

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Recently, several outdated reports were removed from OpenGov page of the City's website because they were not current and were not automatically maintained as part of the City's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



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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



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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.

