

*One of my fellow CBC members reported on a social media site that we have a "\$6.7 structural deficit". Can you explain what this means and what this has to do with the CBCs discussions of the balanced budget that was presented on April 27th?*

By Oregon Budget law the City must present a balanced budget. A balanced budget is defined as expenditures cannot exceed revenues. Revenues include new taxes, fees, etc. collected during the biennium as well as monies carried forward to fund the budget (See attached Carry Forward Fund Balance Sheet). The budget presented on April 27<sup>th</sup> is balanced.

The confusion may lie in the carryover being used in the next 23/25 Proposed Budget. The City has an estimated \$17,784,964 in carryover from this BN to fund the general fund moving forward. This is a common practice for numerous municipalities.

Regarding our "deferred maintenance" of City facilities, will the CBC be able to suggest a ballot measure for funding these projects?

The CBC could suggest a ballot measure.

*Can you tell me how many FTE's we have now and how many we had at the beginning of the fiscal year (July)*

Currently, the city has 220.1 FTE and we had 213.2 at the beginning of FY 2023.

*There was mention in the first meeting of tourism projects and how we would fund them - sidewalk cleaning, the analyst position that will help with economic development and partnerships, etc. Is that funding coming from the TLT restricted funding? Generally, we see that funding holistically so just checking to see if that is in our future. Will we have a chance to review that restricted funding in more detail during this process?*

The City proposes the following:

Funds to be located in the Professional services line:

- Wayfinding \$100K each year
- Trash can upgrades and waste removal from core areas \$150k each year
- Peak season beautification of downtown- \$50k each year

Grants:

- 175k grant matches for business façade improvements each year
- 100k grant matches for traffic control or other event needs each year

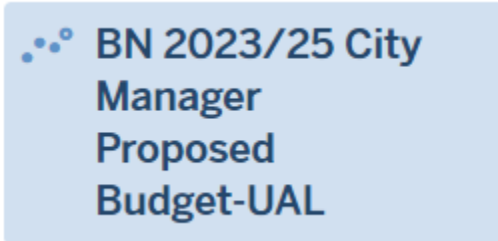
-\$586,338 grant matches for tourism related non-profits each year

Personnel:

-1/2 of the Communications Officer Salary paid with TLT

*Expenditures - for the General Fund increased 22%. What is the detail for this increase of almost \$20 Million - for any line items with increases over 15%*

See Table – Saved View



General Fund-Materials & Services

*Revenue up 17% but not enough Revenue to cover expenditures- thought we were getting a balance budget. What exactly will comprise the resolution of this almost \$6.7 Million. I understand that the deficit is being resolved with a lower reserve and ending Fund Balances. Please could you write up the exact figures from each so we might see a balanced budget*

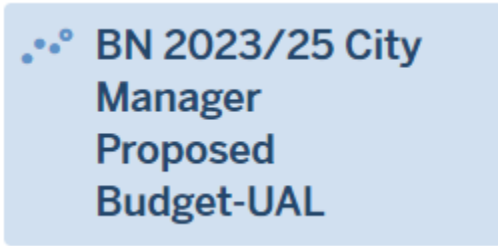
The question was on the use of the previous year's ending fund balance, leaving a reduced fund balance in the proposed budget, which is essentially called the "Working Capital Carryover" in government budgeting standards. In our Financial Policies that are in the Appendix of the Budget Book, it summarizes the Fund Balance Policy and that the Working Capital Carryover is included as part of overall Resources for the Proposed Budget. This is a standard practice that has been done at Rogue Community College (a special purpose government), and in the City of Medford's budget.

The City of Ashland has reduced its Working Capital Carryover, with the advice of financial counsel, to 16.7% from 20%. This is reasonable, given that our Reserve Fund has increased over the years and we have a Contingency line item. That leaves the remainder of the Fund Balance to be re-appropriated into the proposed budget. **A good way of looking at it is that these monies have already been appropriated in the prior biennium budget, they did not get spent out for whatever reason (e.g. personnel vacancies), and so we are now re-appropriating them into the**

**Proposed Budget as part of overall Resources as a means to continue delivering services at the levels we have been.**

*Revenue - Franchise Fees are up 30% What is the detail on this? Would like information on all sources of the Franchise fees and why such a high increase? Would like to see the detailed source for this increase. In particular, how much are franchise fees from Hunter Communications?*

See Table – Saved View

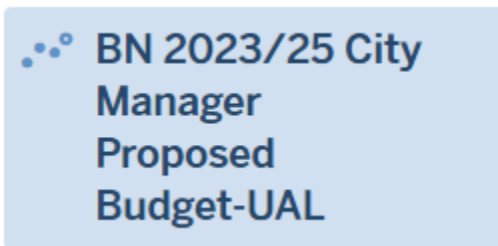


☰ Franchise Fees

Franchise fees were budgeted lower in the adopted BN 2021/23 budget pending Council resolution to revise the rates to a lower amount. The fee amount was not lowered by Council resolution therefore we have included in the proposed budget for BN 2023/25 the actual rates that will be charged. Hunter Communications franchise fees are \$14,000 per year.

*Revenue - Charges for services up 47% Would like detail on this so that reasons are clear. What exactly caused this increase.*

See Table – Saved View

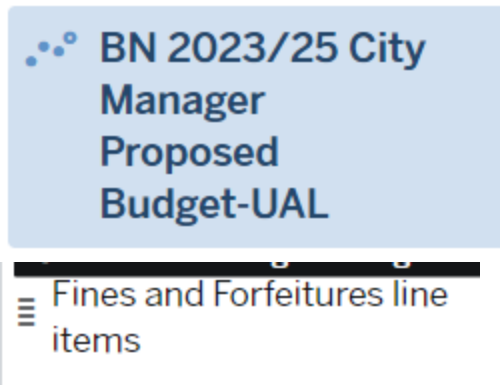


☰ Charges for Service by line item EDIT

Please see detail in line items.

*Revenue - Fines/forfeitures are down substantially. Explanation?*

See Table – Saved View



Reduction in parking fines and traffic fines to actual levels.

*Expenditures -Personnel has increased 39% - would like detail of all positions (with salaries, benefits) comparing the current budget to new one by either Fund or department, whichever is easier. Considering that Personnel is 60% of the General Fund, the detail is important to understand the whole budget, and where the additions/changes are – **and what is filled, what vacant.** Unless we know vacant positions, as well as filled ones – we will not know the real picture of our personnel staff*

Per the CBC Training Manual “The budget committee does not approve new personnel, employee contracts or salary schedules, nor does it negotiate salary contracts.” Id. All personnel agreements have been placed on the Budget Process website for your review.

As of May 1, 2023

**Current Job Postings:**

- Line Installer (*Electric*) – Closes 5/4/2023
- Senior Financial Clerk (*Finance*) – Closes 5/12/2023
  - Positions projected to be filled in June

**Closed Jobs – Review/Interview Status:**

- Office Assistant II (*Public Works*) – Interviews concluded. **Candidate in background.**
- Line Installer (*Electric*) – Interviews concluded. **Candidate in background.**
- Deputy Police Chief (*Police*) – Interviews concluded. **Candidate in background.**
- Community Service Officer (*Police*) – Interviews concluded. **Candidate in background.**
  - Positions projected to be filled in May
  
- Emergency Medical Technician Paramedic (Single Roll) (*Fire*) – Second interview scheduled.
- Seasonal Cadets (*Police*) – Second interviews scheduled.
- Entry Level Police Officer Eligibility List (*Police*) – Interviews scheduled.

- Junior Network Administrator (*Dept. of Innovation & Technology*) – Interviews scheduled.
- Utility Worker I/II – Streets (*Public Works*) – Interviews being scheduled.
- Wildfire Risk Reduction Specialist LDA (*Fire*) – Applications being reviewed.
- Building Inspector (*Community Development*) – Interviews concluded. Offer extended.
  - Positions projected to be filled in May/June

**Upcoming Job Postings:**

- City Attorney (*Legal*)
- Deputy Public Works Director (*Public Works*)
  - To be conducted by Jensen Strategies in the Spring
- Human Resources Analyst (*Human Resources*)
- Lead Line Installer (*Electric*)

*Is here a report of total FTE per department comparing current budget to 23-25? All last budgets had this FTE detail on the org chart. Can we can get that the same way for easy comparison?*

The organizational chart located in the budget book has the FTE count provided for each department as well as the total: 264.07

The same information can be found on page 41 of 21/23 BN budget book.

*I do not see the Reserve Fund anywhere in the budget. Please let me know where I might find it.*

*Page 19 of the PDF of the budget document. There is no expenditure budgeted.*

**BUDGET HIGHLIGHTS AND SUMMARIES**

- Uses by Fund, Department & Classification
- Revenue & Sources Summary
  - General & Other Funds Summary
  - Reserve, CIP, Debt & Telecommunications Funds Summary
  - Water and Electric Funds Summary
  - Equipment, Health, Cemetery & Tourism Funds Summary
- Budget in Brief