

**ASHLAND CITIZENS BUDGET COMMITTEE**  
**MEETING Minutes**  
**Thursday, May 25, 2023, 3:00 PM–5:00 PM**  
**Council Chambers, 1175 E Main Street**

Call to Order: Chair Shane Hunter called the meeting to order at 3:00 pm.

Roll Call

Present

Councilor Paula Hyatt	Mike Gardiner
Councilor Dylan Bloom	Eric Navickas
Councilor Gina DuQuenne	Andy Card
Councilor Bob Kaplan	Linda Peterson-Adams
Councilor Eric Hansen (arrived 3:52 pm)	Leda Shapiro
Mayor Tonya Graham	David Runkel

Absent: None

Public Hearing

Paul Mozina – Spoke about the increase in Fire Department calls statistics. He would like Chief Sartain to explain the increase in calls. Request that the Committee ask Chief Sartain to produce a report on why there is an increase in calls and put a footnote on the budget which requires a hard look at the increase in the call volume.

Susan Hall – See attached comments.

Ted Hall – Ashland High School baseball team won their first playoff game in years in Portland. The Team from Bend is coming to Ashland tomorrow and would like to spread the word so the community can show their support. North Mountain Park at 5:00 p.m.

Parliamentary Procedure Review – Sabrina Cotta, Deputy City Manager provided a short presentation to review parliamentary procedures. She included how to make, amend and withdraw motions, object to procedure, and end debate.

New Business

Motion to Approve Property Tax Levy

**Linda Peterson-Adams/Gardiner Motion/second – I move to approve the property tax levy in the amount of \$4.2865 per \$1,000 of assessed value for fiscal year 2023-2024 and fiscal year 2024-2025 respectively, approve property taxes for the payment of general obligation principal and interest bonded debt in the total of \$210,040 for fiscal year 2023-2024, and \$215,815 for fiscal year 2024-2025.**

Discussion – DuQuenne asked the City Manager to explain what it means to levy taxes and what it consists of. Lessard explained that there are two components to the tax rate. First is the permanent tax rate, which is specified under Oregon State law which is \$4.2865, as referenced in

the motion. In addition, there are some general obligation bond payments that have to be made. The tax rate for those two items, which are for fire station #2 for its construction is .0642 per \$1,000 equaling a total tax rate of 4.3507. The permanent tax rate is capped.

**Roll Call Vote: Bloom, Card, Dahle, DuQuenne, Gardiner, Graham, Hyatt, Hunter, Kaplan, Navickas, Peterson-Adams, Runkel, Shapiro, YES. Motion passes.**

**Peterson-Adams/Gardiner Motion/second - I move to approve the proposed budget for the 2023-2025 biennium as adjusted by staff's revisions and convey it to the City Council for adoption.**

Discussion – Peterson-Adams spoke about the balanced budget moves us closer to financial resiliency and sustainability. There are still challenges in funding critical needs, especially deferred maintenance on City facilities. Livability provides a triple bottom line of the economy, environment, and equity. It is here that the city strives to maximize the value to the community of the funds entrusted by the Community to manage and is a balanced budget. The City is continuing in a direction that values partnerships, prioritizes risk reduction, economic development and affordability, and championed by equity. Gardiner spoke about how the City is required to propose a balanced budget for review. For the last biennium, we've worked under a cloud of unfulfilled positions and unmet needs in a lot of areas. Improvements in this budget will fund necessary jobs in our city to create the services we need. Shapiro stated that she does not approve this budget. One of the top priorities that the citizens want is affordable housing. This budget does not address that in any substantial way. Would like to discuss what the budget includes and what it doesn't. DuQuenne stated she would like to make a motion to amend the motion.

**DuQuenne/Shapiro Motion/ second- I move that we adopt this budget upon the closing of Oak Knoll golf course.**

Discussion – DuQuenne spoke that it is her understanding that this budget was based on the townhall and the survey and the results from those show our constituents and the residents of Ashland have requested that the golf course be closed. She believes that Ashland is in need of workforce housing. This property is in city limits and lends itself to that. DuQuenne believes we can all work and play together. Shapiro spoke about how she looked at the numbers of the golf course. She researched the numbers and is struck by the loss of revenue each year. The City could do more to utilize that property. Gardiner stated that closing the golf course is under the purview of the Ashland Park and Recreation Commission. There's incoming revenue that the naysayers overlook and the expense of maintaining 80 acres of land if there is no revenue would be an issue. If you shut the golf course down, it doesn't mean there isn't long term maintenance on that property. Navickas spoke that the issue of affordable housing is of great concern. Putting parks assets up against the value of attaining affordable housing is disingenuous. The City is already looking at selling surplus properties. Those funds could be earmarked for affordable housing. He doesn't see closing the golf course and putting up housing as a benefit, especially when it comes to irrigation. He supports all park assets and that's what we need to support. Bloom concurs with some of the golf course concerns are. The wording of the amendment is not under the purview of this body. Shapiro agrees they don't have the authority to close the golf course but they can vote

not to fund the golf course. Peterson-Adams called to question. Chair Hunter stated he would like to vote on the amendment. Graham asked the amendment be repeated so they know what they are voting on. DuQuenne agrees with Shapiro that the Budget Committee cannot decide on closing the golf course but can decide on not funding them. Hyatt called point of order. They need to vote on the motion on the floor. DuQuenne withdrew her motion. Hunter agreed.

**DuQuenne/Shapiro Motion/ second – I move that we do not fund the \$941,000 to Oak Knoll Golf Course.**

Discussion – DuQuenne reiterated that this motion is a result of the outcome from the townhall and survey. Shapiro stated this discussion should have happened months ago. Peterson-Adams called a point of order saying this is a policy discussion. Hunter explained that in the past the budget has been reduced for specific items. Bloom asked if anyone from APRC is here to talk about the implications of closing the golf course. Rachel Dials, Interim Parks Director, spoke about how closing the golf course would be unfortunate for the community. There are already CIP funds budgeted to look at irrigation and the potential for other recreational activities. A RFP just closed to see if a private company could take over the golf course operations. Graham asked that because APRC is the governing body of the parks, to what extent does the APRC have to adjust the spending on? We are talking about a line-item level. But when the budget is appropriated, it is not by line-item level. Cotta spoke that yes, when the budget is appropriated it is up to the department to determine how to spend the funding. Lessard added that the \$941,000 being discussed does not include CIP, employees, PERS etc. It is operational funding only. Staff needs a few minutes to gather information on the other remaining numbers. Navickas asked how much it is to play golf as compared to other regional golf courses. Dials responded it is anywhere from \$5 to \$25 depending. She also reminded the committee that the golf course is also used as a neighborhood park and they are in the middle of rehabbing the greens. Graham spoke about the importance of affordable housing and how to leverage opportunities but closing the golf course is going to create more of a delay than it would help. She does not think it is up to this body to make that decision. The City Council is already having a discussion about housing. Navickas brought up the issue of equity. Providing equitable opportunities for people is what the parks are for. We need to protect these assets. Lessard said the total general fund appropriation for golf is over 1 million dollars plus the CIP funds. This represents three full-time employees along with temporary employees that would be eliminated. There would be not property management funds for the 74 acres going forward. Gardiner spoke about how he is not going to vote for this amended as there is no path for the APRC to manage the land with no funding. **Roll call vote: Bloom, Card, Dahle, Gardiner, Graham, Hyatt, Hunter, Kaplan, Navickas, Peterson-Adams, NO. DuQuenne, Runkel, Shapiro, YES. Motion fails 10-3.**

**Runkel/DuQuenne motion/second – I move to amend the budget by deleting \$133,917 from the personnel services line in the tourist fund budget and then move this money to the material services line in the tourist fund budget increasing that line to \$2,456,593.**

Lessard clarified that would eliminate the City's Communication Officer position.

Discussion – Runkel spoke about how we need to spend the money better on campaigns to bring people to Ashland. He indicated that that tourists are not staying as long in Ashland as they used to due to OSFs limited play schedule. The funds would be moved to eliminate the communication to local residents and focus on bringing out-of-town tourists. We need to make a big effort to bring people to town. DuQuenne spoke that now that she understands what Runkel's position is, she is going to withdraw her second to his motion. She agrees we need to support Travel Ashland but not at the expense of a staff position. Shapiro spoke that she sees the need to cut the budget but wants those cuts to go to housing. Motion denied.

**Runkel/Navickas motion/second – I move to delete the funds for two additional police officers from the personnel services line of the Police Department budget.**

Discussion – Runkel spoke about how in the past the Police Chief spoke of the need for more officers due to more tourists coming to Ashland. As there is a decline in tourism, there is not a need for more officers. We need to cut the budget and this is one way of doing that. Navickas spoke that the issue of homelessness is a serious issue in this community especially with fire season coming up. Instead of putting that money into policing those funds could go to homeless services which could do more to address the problems that we have. The interagency agreement with Talent works well in that when Ashland is understaffed, Talent police officers can fill in. The priorities of providing homeless services is higher. Hyatt clarified that the agreement with Talent is one direction only. Ashland provides patrol officers, training opportunities, and detectives but Talent does not provide Ashland with anything. Police Chief O'Meara stated that Talent does not provide staffing for us, we provide staffing on an as needed basis. Graham wanted to confirm that the motion is to eliminate that figure, not to move the funds elsewhere. Runkel confirmed that is the case.

**Navickas/Shapiro motion/second – I amend the previous motion to take the cuts from the police department and move them to unfunded homeless services.**

Discussion – Kaplan asked what the number is for two officers. Runkel stated he did not have the exact amount. Chief O'Meara said it was about \$300,000 for two police officers. Card asked the Chief to clarify which officers would be impacted by this decision and what are their roles. O'Meara responded that the goal is to get back to a staffing situation where they would have a school resource officer and be able to staff a supervisor and four officers on each patrol shift. That way if one is sick, on vacation or at a training the minimum staffing would be three officers, that way officers could respond to two critical situations at a time. Currently we can only respond to one critical incident at a time. Bloom pointed out that in the survey 31% of respondents wanted to add those positions and 25% of respondents wanted to add four positions. Shapiro asked while this would save us \$300,000 approximately, would it affect overtime costs? O'Meara responded that it might. The more bare bones the staffing is, the more overtime we are likely to incur. Hyatt asked for clarity on the current motion and the overlying motion. The current motion is asking to shift funds and the other motion's goal is to cut funds and reduce expenses. Hunter stated he would like to vote on the motion to shift the funds from police to houseless resources. **Roll call**

**vote: Bloom, Card, Dahle, Gardiner, Graham, Hansen, Hyatt, Hunter, Kaplan, Peterson-Adams, DuQuenne, Runkel, Shapiro, NO. Navickas, YES. Motion fails 13-1.**

Hunter stated that we are now back to the motion to eliminate funding for two police officers. He asked for any more discussion. Runkel added that the population is not growing. It's been at the same level for the 21 years he has been here. We need to find some way to save money and this is one way to do it. Hyatt spoke about how they were provided a list of items that have not been able to happen due to short staffing levels. That includes no downtown patrol, no assigned traffic enforcement officer, limited detectives, no cadets or park patrol, no job specific training, which puts us in a liability situation, and no fingerprinting. Staff have had to be on extra patrol for longer periods of time, there is less community policing, less getting out of cars and interacting with the public, no area command meetings, no sergeants meetings, less ability to take time off, and fewer officers per shift, resulting in less proactive enforcement. O'Meara confirmed that every item on the list has been a deficiency because of lack of staffing over the last four years. Hansen added that APD has lost a couple officers recently and it seems as though the Police Department is stressed out. O'Meara confirmed that in 2020-2021 four or five seasoned veteran officers not ready for retirement left law enforcement altogether which is highly unusual. Navickas stated he is going to support Runkel's motion because we are using the wrong tool to address a complicated issue of poverty. Expecting the police to manage such a complicated problem is not the correct tool. As a community we need to figure out how to address this issue. Hunter called for a vote for the amendment to remove the funding for two police officers from the budget. **Roll call vote: Bloom, Card, Dahle, Gardiner, Graham, Hansen, Hyatt, Hunter, Kaplan, Peterson-Adams, NO. DuQuenne, Runkel Navickas, Shapiro, YES. Motion fails 10-4.**

**Runkel/DuQuenne motion/second – I move to delete funds for two of the four additional EMT's in personnel services line of the Fire and Rescue department's budget.**

Discussion – Runkel stated that the budget increases the Fire Department by six individuals with the two that were added last week. He does not believe we have the money for this. The Fire Chief wants four additional EMT's and he suggests we get along with two of them. DuQuenne stated she agrees with Runkel in that this is an opportunity for savings. Bloom spoke that we do have the money in the budget. We spoke earlier about having an aging population and suggest people watch the Fire Chief's presentation on missed call volume. He hopes no one in this town calls for help and no one is there for them. Graham asked Lessard if this set of four is the business model around our EMC and Fire Service medical service. Can he explain what happens if we cut it in half? Lessard responded that this business model is for four teams, and we are only hiring for half that amount. We can cut our EMS call volume. There are approximately 950 fire calls and four times as many in EMS calls. When we pull firefighters on to EMS calls, that means they are not available to fight fires. Our service area is much larger than the city. The business model allows us to cap the growth in EMS calls and enables us to keep our firefighters in Ashland available for fire calls. This is a priority for the city because it means that they're better prepared to address fire issues and better prepared to address EMS calls and meet the Council's overall goal of improving emergency services. Hansen stated that this business model is similar to Mercy Flights and although the

projections are fuzzy for the income, it is assured that there's going to be some cost recoup, if not some additional revenue. This is an essential service for Ashland and the additional 65 square miles in Southern Oregon that will have this EMS service. Hyatt stated that the Council already approved this plan to go forward with the goal of keeping our fire fighters in the area. The city's ISO rating is down and the businesses in the area are very concerned that it will impact their ability to get insurance. These EMT's help us do our part with regard to our fire department and take an actional step toward a better ISO score. Hyatt has been that family where no was available when called and you don't want to be that family. Dahle spoke that he understands the Budget Committee wants to look for certain answers to difficult problems but we asked our departments to bring new ideas to try. This model may not work perfectly but he is interested to see if it will work in some form, and you don't cut funding before you even get started. **Roll call vote: Bloom, Card, Dahle, Gardiner, Graham, Hansen, Hyatt, Hunter, Kaplan, Peterson-Adams, Navickas, NO. Shapiro, Runkel, DuQuenne, YES. Motion fails 11-3.**

Shapiro spoke about a previous finance director, Allison Chan, who said it was improper to budget a grant until it was received and from what she understands, that is the process that we're currently doing. The Parks Department has an \$8,000,000 grant in its budget with no identifying funding source for the pool. According to Chan's directions, both this grant and the matching expenditure should not be appropriated at this time but be submitted as a supplemental budget item when the funds are received. **Shapiro/Bloom Motion/second - I moved that the \$8 million in the budget not be appropriated at this time and removed from the budget.**

Discussion – Bloom there needs to be much more clarity and APRC needs to come forward with a plan. If you're going to ask for money, have a plan. Graham spoke that the structure of this relationship between the Council and PRC is that the Council is the body that takes on debt, so there isn't a circumstance where APRC would go and be even be able to take on this additional \$8,000,000 without coming back to the Council for approval of the debt issuance. In conversation with APRC there is also a larger community conversation that will come about before the Council will ever see a request for debt issuance. There isn't a reason for us to hold it back when the Council will have the ability to make that choice. Shapiro responded that she understands Graham's point, however from the accounting/financial point of view there is a correct process. We are not to record and grant an instrument of funding that is not already received. Graham asked staff about debt issuance. There are other items in this budget that are assumed we will go out for debt, but we may receive some sort of grant that would then offset some amount of that debt. So what we're seeing here with parks is nothing different than what we see with many of the other capital processes. Sabrina confirmed that is correct. Hyatt spoke that we may have a motion confusion issue. The understanding is from Mr. Lissard and from our Finance Department is that this \$8,000,000 is not a grant. The motion says it's improper to budget a grant until received, but this is not a grant, so the motion doesn't pertain to how this is reflected in this budget. When we vote, we vote on what is in the budget. Shapiro asked staff to look in the budget to see where the \$8 million is as they have talked about it before. It's perfectly feasible when it is received there is supplemental budget adjustment. Dahle clarified that the \$8 million is delineated as potential

debt revenue. Even if we approve this budget as is, that line item in order to actually issue the revenue bond for that debt would need to come back before Council. **Motion withdrawn.**

**Runkel/Hyatt Motion/second – I move to encourage Council to consider a charter amendment to abolish the Ashland Municipal court and transfer its functions to the Jackson County Justice Court to handle traffic tickets and municipal code violations.** This is because there is just over \$1,000,000 for operations of the Ashland municipal court and projected revenues of \$350,000 and an operating expense of \$650,000.

**Discussion:** Hyatt spoke that this is an opportunity for the Council to consider this idea which has been suggested previously. Graham spoke that normally she would agree however this Council has priorities such as affordable housing, homelessness, and climate issues that are stacking up on the agenda and she would not be very interested in putting this topic into the mix at this point. Graham thought it is something that Council can take up at an appropriate time in the future but given that the community policing value puts the need to keep our court in, this Community makes me think that it's likely that we would come out the other side of that deciding to keep the court anyway. Shapiro spoke that of all the amendments of cost cutting, this one makes the most sense. It would allow us to come back to the priorities of affordable housing. The budget does need to be cut but think that affordable housing is such a high priority that if we're going to be getting over \$1,000,000 back here that we might consider moving it into the affordable housing budget. Bloom asked if this motion restricted the Council to review this in a certain period of time? Lessard responded that there is no time limit based on the current motion. Gardiner asked if the Council decided to eliminate the courts, is there still a cost to the city to process that function? Lessard responded that he does not believe you can eliminate the total cost of the court. It depends on if the County would take on some of those cases and then Municipal Court would have a reduction of costs. This is an item staff would have to do some research and evaluation and come back to Council with some alternatives. Hyatt reminded everyone that the nature of the request is to consider a charter change. This would be a lengthy discussion and would go before the voters. There will be time and space for significant analysis. Runkel reread the motion, *I encourage the City Council to consider a charter amendment to abolish the Municipal Court and transfer its functions to the Jackson County Justice Court which handles traffic tickets and municipal code violation cases. As the County already does this for Talent, Pheonix, Jacksonville, Central Point, and Shady Cove.* **Roll call vote: Peterson-Adams, Bloom, Hansen, Hyatt, Hunter, DuQuenne, Shapiro, Runkel, YES. Navickas, Kaplan, Graham, Dahle, Gardiner, Card, NO. Motion passes 8-6.**

**Runkel/DuQuenne Motion/second – The future of AFN is on the table and would like to encourage the City Council to move quickly on that and hold off on the \$1.2 million in the capitol line of AFN's budget until some decision is made about the future of AFN.**

Discussion – Runkel spoke that if it is going to be discussed as the budget document says he suggests we forward on that quickly and hold off on any major capital expenditures on AFN until that decision is made. Gina spoke that she will support that discussion. They are talking about a large amount of funding and would like to have a deeper discussion regarding AFN. Bloom spoke that his understanding is that Council did discuss this and directed AFN to go forth and conquer

big telecoms. Shapiro agreed with Bloom that it has been discussed many times and the money is there to go ahead. Graham spoke that the discussion that was had by Council is that AFN was to move forward with the pilot process and see how it works. This is a policy decision around the major infrastructural system of this community. And it belongs to the Council and Council has already set that direction. As a reminder that money is coming from the AFN fund balance so even if it is saved, it would not become money available for the general fund. Kaplan agreed this was already discussed at Council but thought the direction was for AFN to come up with a plan. Lessard spoke that the understanding is that AFN would come up with a plan and go forward. Dahle added that even though it has already been discussed by Council he would like further discussion. Lessard responded that staff will come back to the Council with contractual items in order to implement the plan and that would tie to the technical aspects of the plan in terms of equipment, installation, and location. Runkel explained that he brought forward this motion in response to the budget documents which state to assist Council in deciding the future of AFN. Lessard clarified that the language means we are going to do a pilot program so we can determine whether the marketability and the financials underpinning a full rollout would be adequate for the Council to decide to go for the full implementation of the updates to the plan. It will take us two years to do the pilot program and then staff will come back to Council with a final program or recommendation for full implementation of extending fiber throughout the entire city.

**Runkel withdrew the motion.**

**Navickas/Runkel Motion/second - I move that we remove one of the police officers from the budget funding from the fee side of the equation, the public safety support fee.**

Discussion- Navickas spoke that the intent is to bring up the public safety support fee that is funded through the fee side. This happened during a time when the business community was upset about the change in atmosphere in downtown and there was an effort to hire five police officers. The Council raised the tax rate and hired a police officer and used the utility fee to hire a second police officer. What we should not be doing in budget is putting operational expenses of the general fund on to people's utility bills. There is an opportunity to remove that fee and not hire one of these police officers and respond to the community who is complaining about excesses fees on the utility bills. Bloom asked staff if the public safety fee could be used for a police officer or firefighter. If this motion passes, a firefighter could be cut instead of a police officer. Shapiro spoke that when the fee first passed it was to hire new police officers. The fee does not go directly to police officers, it simply goes into the general fund. It is not restricted. Those fees do not go anywhere except to the general Fund and then we do the budget, they go to where we tell them to go. Navickas spoke that there is a direct nexus between the two. The cost is for one police officer and is called out on your utility bill as a public safety utility fee. The intent is to remove the fee that is funding the general fund. Lessard spoke that if we eliminate the fee, we will have to cut the budget somewhere. It is a general fund revenue but it's based on emergency services. Is the motion to eliminate a position or the funding because if it's the funding we will have to cut the budget. The amount is \$440,000 that we would have to reduce the budget by. Navickas spoke that the intent is to let future councils know that this is not the way to address our general fund operations by putting this cost into fees. Kaplan spoke that he supports the philosophy behind the motion but is concerned about regressive revenue needs and a per household fee. Fees are not a



preferred way of raising revenue to meet our general fund obligations, and that's one of the reasons why he is enthusiastic about the revenue study. **Roll call vote: Kaplan, Graham, Dahle, Gardiner, Card, Peterson-Adams, Bloom, Hansen, Hyatt, Hunter, DuQuenne, Shapiro, No. Navickas, Runkel, YES. Motion fails 12-2**

Bloom calls to question the original motion given there is only ten minutes left in the meeting. Peterson-Adams withdraws the original motion. **Hyatt/Bloom Motion/Second – I move to approve the proposed budget as adjusted by staff's revisions and include a review of the Ashland municipal court and convey this recommendation along with the budget to the City Council for adoption.**

**Roll call vote: Bloom, Card, Dahle, Gardiner, Graham, Hansen, Hyatt, Hunter, Kaplan, Navickas, Peterson-Adams, YES. DuQuenne, Runkel, Shapiro, NO. Motion passes 11-3**

The meeting adjourned at 5:00 pm.