funding will help to support this initiative.