

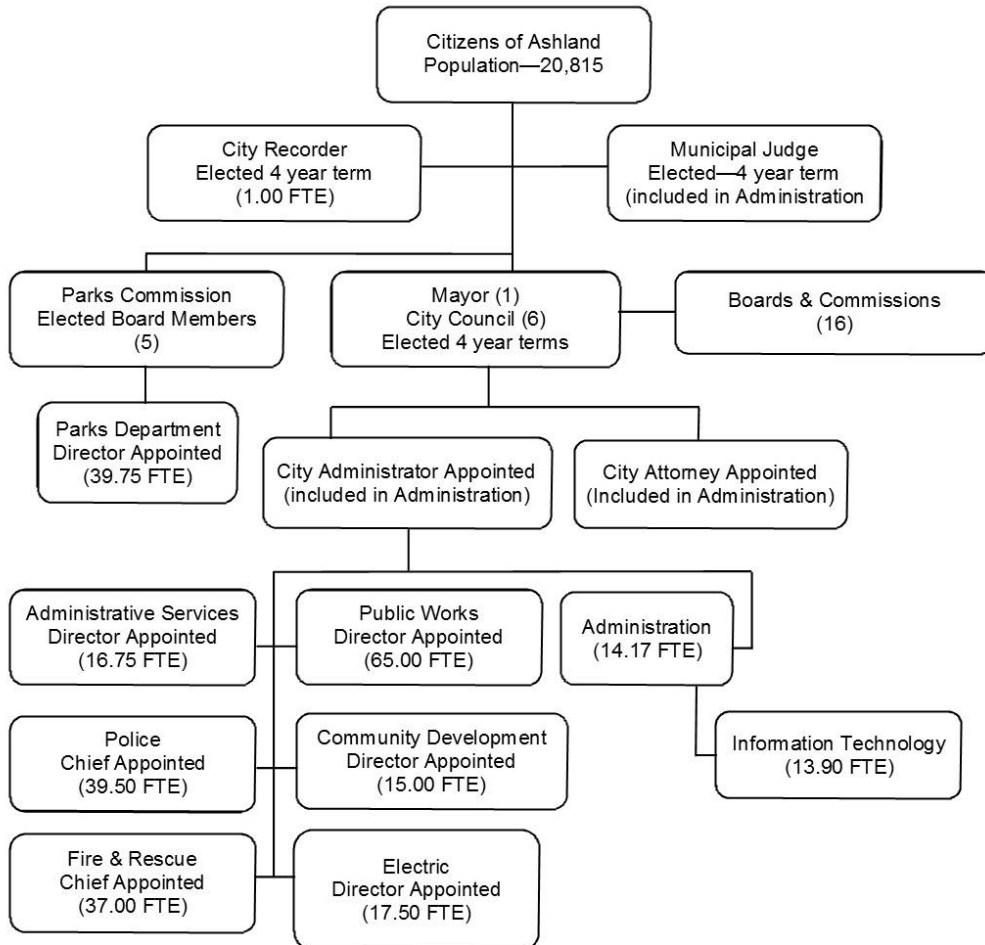
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City of Ashland

259.57 FTE

BN 2019-21



The City of Ashland is a municipal corporation first organized in 1874. The Ashland City Council is elected to serve as the governing body for Ashland's 20,815 citizens. The Mayor, who presides at the City Council meetings, is elected at-large for a four-year term. Six council members are elected at-large for four-year staggered terms. Other elected officials are the City Recorder, Municipal Judge, and the five-member Parks and Recreation Commission.

The Mayor, with confirmation of the City Council, appoints a City Administrator and a City Attorney. The City Administrator has responsibility for all City functions with the exception of the Parks Department.

The City Administrator recommends the appointment or dismissal of the Administrative Services and Finance Director, Community Development Director, Electric Director, Fire Chief, Police Chief, and Public Works Director.

In addition to the help they receive from their appointed staff and employees, 16 advisory boards and commissions assist the City Council. Over 100 Ashland citizens serve on these boards and commissions and make a valuable contribution to the City of Ashland.

April 17, 2019

Dear Ashland Citizen's Budget Committee and Citizens of Ashland,

The City of Ashland (City) presents its Biennium 2019-21 (BN 19-21) proposed budget for your review. This biennial budget presented many challenges to balance but results in a framework for the long-term sustainability of City of Ashland municipal operations. The Budget development included an "everything on the table" approach while utilizing a zero-based budget. The "everything on the table" approach ensured that the City evaluated all current service levels, prioritized those services and ultimately budgeted for the top priorities based on City Council goals and objectives.

The City Council developed their goals and service level priorities through an open process with public engagement early in the internal budget development process. The City Council began the goal setting process with a clear understanding of the current financial situation, as well as anticipated future budget issues for the City, many outside of local control.

The tourism industry is a significant component of Ashland's economy and also plays a role in funding key public safety services for the community. The City and Chamber of Commerce have worked to diversify the local economy through outreach and recruitment process. The City also works closely with SOREDI (Southern Oregon Economic Development Inc.). The efforts have worked but are a long process. None the less tourism remains the major economic driver for the City. However, the community has experienced challenges that are outside of the City's control and have negatively impacted both business that relies on tourism as well as the City of Ashland budget. The City's General Fund, which funds Public Safety, Parks and Community Development relies in part, on tourism funds. With the recent summer smoke events, the City's Transient Occupancy Tax (TOT) and Food and Beverage Tax have not matched anticipated and historical growth rates. The BN 19-21 proposed budget forecasts no growth in either of these major revenue sources. The tourism industry also faces the challenges of a changing Oregon Shakespeare Festival (OSF), with its two executive positions in transition. OSF, with a current heavy reliance in the summer on its outdoor theatre, will continue to face potential smoke impacts to their operations. The OSF Board and its leadership team have been developing both short and long-term strategies to help address these concerns but the outcomes of the changes necessitate a conservative approach to the City's projected tourism revenue.

Wildfire smoke does not just harm tourism, but the greater population as a whole. The City of Ashland has been instrumental in working towards changing the model of forest management on the West Coast and how communities can work with the US Forest Service. The Ashland Forest Resiliency (AFR) project, working closely with many partners, has provided active management to the Ashland Watershed. This model provides a leading example that could be applied to greater areas to help reduce the impacts of wildfires. With two consecutive summers of smoke events, the City is cognizant that this might be a "new normal" with potential impacts to the overall population and is actively working with local, regional and federal partners to expand this successful model of fuels reduction and forest management.

The Budget Message

The City, as with all public agencies in Oregon, also faces a Public Employee Retirement System (PERS) challenge moving forward. The City, provides a retirement program to current and retired employees through Oregon PERS. The Oregon PERS system, similar to many State Retirement Plans throughout the nation, does not have a fully funded plan. Because of this, the plan requires participating entities to collect more money from current employees (through the City's contributions) to remain solvent in the face of increasing payments to the existing retired members of the program.

Oregon PERS has implemented a "rate collar", which limits the maximum contribution rate to twenty-five percent (25%). The City hit the rate collar in the 2017-19 biennium and will be subject to the same rate in BN 2019-21 and is reflected in this budget. The overall impact to the City of the rate increase totals \$2,115,868 Citywide and \$976,869 in the General Fund. Funding PERS, and rate increases, will continue to impact City operations for several more biennia. City staff continue to monitor potential programs at the State level to help mitigate rate increases and will provide options to the City Council when they are available. It is important to note that the PERS rate not only pays for current employees but also for former employees unfunded portion of their pensions roughly in equal proportion.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
PERS Employer's Share	\$5,532,608	\$5,610,401	\$8,136,263	\$10,252,131	\$2,115,868	26%
Total	\$5,532,608	\$5,610,401	\$8,136,263	\$10,252,131	\$2,115,868	26%

The City also faces potential fiscal impacts due to the increasing costs of healthcare. Prior to July 1, 2018, the City provided health insurance to employees through a self-funded health plan. The self-funded health plan presented the City with many advantages for the five years it was in place. The City realized reductions in premiums (claims paid) and also was able to maintain the same benefit offerings to employees. However, the plan was never able to capitalize itself enough to weather unanticipated major claim years. In the last year of the plan's existence, claims increased over \$1 million. The City was faced with two options, stay self-funded and increase premiums by \$1.25 million to every Department in the City, or change to a more traditional insurance plan through City Insurance Services (CIS). With a move to CIS premiums would be kept flat for 18 months with the same benefits, but a change to the standard plan after 18 months would be necessary. The City chose to move from the City's self-funded plan to the CIS plan. The CIS model charges premiums to the City and is a large collective style self-funded plan made up of Cities and Counties throughout Oregon. With collective bargaining agreements in place with Police and Fire during the transition, the benefit offerings for those two groups will remain in place for three years, instead of 18 months.

When the 18-month period expires on January 1, 2020, all City employees, outside of Police and Fire, will be faced with a change in the benefit offerings. The current available CIS plans shift a greater portion of the overall healthcare cost onto the employee, away from the City, at a similar premium rate. The new plans require a higher deductible and employee co-pay, as well as an

increase in the percent of cost the employees pay for the services they receive. The employee premium contribution rates are not forecasted to change in the BN 2019-21 proposed budget as employees will be financially impacted with the above noted plan changes.

With an understanding of the current and future financial conditions, the City Council developed the following goals and service level priorities.

1. Develop current and long-term budgetary resilience
2. Analyze City departments/programs to gain efficiencies, reduce costs and improve services
3. Enhance and improve transparency and communication

The BN 2019/21 Budget, as currently presented, implements these goals and service level recommendations.

Major Expense Category Assumptions

Personnel

As a service organization, the cost of employees has been and continues to be the largest expense category in the budget. It is through employees that the majority of the City services are accomplished.

The BN 2019/21 proposed budget includes no new positions and calculates and includes the full cost of all positions. Knowing the current and future financial challenges faced by the City, several potential new positions were requested that ended up not being included in the budget due to City-wide service level priorities and funding concerns. These positions included a Fire Inspector, Water Utility Worker and Parks Maintenance Technicians.

The BN 2019-21 proposed budget includes the elimination of six positions; two Police Officers, an Administrative Services position, an Administration position, a Court position, and a position in Community Development. These staff reductions further constrain already lean operations in these Departments but are proposed due to the City's financial situation. The Budget is also balanced under the presumption that three Firefighters are not eliminated but paid through a \$5 increase in the Public Safety Support Fee. More information in regards to cuts can be found in the General Fund Balancing Proposal following the Budget Message.

The BN 2019-21 proposed budget includes the following Cost of Living Adjustments, as included in the collective bargaining agreements.

	Fiscal Year 2020	Fiscal Year 2021
Police	3%	3%
Fire	2%	2%
IBEW – Electric	3%	3%
IBEW - Clerical	2%	2%
Parks	2.5%	2.5%
Non-Represented	2%	2%
Laborers	2%	2%

The Budget Message

Below is breakdown of Salary and Wages and Benefits for the City as a whole. The Salary and Wages line items increased 15 percent for the Biennium, or roughly seven percent a year. The number is higher than BN 2017/19 Amended Budget as the amended budget currently does not reflect the additional cost of two Police Officer positions approved by the City Council nor reimbursements for some Fire Overtime that was spent in mutual aid.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Salaries & Wages	\$35,182,323	\$37,720,605	\$41,085,868	\$43,424,562	\$5,703,957	15%
Fringe Benefits	19,963,748	21,412,200	26,517,173	30,733,779	9,321,579	44%
Total	\$55,146,070	\$59,132,805	\$67,603,041	\$74,158,341	\$15,025,536	25%

The table below shows the change in total personnel for each department.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	% of Total
Administration Department	3,414,934	3,796,080	4,107,488	4,659,503	6.3%
Administrative Services	3,084,149	3,306,660	3,641,586	3,886,812	5.2%
Information Technology	3,072,534	3,173,645	3,547,482	3,766,140	5.1%
City Recorder	415,232	420,859	325,940	297,479	0.4%
Community Development	2,817,402	2,908,623	3,512,675	3,677,119	5.0%
Police Department	9,038,442	9,785,081	11,387,521	12,455,316	16.8%
Fire and Rescue Department	10,109,062	10,809,991	12,698,160	13,655,615	18.4%
Public Works	11,918,470	12,905,906	14,779,336	16,629,934	22.4%
Culture and Recreation	6,910,531	7,434,023	8,338,143	9,287,135	12.5%
Electric Funds	4,365,314	4,591,938	5,264,710	5,843,289	7.9%
Total	\$55,146,070	\$59,132,805	\$67,603,041	\$74,158,341	

As mentioned, the City's contribution to PERS is a major component of the City's overall personnel costs. The PERS contribution rates for each position includes several rates. The rates charge for normal costs, or the cost of that specific employee's retirement, but also a rate for the system's unfunded actuarial liability (UAL Rate). The table on the next page provides the rate breakdown.

	PERS Tier I/II	Tier I/II Police and Fire	OPSRP	OPSRP Police and Fire
Normal Cost	13.24%	19.49%	7.21%	11.84%
UAL Rate	11.81%	11.81%	11.81%	11.81%
Combined Rate	25.05%	31.30%	19.02%	23.65%

When we separate these items, the City pays far less for current employees' retirement program contributions. The contributions for those employees that have retired is greater due to PERS prior years' overall underfunding of the retirement system. The table below provides a breakdown of the City contributions based on each component of the PERS rate

Total Wages	Normal Cost	Unfunded Liability	Normal Cost (Average)	Unfunded Liability (Average)	Average PERS Rate
\$43,424,562	\$4,982,876	\$5,269,254	11.47%	12.13%	23.61%

Material and Services

The cost of staff comprises the largest portion of the City's budget. In order to carry out City operations, the City must purchase materials and services as well. Consistently required items included in the Materials and Services category include water treatment chemicals, professional services, fuel for vehicles, computer technology and software and the City's 911 dispatch contract, to name a few. All City Departments were diligent in ensuring that their Materials and Services requests remained as close to flat as possible while still maintaining an acceptable level of service.

The major change in the cost of Materials and Services citywide is an increase in internal charges for Citywide Overhead, which is primarily contained in the Central Service Fund and with Equipment Replacement charges. The Insurance line items include the increase cost of the premium payments for health insurance. Departments pay into the Health Benefits fund and the Health Benefits Fund pays the actual premium bill for the insurance. Material and Services include several areas that, due to governmental accounting requirements, result in being accounted for twice in the budget. This creates an inflated budget total compared to actual expenditures. Health insurance is one of these areas, as is property and liability insurance. The cost of the insurance is allocated to departments under internal charges and fees and then the insurance premiums are paid from the insurance fund.

The Budget Message

The chart below shows the Material and Services by Departments.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Supplies	\$2,492,561	\$2,570,817	\$3,044,324	\$2,523,448	(\$520,876)	-17%
Rental, Repair, Maintenance	6,428,260	7,492,412	9,546,882	10,347,914	\$801,032	8%
Communications	836,252	860,459	1,046,289	1,150,291	\$104,002	10%
Contractual Services	15,841,885	17,758,650	23,061,829	20,384,758	(\$2,677,071)	-12%
Internal Charges & Fees	22,330,201	23,958,782	25,263,737	29,352,021	\$4,088,284	16%
Other Purchased Svcs	15,475,638	16,483,778	18,739,019	19,719,843	\$980,824	5%
Franchise	4,202,318	4,682,638	5,408,821	5,729,492	\$320,671	6%
Insurance	9,397,413	11,088,914	12,705,725	14,466,203	\$1,760,478	14%
Commission	24,730	19,528	28,642	17,742	(\$10,900)	-38%
Grants	1,826,078	1,989,748	2,259,745	2,178,049	(\$81,696)	-4%
Programs	1,298,668	1,320,760	1,572,254	1,629,442	\$57,188	4%
Total	\$80,154,004	\$88,226,487	\$102,677,267	\$107,499,203	\$4,821,936	5%

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Administration	13,167,613	14,116,701	16,700,110	17,387,246	687,136	4%
Admin Services	11,416,962	13,328,488	14,194,848	14,889,600	694,752	5%
Information Technology	3,143,730	3,093,900	3,387,388	3,370,933	-16,455	0%
City Recorder	453,523	563,667	83,092	78,370	-4,722	-6%
Community Development	1,646,598	1,707,544	2,347,065	2,506,690	159,625	7%
Police	3,251,980	3,671,795	3,870,604	4,434,571	563,967	15%
Fire and Rescue	3,930,269	4,386,167	7,168,122	5,889,435	-1,278,687	-18%
Public Works	17,085,773	19,641,258	24,385,017	26,466,010	2,080,993	9%
Culture and Recreation	4,069,727	4,471,796	4,788,041	4,655,913	-132,128	-3%
Electric Funds	21,987,828	23,245,211	25,752,980	27,820,435	2,067,455	8%
Total	\$80,154,004	\$88,226,487	\$102,677,267	\$107,499,203	\$4,821,936	5%

Materials and Services also includes internal service charges. The City charges all departments, and funds, an equitable amount for Citywide Overhead, Equipment Replacement, Fleet Maintenance, Facilities Use, and Insurance. The City completed a Cost Allocation analysis to

ensure a fair and equitable allocation of all Central Service (Citywide Overhead) charges. The City last year completed a comprehensive Cost Allocation Plan update in 2010. The new methodology ensures that the City is not overcharging for services to Departments. The new methodology showed the City has overcharged the enterprise funds for the last ten years and the new plan correctly identifies the usage of Central Services. With the changes to the Cost Allocation Plan affecting Departments differently, the City plans to implement the full plan over the next two biennium budget cycles to provide a more gradual impact on each department's individual budgets. A summary of the changes can be found below:

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Central Svc	\$12,028,530	\$12,949,788	\$13,570,242	\$16,631,969	\$3,061,727	23%
Equip Replacement	1,926,887	2,424,010	2,420,718	3,044,594	623,876	26%
Total	\$13,955,417	\$15,373,798	\$15,990,960	\$19,676,563	\$3,685,603	23%

And the changes by fund:

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
General	2,577,840	2,795,600	2,870,052	3,538,208	668,156	23%
Parks General	727,000	727,000	766,092	1,084,331	318,239	42%
Airport	41,010	0	0	0	0	-
Street	1,338,010	1,453,650	1,194,344	1,417,754	223,410	19%
Capital Projects	20,200	21,960	23,142	29,805	6,663	29%
Capital Improvement	20,200	21,960	23,142	29,805	6,663	29%
Electric	2,284,560	2,483,093	2,616,610	2,819,363	202,753	8%
Stormwater	0	0	337,470	572,617	235,147	70%
Ashland Fiber Net (AFN)	856,100	930,500	980,534	960,553	-19,981	-2%
Wastewater	1,826,320	1,984,990	2,091,724	2,200,484	108,760	5%
Water	1,957,490	2,122,495	2,236,624	3,215,722	979,098	44%
Internal Service	400,000	430,500	453,650	793,133	339,483	75%
Equipment	350,000	376,690	396,946	636,706	239,760	60%
Insurance Service	50,000	53,810	56,704	156,426	99,722	176%
Total	\$12,028,530	\$12,949,788	\$13,570,242	\$16,631,969	\$3,061,727	23%

*Airport is charged Central Services as grants are received. Their charge is in a different line item at \$111,488

Proper and equitable funding of Central Services became a priority focus in fiscal year 2018-19. In order to balance the BN 2017-19 Budget, the City transferred \$1.7 million of one time facilities reserve money into Central Services to cover the accumulated under-charging to many Departments. The purpose of this transfer was twofold: 1) to fill a negative fund balance in Central Services; and 2) to ensure no operational impacts/service level reductions to the General Fund.

The Budget Message

With a very lean existing citywide overhead structure, the City remains limited in its options to reduce costs without noticeable impacts to current service levels. The vast majority of the Central Services Fund budget remains mission critical and reduction would harm overall citywide operations. The elimination of positions, and the new methodology to fund Central Services develops a sustainable system to fund Central Service in the BN 2019-21 and into the future.

Capital

The City completed a 20-year Capital Improvement Plan approved by the Council in March, 2019. The proposed budget document includes only the BN 19-21 component of the overall 20-year plan. Each project is provided within the fund that it is associated with. The overall capital budget decreases significantly in the BN 2019-21 proposed budget primarily due to a philosophical change in budgeting methodology for capital projects. The BN 2019-21 proposed budget reflects only the actual expenditures the City plans to expend within that budget timeframe, rather than the entire project cost. A more detailed discussion of the projects can be found in the Capital Improvement Plan section of this budget.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Land	\$5,303	\$358,529	\$0	\$150,000	\$150,000	-
Equipment	3,223,599	2,995,931	3,687,905	5,094,000	1,406,095	38%
Improvements	11,236,057	8,204,262	65,342,662	52,304,425	-13,038,237	-20%
Total	\$14,464,959	\$11,558,722	\$69,030,567	\$57,548,425	(\$11,482,142)	-17%

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Land	\$5,303	\$358,529	\$0	\$150,000	\$150,000	-
Equipment	3,223,599	2,995,931	3,687,905	5,094,000	1,406,095	38%
Improvements	11,236,057	8,204,262	65,342,662	52,304,425	-13,038,237	-20%
Total	\$14,464,959	\$11,558,722	\$69,030,567	\$57,548,425	(\$11,482,142)	-17%

Debt

The City utilizes debt to pay for most major capital projects. The BN 2019-21 proposed budget continues to meet the City's annual repayment obligations.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Debt - Interest	\$2,219,879	\$1,932,301	\$1,796,941	\$1,134,553	(\$662,388)	-37%
Debt - Principal	7,000,657	6,753,704	8,447,860	7,813,001	(634,859)	-8%
Total	\$9,220,536	\$8,686,005	\$10,244,801	\$8,947,554	(\$1,297,247)	-13%

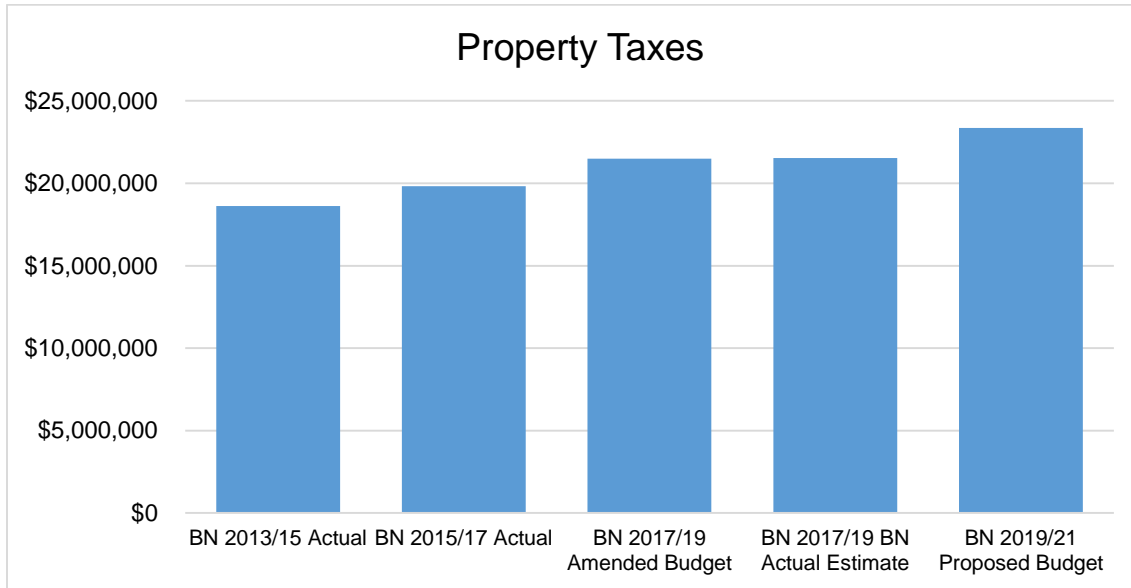
Major Revenue Assumptions

General Fund:

Property Tax

Property Taxes are the largest revenue source for the General Fund. The City portion of the overall property tax rate for properties within the City Limits is 4.2422 per \$1,000 of assessed valuation. In addition, the citizens of Ashland also passed two General Operating Levies to fund Fire Station No. 1 and No. 2 in the amount of \$0.1895 (FY19 Rate) per \$1,000 of assessed valuation for a total City of Ashland Property Tax Rate of \$4.4317.

Assessed property valuation can only increase a maximum of 3.5 percent per year, per State law. The City has experienced a larger than 3.5 percent assessed valuation growth over the last several years due to added tax assessments from new construction and major remodels. The BN 2019-21 proposed budget forecasts a four percent assessed valuation growth, and a collection rate of 95 percent which are both consistent with the past several years' actual results.



Historically the City has provided the Parks and Recreation Commission an equivalent of \$2.09 per \$1,000 of assessed valuation as a contribution from the General Fund. The current budget reduces the contribution from property tax revenue to Parks by over \$750,482. The new contribution to Parks is equivalent to \$1.89 per \$1,000 of assessed valuation. Recognizing the current economic condition, the Parks and Recreation Commission has recommended that a portion of the Park Commission component of the Food and Beverage Tax revenues be transferred in the Parks General Fund to fund parks maintenance, rather than its historical use for parkland/open space land acquisition for this budget cycle.

Transient Occupancy Tax

The City of Ashland receives just under \$3 million in Transient Occupancy Tax (TOT) collections annually. By State law, the TOT collections yield a combination of restricted and unrestricted

The Budget Message

funds. On an aggregate level, 70% of the tax collected remains unrestricted and funds General Fund operations.

The majority of the City's TOT revenue is generated during the peak tourism months, May through September. With the impacts of wildfire smoke the City experienced a five percent decrease in TOT collections last year. With the unpredictability of summer smoke events, the BN 2019/21 proposed budget forecasts no increase in TOT collections over the current projected FY 2019 estimate. TOT remains a closely monitored revenue source. If tax collections exceed the budget, the City has the ability to revisit options to utilize the increased revenue.

Franchise Fees

The City charges all utilities for use of the City's rights-of-way. These fees are called Franchise Fees. The current franchise fee amounts are:

	Rate
City of Ashland Electric	10%
City of Ashland Water	8%
City of Ashland Wastewater	8%
Ashland HomeNet	2%
Avista	7%
Charter	5%

The revenue collected through the Franchise Fees are dependent on the total revenue from each utility, typically meaning that the more consumption of the product (water, electricity, natural gas, etc.) the more franchise tax revenue is received.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	Dollar Change	% Change
Charter Franchise	\$212,878	\$218,976	\$190,000	\$195,738	\$5,738	3%
Ashland Home Net	55,831	55,210	55,000	55,828	828	2%
Electric Utility	2,763,095	2,961,262	3,250,220	3,464,132	213,912	7%
Natural Gas	599,780	629,226	650,000	679,543	29,543	5%
Sanitary Service	360,795	377,015	378,000	403,104	25,104	7%
Telecommunication	248,581	227,861	270,000	216,000	-54,000	-20%
Water Utility	729,999	865,659	1,260,560	1,357,920	97,360	8%
Wastewater Utility	709,765	856,285	948,250	907,440	-40,810	-4%
Total	\$5,680,725	\$6,191,493	\$7,002,030	\$7,279,704	\$277,674	4%

Charges for Services

The City charges customers for the use of various City services and the charges are then used to cover the cost of the service. These charges include both those that are used by the citizens of Ashland like Electricity and Water, to those that are used by staff like the health benefits fund. The assumption used to calculate charges for service is the amount that has been historically collected. Below is a breakdown of charges for service by fund.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2017/19 BN Actual Estimate	BN 2019/21 Proposed Budget	% Change
General	3,148,841	3,330,630	3,327,000	3,339,221	3,178,001	-5%
Parks						
General	10,577,274	11,383,389	12,782,600	12,263,761	13,124,375	7%
Airport	274,193	271,528	270,000	311,795	322,000	3%
Street	4,341,732	4,722,618	3,345,895	3,431,501	3,504,000	2%
Capital Improvement	2,082,508	2,054,237	2,397,440	2,405,614	2,085,340	-13%
Parks						
Capital Improvement	23,120	2,292,678	0	0	0	-
Debt Service	2,440,676	2,448,965	2,308,600	2,308,600	2,308,600	0%
Electric	27,489,265	29,514,634	32,502,241	32,428,595	34,641,320	7%
Stormwater	0	0	1,470,000	1,476,928	1,640,000	11%
Ashland Fiber Net (AFN)	3,889,563	4,105,254	4,335,155	4,585,251	4,836,906	5%
Wastewater	9,016,624	10,807,733	12,052,000	12,366,726	11,543,000	-7%
Water	12,675,000	14,854,523	16,074,482	18,362,955	17,174,000	-6%
Central Service	12,403,057	13,621,292	14,235,498	14,036,157	17,221,969	23%
Equipment	3,651,847	4,254,517	4,288,460	4,359,265	5,028,342	15%
Health Benefits	8,158,032	9,970,841	11,852,537	12,025,511	13,053,921	9%
Insurance Service	1,480,865	1,486,002	1,560,000	1,403,160	1,425,888	2%
Parks Equipment	0	455,000	425,000	455,000	304,200	-33%
Cemetery Trust	47,767	31,691	50,000	30,269	50,000	65%
Total	\$101,700,365	\$115,605,533	\$123,276,908	\$125,590,309	\$131,441,862	5%

The Budget Message

The Proposed Budget includes several assumptions in regards to enterprise fund rate increases. A summary of the changes can be found below.

	Change
Electric	3.65%
Water	4%
Wastewater	4%
Streets	3%
Stormwater	3%

Food and Beverage Tax

The City collects a five percent tax on prepared food and non-alcoholic beverages. The tax is restricted for specific purposes. Through 2023, the first item paid with the tax is the Wastewater Treatment Plant Debt. The remainder is then split between Streets and Parks Open Space Acquisition and Parks Maintenance with a small percentage being used for administration of the program. The BN 2019-21 proposed budget forecasts a three percent annual increase in Food and Beverage revenue. The forecast will be watched carefully. As the revenue for the tax is utilized for non-operating expenses, a reduction in collections means that long term capital improvement projects will need to be re-evaluated.

	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget
Streets Fund	\$0	\$255,202	\$1,126,100	\$1,438,000
Parks Capital Improvement	1,082,877	1,273,537	1,484,690	1,513,800
Wastewater Fund	3,972,266	4,264,737	3,209,200	3,250,000
Central Services	101,332	118,233	118,775	121,100
Total	\$5,156,475	\$5,911,709	\$5,938,765	\$6,322,900

New Budget Layout

The City of Ashland is committed to providing the most understandable and easily accessible budget for everyone's use. A budget serves many purposes. It is a communications document, a financial plan, a policy document and an operational plan. The City's previous budget documents, although receiving the GFOA award for Budget Excellence were not fulfilling these goals. Additionally, creating the proposed and final budget books was a time-consuming process that yielded little benefit for Council, the Budget Committee and the public.

With new tools, the City of Ashland can provide all interested readers a budget that provides a better understanding of the City's current financial situation and an overview of its operations.

The new budget layout provides more information than previous budget documents and strives for an improved reading experience. The budget book provides a level of detail that can answer almost any question. The new layout also expands on the narrative around what the numbers mean and why they are changing.

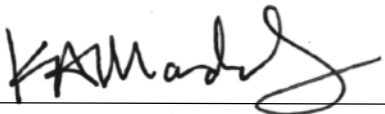
In conjunction with the new budget book layout is the creation of a new online budget format. The City of Ashland has made the commitment to provide a fully integrated and fully interactive budget. The online platform provides all the information that was previously provided, but expands upon the level of detail that was not possible under the old printed, "Budget Book" format.

The online format provides a launching pad to endless amounts of data that are directly tied to the City's financial accounting system. The physical budget book references many different Master Plans and other items of interest but cannot provide easy access to them. For example, with the new online budget format, the City can reference the Master Plans and provide a link to the entire Master Plan.

Another major improvement to the budget document is ongoing budget compliance and communication with Ashland citizens. With the fully integrated budget document, the City can create reports showing real-time actual expenditures versus the adopted budget.

Conclusion

The BN 2019/21 proposed budget incorporates the theme of setting the City of Ashland on a path to long term financial sustainability. The BN 2019/21 proposed budget represents a challenging budget to balance with tough decisions to be made to ensure that the City of Ashland maintains and continues the superior level of service provided to the residents of Ashland.



Kelly Madding, City Administrator



Mark Welch, Administrative Services &
Finance Director, Budget Officer



THE BUDGET IN BRIEF:

The City of Ashland strives to deliver services essential to the community and that enhance quality of life. This document provides information to the Ashland community about where the money to finance the city comes from and how that money is spent.

Ashland revenue is primarily collected from fees paid for services. Two-year comparisons of budgeted resources and uses follow.

What do I get for my money?

Below are major revenue sources that citizens and visitors often ask about.

Property Tax generates approximately \$24.3 million for the City. It is used to pay for expenses found in the General Fund such as police and fire, for some of the City's principal and interest on debt and for expenses in providing parks and recreation. Voter approved levies have been used in the past for youth activities and a levy is included in this budget to assist in the operation of the library on an interim basis. Property owners within the Ashland city limits pay \$4.4640 per \$1,000 of assessed value.

Transient Occupancy Tax (TOT) also referred to as the hotel/motel tax generates approximately \$6.6 million and is used for three purposes: Economic and Cultural Development, tourism development and the remainder for general expenses in the General Fund such as police and fire. The Hotel/Motel rate in Ashland is currently ten percent (10%). The hotel/motel keeps five percent (5%) of the money collected as payment for processing.

Prepared Food and Beverage Tax (F&B) also referred to as the meals tax generates approximately \$6.4 million. Fifty-five percent (55%) of the revenue is used for annual debt service on the wastewater treatment plant that was completed in 2003. Twenty-five percent (25%) of the tax is used for City Parks to purchase open space, plan, develop, repair and rehabilitate. The other twenty percent (20%) is used for street maintenance and reconstruction. The tax rate is five percent (5%) on most meals and non-alcohol beverages served or catered. In effect, the proceeds help keep sewer rates low and funds park expansion. This tax ends in December 2030.

Electric Utility Users Tax generates approximately \$7.5 million and is used to pay for expenses associated with the General Fund, such as police and fire. This tax is included in utility bills and is approximately twenty-five percent (25%) of the total electric charges on the bill.

Charges for Services generate approximately \$68.3 million and pay for the water, wastewater, electric and high-speed data services provided to residential, commercial and governmental properties. In general, the revenue generated is based on the base cost to provide the service and normally includes a charge that represents level of service used.

Utility Fees generate approximately \$4.7 million and are used to pay for operational and construction needs for transportation (streets, sidewalks, bicycle lanes, handicap access, etc.) and for storm drains (line maintenance, open ditches, sediment pond cleaning, etc.)

The Budget in Brief

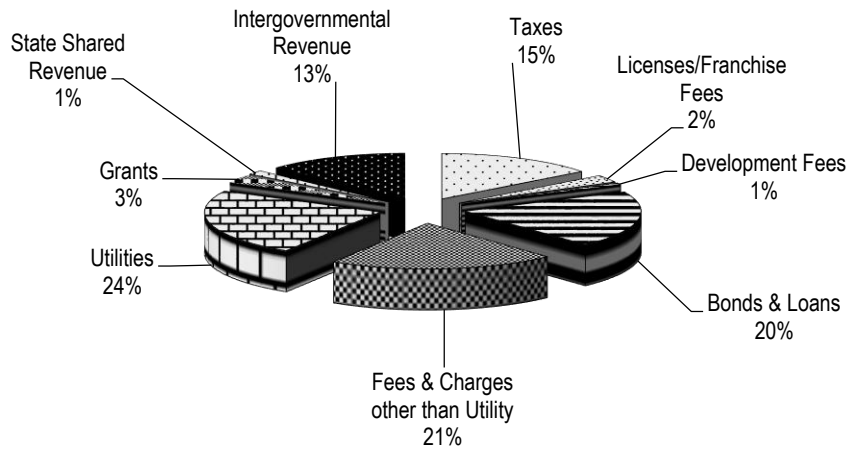
Miscellaneous Licenses, Permits and other Fees and Charges (excluding interest earning transfers & internal payments) generate approximately \$11.3 million and are used to pay for the cost of non-utility services provided such as ambulance transport, building inspections, recreation, construction services, parking, cemetery services, etc., across fund

Note: All rates and amounts shown are current and subject to change during the year or by Council action. Examples of service levels and outcomes can be found throughout the Capital Improvement and Departmental sections of this document.

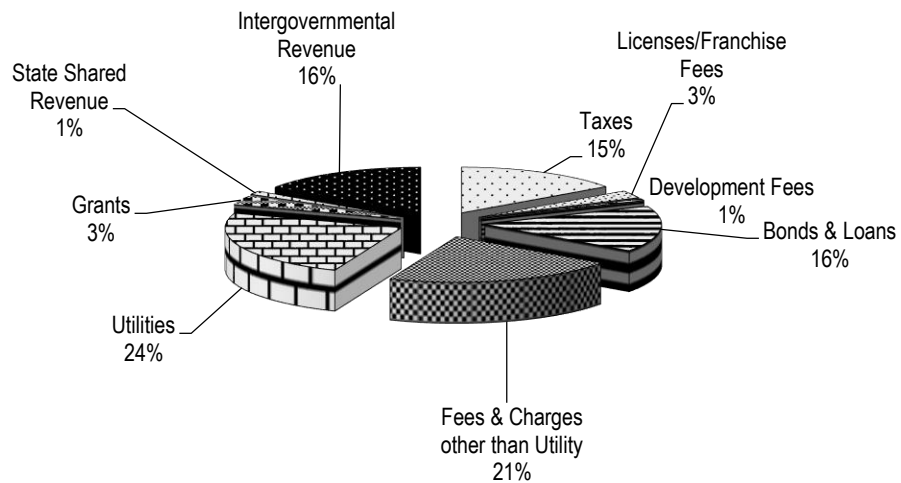
WHERE THE MONEY COMES FROM

	Amended BN 2017-19	Adopted BN 2019-21
Taxes		
Property (Current)	\$ 22,449,940	24,276,338
Property (Prior)	790,000	676,116
Food & Beverage	5,980,765	6,371,900
Hotel/Motel	5,880,900	6,585,502
Utility Users Tax	6,890,470	7,452,272
Marijuana Tax	200,000	440,000
Water charge for AFR	350,000	755,396
	<u>42,542,075</u>	<u>46,557,524</u>
Licenses/Franchise Fees		
License	498,700	501,000
Franchises	7,182,730	7,699,704
	<u>7,681,430</u>	<u>8,200,704</u>
Development Fees		
Permits	1,990,300	2,005,300
Bonds & Loans		
Capital Improvement Projects	3,250,000	
Bond & Bank loan proceeds	52,836,312	49,405,124
Interfund Loan	2,100,000	-
	<u>58,186,312</u>	<u>49,405,124</u>
Fees & Charges other than Utility		
Finance	18,498	20,000
Administration	120,000	120,000
Police	215,000	215,000
Court	391,000	391,000
Fire & Rescue	2,568,000	2,552,001
City Recorder	25,500	26,000
Cemetery	113,000	113,000
Planning & Building	600,000	660,000
Public Works / RVTD	1,992,248	2,040,000
Electric	487,534	523,420
Parks & Recreation	13,207,600	13,233,375
Technology Payment	2,308,600	2,308,600
Internal Service	31,615,189	35,110,772
SDC's	731,500	680,000
Interest on Investments	459,850	1,561,317
Fines	857,900	1,210,800
Special Assessment Payments	60,000	60,000
Miscellaneous Income	1,620,065	2,136,675
Transfers	3,207,791	2,074,828
	<u>60,599,275</u>	<u>65,036,788</u>
Utilities		
Wastewater	11,852,000	11,343,000
Storm Water	1,390,000	1,560,000
Street	3,195,895	3,270,000
Electric	32,014,707	35,091,320
Telecommunications	4,335,155	4,836,906
Water	15,874,482	16,974,000
	<u>68,662,239</u>	<u>73,075,226</u>
Grants		
	<u>8,083,304</u>	<u>9,572,356</u>
State Shared Revenue		
Cigarette Tax	47,450	46,400
Liquor Tax	703,210	609,337
Gas Tax	3,580,320	3,234,000
	<u>4,330,980</u>	<u>3,889,737</u>
Carryover From Prior Year		
	<u>37,969,780</u>	<u>47,209,387</u>
Total Resources	<u>\$ 290,045,697</u>	<u>\$ 304,952,146</u>

BN 2017-19 Amended



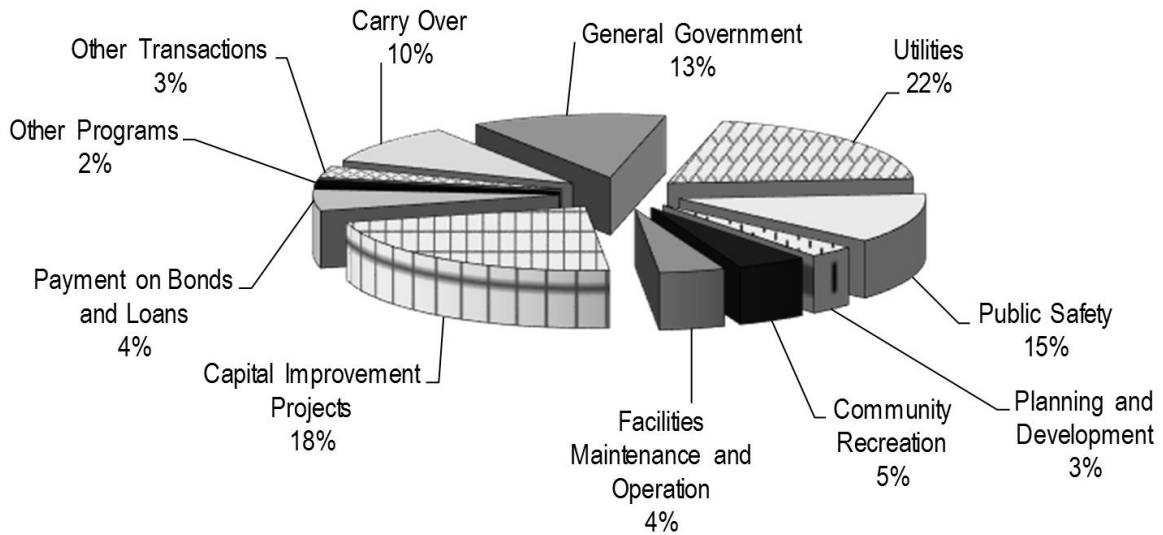
BN 2019-21 Adopted



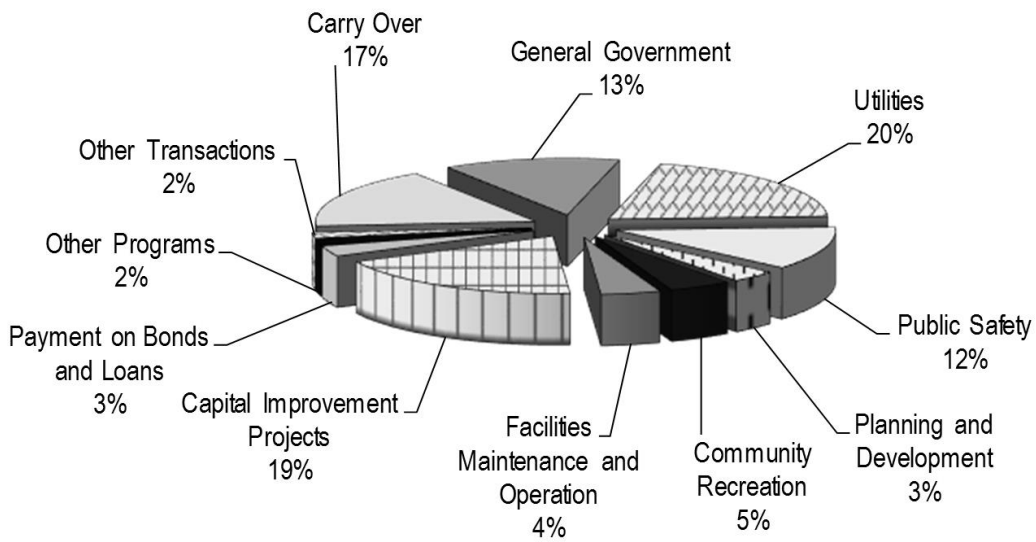
WHERE THE MONEY GOES

	Amended BN 2017-19	Adopted BN 2019-21
General Government		
Mayor, Council, City Recorder	\$ 883,043	\$ 781,623
Administration	2,802,663	2,404,359
Legal Services	1,026,146	1,233,736
Human Resources	902,606	869,953
Finance & Accounting	5,218,544	5,777,867
Parks Contracted Services	10,601,400	10,783,800
Insurance Services	293,160	2,082,012
Information Services	2,768,775	2,956,167
Health Insurance	12,607,301	12,732,303
	<u>37,103,638</u>	<u>39,621,820</u>
Utilities		
Electric	33,100,290	33,663,724
Water	9,466,438	11,684,310
Wastewater	10,205,023	10,521,850
AFN	4,276,095	4,420,905
Storm water Collection	1,559,713	1,834,482
	<u>58,607,559</u>	<u>62,125,271</u>
Public Safety		
Police Protection	15,588,125	16,719,886
Fire Protection	15,904,096	16,521,389
Wildfire Protection	4,116,074	2,633,236
Municipal Court	1,039,095	1,406,655
	<u>36,647,390</u>	<u>37,281,166</u>
Planning and Development		
Planning	3,291,729	3,268,119
Housing	366,351	266,471
Building Inspections	1,479,935	1,677,657
Engineering Services	3,747,762	5,008,021
	<u>8,885,777</u>	<u>10,220,268</u>
Community Recreation		
Parks Operation & Administration	8,648,851	9,795,214
Recreation Programs & City Band	3,465,775	3,090,716
Golf Course	1,163,100	1,195,850
	<u>13,277,726</u>	<u>14,081,780</u>
Facilities Maintenance and Operation		
Roadways & Bikeways	6,009,726	6,132,112
Equipment Maintenance	3,176,472	3,715,299
Buildings, Grounds, Airport	2,547,380	2,516,116
Cemeteries	821,778	955,095
	<u>12,555,356</u>	<u>13,318,622</u>
Capital Improvement Projects		
Construction and Internal Projects	61,716,150	52,334,425
Equipment	3,682,905	5,094,000
	<u>65,399,055</u>	<u>57,428,425</u>
Payment on Bonds and Loans		
Infrastructure Improvements	15,589,760	8,947,554
Land Acquisition	-	150,000
	<u>15,589,760</u>	<u>9,097,554</u>
Other Programs		
Economic and Cultural Development Grants	1,601,300	1,449,488
Social Services Grants	268,001	268,000
Community Development Grants	453,785	456,099
Conservation	2,325,778	2,409,414
	<u>4,648,864</u>	<u>4,583,001</u>
Other Transactions		
Interfund Loans	1,525,000	-
Operating Transfers to Other Funds	3,815,634	2,074,828
Contingencies	2,997,542	2,834,118
	<u>8,338,176</u>	<u>4,908,946</u>
Carry Over	<u>28,992,396</u>	<u>52,285,293</u>
Total Requirements	<u>\$ 290,045,697</u>	<u>\$ 304,952,146</u>

BN 2017-19 Amended



BN 2019-21 Adopted



Biennium 2019/21 General Fund Budget Balancing Proposal

The City of Ashland is entering the Biennium (BN) 2019/21 Budget facing a structural deficit, and additionally facing uncertainty in future revenues relating to the local tourism economy. Similar to all Oregon cities, the City faces increases in the cost of retirement contributions, increased General Fund healthcare costs, inflationary impacts on materials and services, along with contractually obligated employee wage increases. The use of one-time funds to balance the citywide overhead, the Central Services Fund, also contributed to the current scale of the structural deficit.

General Fund Departments were directed to submit their budgets holding Materials and Services flat, meaning no increases compared to the current biennium regardless of the expected cost increases in many of their operating expenses. The Departments were also directed to submit no new position requests, along with no new capital projects with funding from the General Fund.

When revenue assumptions are added to the equation, the result is an anticipated deficit of \$2,050,239 annually. The solution to a balanced budget relies on a combination of expenditure reductions along with proposed revenue enhancements. The choices to be made are not easy, but through a collaborative approach the City anticipates a solution that mitigates service level reductions and financial burden on the community.

With the General Fund consisting of 65% of its expenses in Personnel Services (staffing), the only mechanism to make expenditure reductions involves reductions in positions. The General Fund Balancing Proposal includes a reduction of 5 full-time equivalent positions (FTEs). This would be done with a combination of layoffs permanent elimination of requisitions for currently unfilled positions. The City worked for well over a year to find a sustainable solution to fund and hire four additional Police Officers. Not all of the revenue that was anticipated to be raised materialized, so the elimination of the two open Police Officer requisitions was an appropriate place to begin the reductions. The City hopes to work with the Ashland School District on a partnership to restore the School Resource Officer Position. The other reductions include one position in each of the Community Development, Administration and Administrative Services Departments.

In order to complete the balancing of the General Fund, the Fire Department would expand their staffing windows from a minimum of nine per shift to a minimum of eight per shift. The expansion the staffing window may leave the Fire Department in an unfavorable position to respond to calls depending on call volume and type, but the change would reduce overtime expenditures by \$100,000.

With tourist related revenue not anticipated to grow, property tax revenues must be used to cover increases that are otherwise unable to be mitigated. The City has traditionally

The Budget in Brief

provided the equivalent of \$2.09 per \$1,000 assessed valuation to the Parks Department budget. With the structural deficit, the City would need to limit the Parks Contribution at the previous biennium level, which allows the increased collections revenues to remain in the General Fund. This amounts to a \$262,260 reduction in the contribution Parks would have otherwise received. Not only did Parks not have an increase in their contribution, they also have the same employee cost increases, and funded an additional \$150,000 in Central Service Charges as part of the implementation of the updated citywide cost allocation plan.

These proposed expenditure reductions total \$892,260, reducing the deficit to \$1,157,979.

The balancing proposal also includes several revenue enhancements to maintain critical services. The City operates a Building Division that serves the development and construction sector of the Ashland economy. The City goal is to recover 75% of the operating expenses of this program through building permit fees, but currently only collects 40%. Adjusting the permit fees to achieve the desired cost recovery goal is estimated to generate \$95,000.

When the City dissolved its self-funded health insurance plan, the same level of costing to Departments was maintained, even though the actual cost of the premiums decreased. This was implemented to build a reserve in the Health Benefits Fund to mitigate future premium increases. With a reduction in benefit offerings to all employees, except Police and Fire, the City premiums are decreasing as more cost of the plan are shifted to employee. Police and Fire maintain the current benefit offerings for the remainder of their collectively bargained contract at an increased premium level. Staff proposes to move \$100,000 from the Health Benefits Reserve Fund to mitigate the increased premium charges experienced by the General Fund.

During the BN 2017-19 Budget process, the City transferred \$100,000 per year from the General Fund Local Marijuana funds to the Housing Fund for a grant program. Removal of this restriction does not change the overall revenue to the City, but provides an additional \$100,000 of unrestricted funds annually to the General Fund and is reflected as such in the proposed budget.

In 2015 the City created an Ashland Forest Resiliency (AFR) Fee charged and collected on utility bills to fund Forest Resiliency Projects. These funds were utilized to generate over \$10 million in grants funds from various Federal Funds. Wildfire mitigation and Community Emergency Preparedness remain a top priority for the City, with a renewed urgency due to the wildfire devastation throughout the west in recent years. This proposal increases the AFR fee from \$1.39 to \$3 in order fund the increased cost of the program. The AFR fee increase is not the only potential revenue source for these purposes as the City could increase both the Water and Wastewater Franchise Fees to 10% to match the Electric Utility and generate an additional \$300,000. The impact of the 2% franchise fee would be minimal to utility rates.

When the proposed expenditure reductions are combined with the revenue enhancements, the deficit is reduced to \$660,281. The \$1,320,562 biennium deficit totals roughly half of the BN 2017-19 budget deficit of \$2,509,559. The now proposed \$1.3 million Biennium deficit could be addressed by utilizing General Fund Carryforward money (money appropriated in previous years but not spent). Although the City could utilize Carryforward to balance the budget, the intent of the proposal is to eliminate the structural deficit entirely to ensure that the General Fund has a fund balance to cover unanticipated revenue reductions or expenditure increases.

In 2016, the City added three firefighters to bolster staffing for emergency response call volumes. Prior to the addition of the three firefighters, the Department was operating on a minimum staffing of seven and a maximum staffing level of nine Firefighters per shift for each of the three total shifts. Department analysis demonstrated the optimal staffing level to be nine and in order to reduce overtime to keep the Department at a consistent nine staffing level, hired three additional firefighters. Over the last several years the Department has increased the minimum staffing from seven to nine and the maximum to ten. This new model ensures adequate staffing to respond to typical calls but also allows the Department to increase emergency preparedness in case of a house fire that could ultimately spread to additional structures, or even worse start a widespread wildfire.

This proposal widens the staffing window from nine as the minimum and ten maximum to eight minimum and ten maximum, thus reducing overtime by \$100,000 per year. This change would have a potential service level impact when the minimum eight firefighters are on shift. In order to keep the three additional Firefighters that were added in 2016, the proposal calls for an increase in the Public Safety Support Fee of five dollars (in addition to the existing \$1.50 fee). This new revenue would fund the firefighters in the current budget and the next biennium budget as well. If the Public Safety Support Fee is not approved, the City is left with two primary options. The first is to eliminate the three firefighters and permanently reduce Fire Department staff levels. The other option is to identify a different revenue source, or to utilize carryforward fund balance for the budget and work to identify other options before the next budget.

The proposed balancing options for the General Fund required extensive evaluation of each Department and pose challenges in maintaining service levels expected by the community. To restore the level of service, further analysis of the operations and services provided by each Department would be necessary immediately upon the completion of this current budget process.

Some of the items to be explored in the next year include an analysis of the Ambulance Service and potential options to reduce costs. Other options include increasing the property tax to the City's limit (\$150,000).

There are also long term options that need to be explored and analyzed in the next year. These include an increase of two percent to the Food and Beverage Tax to 7%, with the additional funds generated to be used by the General Fund. It is estimated that this could generate \$1.2 million a year. Another long term solution could be a Local Property Tax Operating Bond Levy to fund programs. The Operating Levy at 50 cents per \$1,000 of assessed valuation would generate approximately \$1.5 million annually. These long term solutions would require more analysis and could potentially replace utility fees in the future, depending on how they are structured.

The General Fund, utilizing all of the revenue and expense within this balancing proposal, improves its net fund position by \$2.5 million for the Biennium and sets the fund up for sustainability over the foreseeable future.



RESOLUTION NO. 2019-02

**A RESOLUTION ADOPTING THE CITY COUNCIL'S 2019-2021
BIENNIAL GOALS**

RECITALS:

- A. WHEREAS, the City Council desired to develop overall city goals to be used in the creation of the 2019-2021 biennial budget;
- B. WHEREAS, the City Council held a listening session, on January 7, 2019 to allow for broad public input on City goals/issues and held two public meetings, on January 18, 2019 and February 1, 2019, focused on developing City Council goals utilizing a facilitator.
- C. WHEREAS, the City Council distinguished between “essential services” and “value services” and ranked essential services as the City’s first priority.
- D. WHEREAS, the City Council defined “essential services” as,

“Fundamental services provided by the City of Ashland without which Ashland would no longer function as a community. The process of allocating City of Ashland resources will ensure that these services meet the needs of Ashland residences.”

- E. WHEREAS, the City Council addressed value services in the following way,

“The City of Ashland currently partners with other local organizations to provide value services, which strengthen the community by helping to address specific challenges. The City of Ashland will continue to leverage its resources to develop and/or enhance its value services. Note that all value services are important.

The list represents the priority Council is placing on these value services as the 2019-2021 biennial budget is prepared, given the progress that has been made to date to address them and the urgency with which they need to be addressed.”

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. The 2019-2021 goals set forth below are adopted and will be used during the 2019-2021 biennium to guide the preparation of the 2019-2021 biennial budget and City spending, funding and programming during that same budget period.

SECTION 2. The City Council’s list of essential services includes those services listed as well as the infrastructure associated with them:

- Electric System
- Wastewater System (sewer)
- Street Repair and Maintenance

City of Ashland Council Goals

Drinking Water System
Stormwater System
Fire
Police
Municipal Court
Planning & Building Inspections/Plan Review
Parks Maintenance

SECTION 3. The City Council's list of value services include:

Tier 1:

Emergency Preparedness
Address Climate Change

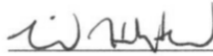
Tier 2:

Reduce Wildfire & Smoke Risk
Economic Development
Housing Needs
Multi-Modal Transportation
Homeless Services
All-Age Friendly Community

Tier 3:

Acquisition of New Parks
Downtown Parking
Water Conservation

This resolution was duly PASSED and ADOPTED this 19th day of March, 2019, and takes effect upon signing by the Mayor.



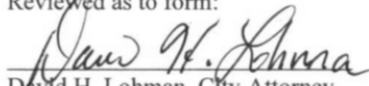
Melissa Huhtala, City Recorder

SIGNED and APPROVED this 20th day of March, 2019.



John Stromberg, Mayor

Reviewed as to form:



David H. Lohman, City Attorney

Resolution No. 2019-02

Page 2 of 2

Ashland Parks and Recreation Commission

**The following 19 goals are the priority goals for the 2019-21 biennium
(July 1, 2019 - June 30, 2021).**

Moving forward from 2018

1. Update Trails and Open Space Comp Plans and continue to purchase land according to the plans
2. Develop parks development standards and guidelines
3. Implement/attain easement and purchase agreements on Ashland Pond property and through the few remaining private properties
4. Design and begin building new East Main Street neighborhood park, including the top priority of the second Ashland dog park
5. Improve public aquatic recreation and competitive options in Ashland consistent with the findings and recommendations of the Pool Ad Hoc Committee and ensure the continuous operation of an adequate recreational pool in Ashland during the summer months, at a minimum until construction begins on a new pool
6. Work collaboratively with Ashland School District to keep Lincoln School playground and fields open to the public.
7. Work with volunteers to explore costs and locations for a pump track and a mountain bike skills park
8. Explore suitable locations and build a pickle ball facility within the APRC system, including the Oak Knoll Golf Course, and implement the installation of up to eight new pickleball courts with consideration for lighting and fencing
9. Install basketball court at Ashland Creek Park in the graveled area with striping for multiple uses, including pickleball
10. Explore fire vulnerability on all APRC lands and if discovered there is a large volume of different mitigation work – Explore a bond for fire suppression
11. Explore the feasibility and community support of a low-angle trail on the east side of Lithia Park (kid-friendly)
12. Work with the Ashland School District to get agreements to use school gyms for recreation leagues or open play for volleyball, basketball and pickleball during non-school times and during smoke events
13. Explore the need for and feasibility of centralized recreation center with the following potential uses for the Center: Covered Field house big enough for full court basketball/indoor soccer that would be multi-purpose to include at least pickleball and bike polo; Maintenance yard; Skateboard Park; Bike Skills Park; Dog Park; Aquatic Center
14. Create a small pocket-neighborhood playground/park in the vicinity of Oak Knoll Club House
15. Explore and implement, as funds allow, capital improvements that would reduce long term maintenance costs with a goal for the improvements to pay for themselves
16. Build Mace Property trail – Connect Oak Street to North Mountain
17. Continue to be part of the solution for realizing an Authentic Japanese Garden in Lithia Park and securing a large donation to accommodate the building and long-term maintenance of the garden

Ashland Parks and Recreation Commission Goals

18. Perform a system wide master plan for APRC and determine the need for an increased SDC fee
19. Complete the Lithia Park Master Planning process and promptly consider and act upon the recommendations where appropriate.

THE BUDGET PROCESS

According to Oregon Law (ORS 294), the City of Ashland must prepare and adopt a balanced budget biennially. In January, meetings are held with department heads, the Mayor, and City Council to set goals and priorities for the upcoming year. In May, a preliminary budget is prepared and presented to the Budget Committee.

A summary of the recommended budget is published in the local newspaper. The City Council holds a public hearing prior to July 1, which may result in further changes. If a change will increase property taxes or increase expenditures within a fund by more than ten percent or \$5,000, whichever is greater, the budget must be referred back to the Budget Committee. The City Council adopts the budget and levies taxes prior to June 30 each year. The adopted budget is filed with the county clerk and State of Oregon, and the Property Tax Levy is certified to the County Assessor by July 15 each year.

The Budget Amendment Process

Oregon Budget Law allows for amendments to the City budget for reasons unforeseen at the time of adoption. The City Council may adopt resolution changes that decrease one existing appropriation and increase another. Certain changes of ten percent or less to any fund require a supplemental budget. Changes over ten percent to any fund require a supplemental budget process similar to the annual budget requiring a public hearing. Further detail may be found in (ORS 294).

The Budget Committee

By law, the Budget Committee is composed of the Mayor, City Councilors, and seven citizen members appointed by the governing board. Committee members:

- Must live in the City of Ashland
- Cannot be officers, agents, or employees of the local government
- Serve four-year, staggered terms so that approximately one-fourth of the terms end each year
- Can be spouses of officers, agents, or employees of the Municipality

The Budget Basis

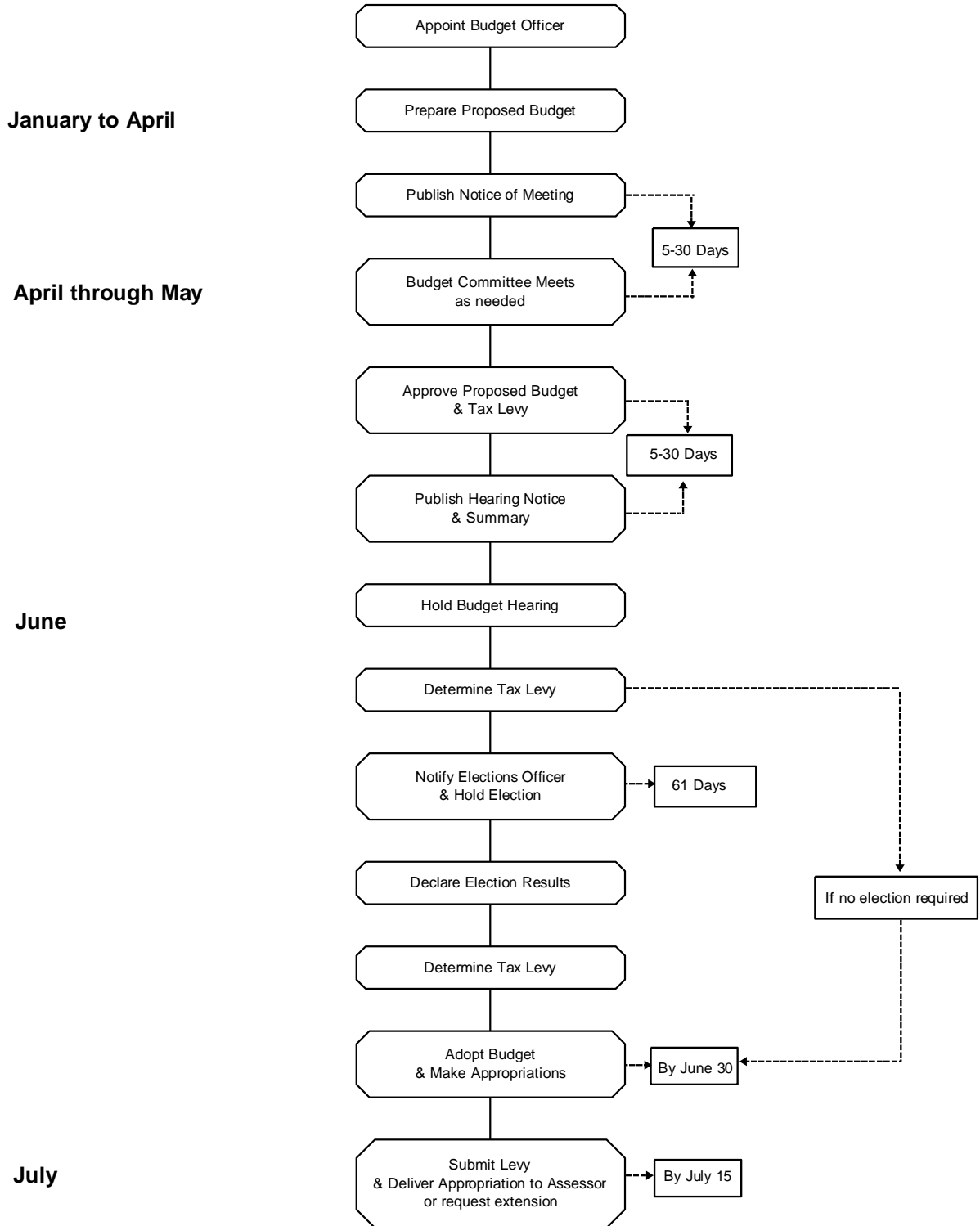
Governmental fund financial statements and enterprise funds are reported (budgetarily) using the current financial resources measurement focus and the modified accrual basis of accounting. The budgetary basis of accounting is the same as Generally Accepted Accounting Principles for governmental funds. Revenues are recognized as soon as they are both measurable and available and are considered to be available when they are collected within the period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due. For financial reporting purposes the enterprise funds are converted from the modified accrual basis to the accrual basis of accounting, but the budgetary enterprise statements are reported with the modified accrual basis of accounting.

The Budget Process

The City of Ashland manages its finances according to generally accepted accounting principles (GAAP). During the year, expenditures and revenues are closely monitored to ensure compliance with the adopted budget and state law. Monthly budget comparisons are distributed to management. Quarterly financial reports, prepared on the budgetary basis of accounting, are distributed to the Budget Committee, the Audit Committee, and the general public. Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant. The City of Ashland publishes an annual financial report that documents the City's budgetary performance and the financial health of the City. This report compares budgeted to actual revenues and expenditures, thus documenting the City's budgetary compliance.

The Biennial Process

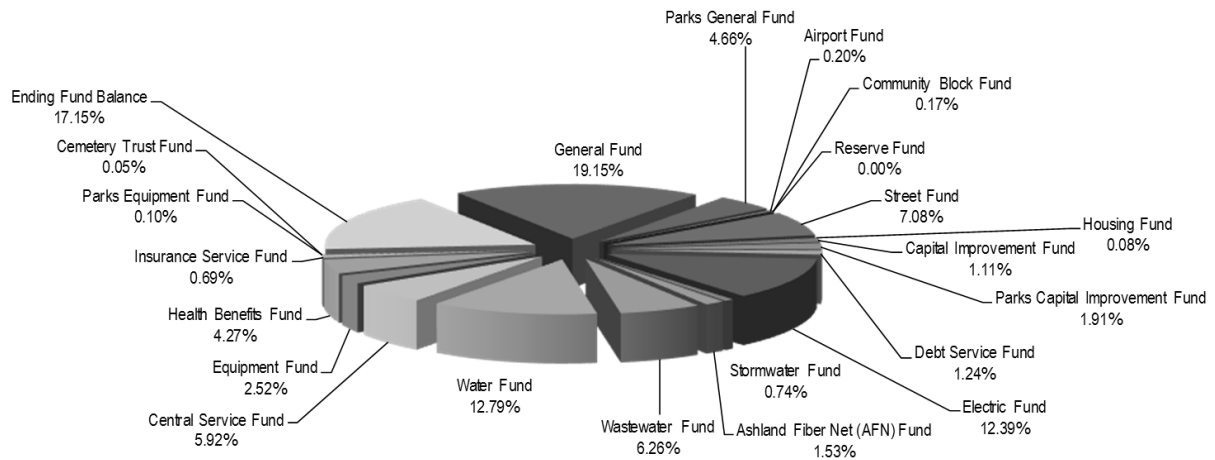
All provisions remain the same for both fiscal year (12-month) and biennial (24-month) budgets except the length of the budget period & committee terms.



Requirements by Fund

Requirements by Fund					
	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	BN 2019/21 Adopted Budget
General Fund	\$ 42,769,930	\$ 47,145,264	\$ 57,388,213	\$ 59,112,716	\$ 58,391,562
Parks General Fund	11,929,311	11,771,833	13,191,186	14,193,047	14,199,047
Airport Fund	274,327	218,205	824,455	556,088	606,088
Community Block Fund	335,063	291,523	453,785	527,189	526,727
Reserve Fund	1,090,000	515,544	1,050,000	-	-
Street Fund	6,475,606	7,696,871	21,933,276	21,589,847	21,589,847
Housing Fund	-	-	366,351	247,000	247,000
Capital Improvement Fund	3,010,414	4,783,660	6,300,740	3,489,801	3,398,878
Parks Capital Improvement Fund	2,438,389	1,682,589	5,535,440	5,813,828	5,813,828
Debt Service Fund	4,033,027	3,674,577	3,902,387	3,790,874	3,790,874
Electric Fund	28,701,941	30,017,203	34,619,182	37,777,995	37,777,995
Stormwater Fund	-	-	1,764,213	2,258,182	2,258,182
Ashland Fiber Net (AFN) Fund	4,179,137	4,131,443	4,421,095	4,324,983	4,655,905
Wastewater Fund	12,347,364	12,506,597	24,630,778	19,081,717	19,081,717
Water Fund	15,880,010	13,348,826	45,988,881	38,995,606	38,995,606
Central Service Fund	13,195,884	15,203,233	16,266,096	18,146,482	18,046,482
Equipment Fund	4,444,236	3,916,583	6,125,472	7,692,799	7,692,799
Health Benefits Fund	9,299,715	10,346,261	13,107,301	13,032,303	13,032,303
Insurance Service Fund	2,154,314	2,296,070	2,606,450	1,982,012	2,112,012
Parks Equipment Fund	-	360,210	450,000	300,000	300,000
Cemetery Trust Fund	9,139	15,938	63,000	150,000	150,000
Ending Fund Balance	32,934,613	41,592,966	29,167,396	52,244,677	52,285,293
Total	\$ 195,502,420	\$ 211,515,396	\$ 290,155,694	\$ 305,307,146	\$ 304,952,146

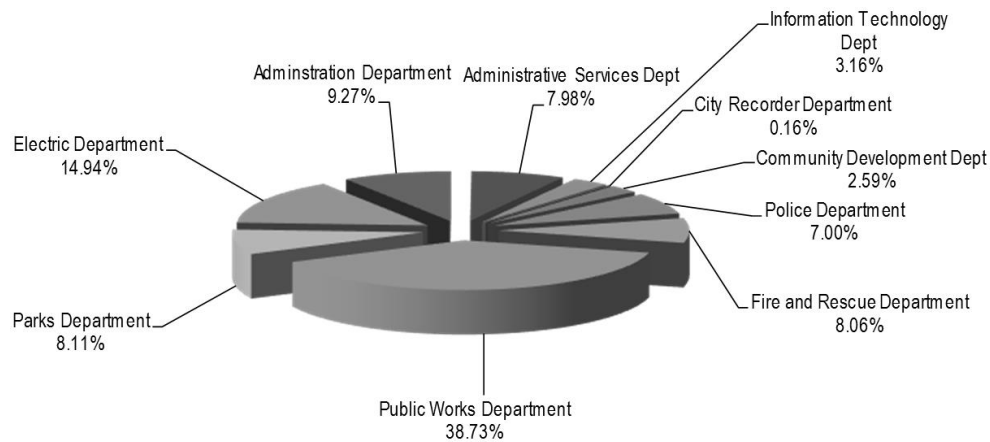
2019-21 Adopted Budget-Requirements by Funds



Requirements by Department

Requirements by Department					
	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	BN 2019/21 Adopted Budget
Administration Department	\$ 16,582,547	\$ 17,912,781	\$ 22,052,598	\$ 22,046,749	\$ 22,145,595
Administrative Services Dept	15,309,303	18,752,146	20,574,979	19,026,412	19,056,412
Information Technology Dept	6,575,908	6,874,894	7,127,370	7,307,073	7,547,072
City Recorder Department	868,755	984,526	409,032	375,849	375,849
Community Development Dept	4,464,000	4,616,167	5,859,801	6,183,809	6,183,347
Police Department	12,316,387	13,487,220	15,588,125	16,889,886	16,719,886
Fire and Rescue Department	14,039,331	15,713,581	20,020,170	19,905,049	19,255,049
Public Works Department	38,896,153	38,159,645	99,283,218	92,430,369	92,480,369
Parks Department	13,445,700	13,734,632	18,408,341	19,363,047	19,369,047
Electric Department	27,266,949	28,572,963	32,986,690	35,677,724	35,677,724
Total Operating	149,765,033	158,808,555	242,310,324	239,205,967	238,810,350
Debt Services	9,220,536	8,686,005	10,404,801	8,947,554	8,947,554
Interfund Loans	784,795	475,000	1,050,000	-	-
Operation Transfers Out	2,797,442	1,843,411	4,290,634	2,074,828	2,074,828
Contingency	-	-	2,822,542	2,834,118	2,834,118
Ending Fund Balance	32,934,613	41,702,425	29,277,393	52,244,677	52,285,293
Total Non-Departmental	45,737,386	52,706,841	47,845,370	66,101,177	66,141,793
Total	\$ 195,502,420	\$ 211,515,396	\$ 290,155,694	\$ 305,307,146	\$ 304,952,146

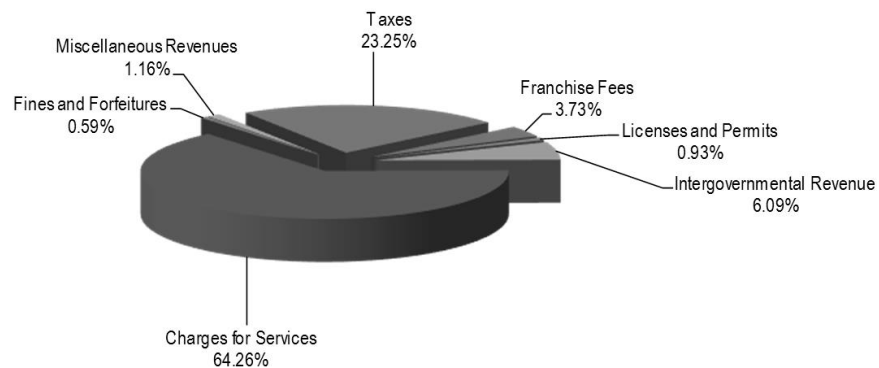
2019-21 Adopted Budget-Requirements by Department



Resource Summary

Resource Summary					
	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	BN 2019/21 Adopted Budget
Revenues:					
Taxes	\$ 36,472,007	\$ 40,124,029	\$ 43,440,775	\$ 48,278,524	\$ 47,578,524
Franchise Fees	5,795,887	6,309,001	7,112,730	7,389,704	7,629,704
Licenses and Permits	1,872,797	2,141,624	1,660,300	1,898,300	1,898,300
Intergovernmental Revenue	5,386,314	5,424,602	12,414,284	12,407,205	12,456,205
Charges for Services	101,700,365	115,605,533	123,370,408	131,441,862	131,497,862
Fines and Forfeitures	362,188	546,003	857,900	1,210,800	1,210,800
Miscellaneous Revenues	4,041,764	1,391,526	1,305,564	2,370,095	2,370,095
Interest on Pooled Investments	356,651	634,043	509,850	1,561,317	1,561,317
Total Revenues:	155,987,973	172,176,361	190,671,811	206,557,807	206,202,807
Budgetary Resources:					
Working Capital Carryover	\$ 33,966,633	\$ 35,055,349	\$ 38,079,780	\$ 47,209,387	\$ 47,209,387
Debt Revenue	1,965,580	1,965,275	56,146,312	49,465,124	49,465,124
Interfund Loan	1,434,795	200,000	1,050,000	-	-
Operating Transfers In	2,147,439	2,118,411	4,207,791	2,074,828	2,074,828
Total Budgetary Resources	39,514,447	39,339,035	99,483,883	98,749,339	98,749,339
Total	\$ 195,502,420	\$ 211,515,396	\$ 290,155,694	\$ 305,307,146	\$ 304,952,146

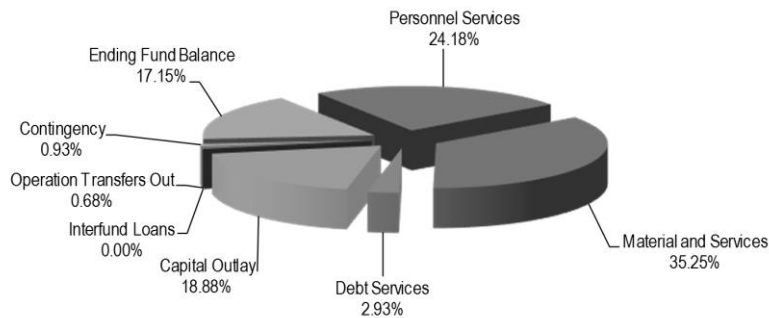
2019-21 Adopted Resource Summary



Requirements by Classification

Requirements by Classification					
	BN 2013/15 Actual	BN 2015/17 Actual	BN 2017/19 Amended Budget	BN 2019/21 Proposed Budget	BN 2019/21 Adopted Budget
Operating Expenditures:					
Personnel Services	\$ 55,146,070	\$ 59,132,805	\$ 68,251,796	\$ 74,158,341	\$ 73,723,186
Material and Services	80,154,004	88,226,487	104,027,051	107,499,203	107,508,741
Debt Services	9,220,536	8,686,005	10,404,801	8,947,554	8,947,554
Total Operating Expenditures:	144,520,610	156,045,297	182,683,648	190,605,098	190,179,481
Capital Outlay	14,464,959	11,558,722	70,031,477	57,548,425	57,578,425
Budgetary Requirements:					
Interfund Loans	1,434,795	475,000	1,525,000	-	-
Operation Transfers Out	2,147,439	1,843,411	3,815,634	2,074,828	2,074,828
Contingency	-	-	2,997,542	2,834,118	2,834,118
Ending Fund Balance	32,934,613	41,592,966	29,102,396	52,244,677	52,285,294
Total Budgetary Requirements	36,516,847	43,911,377	37,440,572	57,153,623	57,194,240
Total	\$ 195,502,420	\$ 211,515,396	\$ 290,155,694	\$ 305,307,146	\$ 304,952,146

2019-21 Adopted Budget-Requirements by Classification

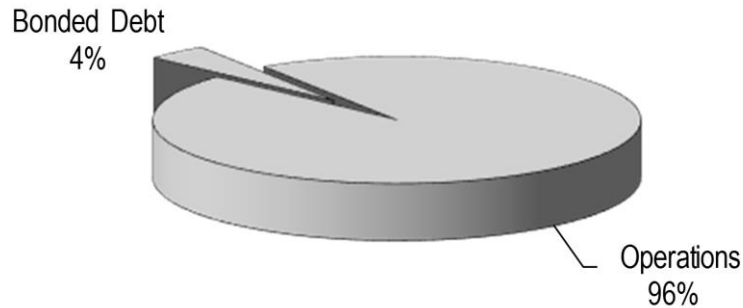


Property Tax Summary

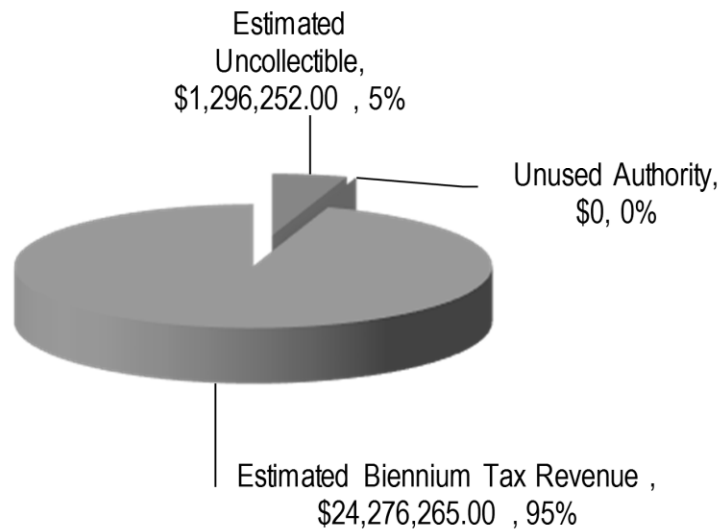
OVERVIEW

Property taxes are budgeted in the General Fund and distributed to the other funds as needed for operations. Tax collections for payment of debt are deposited directly to the Debt Service Fund. The estimated tax rate for BN 2019-21 is \$4.4640 for 2019-20 and \$4.3609 in 2020-21.

Distribution of 2019-21 Estimated Property Tax Revenue to be Received



Distribution of 2019-21 Property Tax Authorized



The City of Ashland levies property taxes for the funds and activities in the amounts shown in the tables on the next page. The City has assumed an uncollectible rate of 5.0% for budgetary purposes. The chart above shows the distribution of property taxes as a percentage of total taxes received.

Property Tax Summary

	Amount Authorized 2019-20	Unused Authority (unallocated)*	Adopted Levy 2019-20	Estimated Uncollectible	Estimated Current Year Taxes	Tax Rate Guideline used 2019-20
Permanent:						
Operations	12,206,000	-	12,206,564	610,328	11,596,235	4.2865
Bonded Debt:						
Fire Station #1/2005 GO Bonds	294,840	-	294,840	21,840	273,000	0.1035
Fire Station #2/2011 GO Bonds	218,147	-	218,147	16,159	201,988	0.0740
	512,987	-	512,987	37,999	474,988	0.1775
Total	\$ 12,718,987	\$ -	\$ 12,719,551	\$ 648,327	\$ 12,071,223	4.4640

**Unused authority before estimated uncollectible and discounts*

	Amount Authorized 2020-21	Unused Authority (unallocated)*	Adopted Levy 2020-21	Estimated Uncollectible	Estimated Current Year Taxes	Tax Rate Guideline used 2020-21
Permanent:						
Operations	12,634,000	-	12,633,793	631,690	12,002,104	4.2865
Bonded Debt:						
Fire Station #1/2005 GO Bonds	-	-	-	-	-	-
Fire Station #2/2011 GO Bonds	219,173	-	219,173	16,235	202,938	0.0744
	219,173	-	219,173	16,235	202,938	0.0744
Total	\$ 12,853,173	\$ -	\$ 12,852,966	\$ 647,925	\$ 12,205,042	4.3609

**Unused authority before estimated uncollectible and discounts*

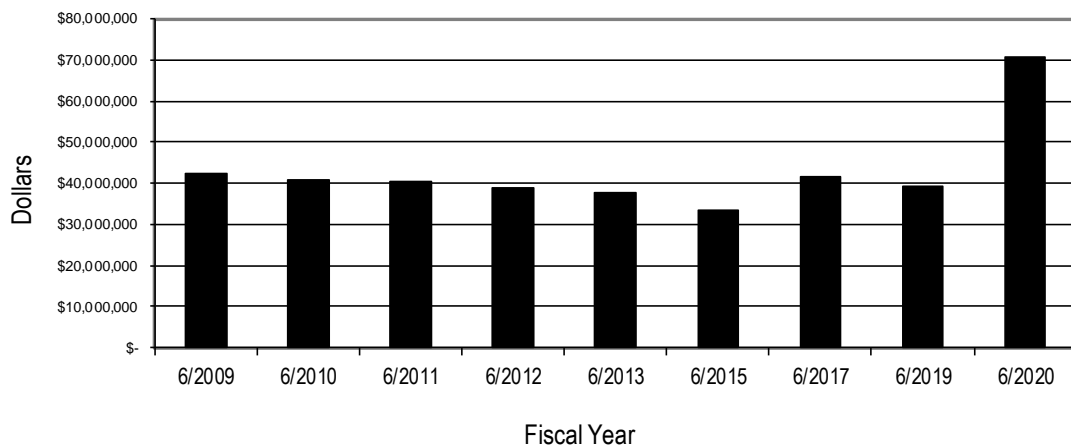
Debt Summary

OVERVIEW

The adopted budget includes the payment of all current debt obligations of the City.

The total debt limitation is mandated by the State of Oregon revised statute (ORS 287.004) is 3 percent of the true cash value of all taxable property. The limitation excludes issues for most utilities as well as Special Assessment Debt. With true cash value estimated at \$3,937,719,581 on June 30, 2018, this computes to a limit of \$118,131,587. The City has \$103,779,652 of available Legal Debt Margin.

Budgeted Indebtedness



Debt Summary

DEBT SUMMARY

Fund	Debt Instrument	June 30, 2019	New debt	Payments	June 30, 2021
Street Fund	2013 New Construction - Street	650,000.00		135,000.00	515,000.00
Street Fund	*** Potential new debt***		11,000,000.00		11,000,000.00
Debt Service	2005 GO Bond - Fire Station #1	260,000.00		260,000.00	-
Debt Service	2011 Fire Station #2	1,955,000.00		275,000.00	1,680,000.00
Debt Service	2013 AFN Debt (Refi 2004 AFN Revenue)	7,020,000.00		2,230,000.00	4,790,000.00
Debt Service	2013 New Construction - Parks	320,000.00		65,000.00	255,000.00
Debt Service	Garfield Water Park equipment	591,000.00		174,000.00	417,000.00
Debt Service	Biscoe School (City)	1,320,000.00		220,000.00	1,100,000.00
Debt Service	Biscoe School (Parks)	400,000.00		100,000.00	300,000.00
Water Fund	2009 Water and Wastewater	292,109.46		108,353.72	183,755.74
Water Fund	2013 Water Debt (Refi 2003 Revenue Bond)	725,000.00		360,000.00	365,000.00
Water Fund	2013 New Construction - Water	1,600,000.00		330,000.00	1,270,000.00
Water Fund	IFA - S14005 - Water Fund	3,515,200.00		150,000.00	3,365,200.00
Water Fund	Medford Water Commission	1,957,455.62		198,644.35	1,758,811.27
Water Fund	IFA - S16021 - Water Treatment Plant	1,323,945.00	12,457,920.00	-	13,781,865.00
Water Fund	DEQ - R11753 TID Canal	231,697.00	1,068,303.00	-	1,300,000.00
Water Fund	*** Potential new debt***		14,978,901.00		14,978,901.00
Wastewater Fund	2013 New Construction - Wastewater	375,000.00		80,000.00	295,000.00
Wastewater Fund	2009 Water and Wastewater	125,189.80		46,437.31	78,752.49
Wastewater Fund	2010 Wastewater Refinance	4,395,000.00		2,880,000.00	1,515,000.00
Wastewater Fund	DEQ R11751 - Wastewater Membranes	1,592,418.00		214,103.00	1,378,315.00
Wastewater Fund	DEQ - R11754 Riparian Restoration	425,035.00	4,251,358.00	-	4,676,393.00
Wastewater Fund	DEQ - R11752 Oxidation Ditch	-	5,648,642.00	-	5,648,642.00
Storm Fund	2013 New Construction - Storm Drain	95,000.00		20,000.00	75,000.00
Electric Fund	2008 CREBs	65,142.84		43,428.56	21,714.28
	Total Debt	29,234,192.72	49,405,124.00	7,889,966.94	70,749,349.78
Summary by Type:					
	GO Bonds & Full Faith	17,812,299.26	-	6,789,791.03	11,022,508.23
	Revenue Bonds	9,110,893.46	49,405,124.00	606,175.91	57,909,841.55
	Notes and Contracts	2,311,000.00	-	494,000.00	1,817,000.00
	Total Obligations	29,234,192.72	49,405,124.00	7,889,966.94	70,749,349.78

*** Potential new debt*** Must be approved by council prior to issuance

Budget Appropriation Matrix

Budget Appropriations Matrix An Overview of Fund/Departmental Budget Relationships

Dept: Fund:	Admin.	Information Technology	Admin. Svcs (Finance & Other)	City Recorder	Police	Fire	Public Works	Community Dev.	Electric	Parks & Recreation	Contingency, Transfers, Loans, & Ending Fund Balance	TOTAL
General Fund	\$ 3,966,379		\$10,954,533		\$ 16,719,886	\$ 19,255,049	\$ 1,075,095	\$ 5,409,620			\$ 5,264,147	\$ 62,644,709
Housing Trust Fund								\$ 247,000			\$ 404,668	\$ 651,668
Com. Dev. Block Grant Fund								\$ 526,727				\$ 526,727
Reserve Fund											\$ 39,110	\$ 39,110
Street Fund							\$ 21,546,147				\$ 3,703,887	\$ 25,250,034
Airport Fund							\$ 606,088				\$ 411,018	\$ 1,017,106
Capital Imp. Fund							\$ 3,118,879				\$ 461,635	\$ 3,580,514
Debt Service Fund			\$ 3,790,874								1419738	\$ 5,210,612
Water Fund							\$ 37,810,606				\$ 20,785,412	\$ 58,596,018
Wastewater Fund							\$ 18,756,717				\$ 15,558,131	\$ 34,314,848
Stormwater Fund							\$ 2,228,182				\$ 1,256,864	\$ 3,485,046
Electric Fund									\$ 37,552,995		\$ 986,698	\$ 38,539,693
Telecomm. Fund		\$ 4,550,905									\$ 1,373,143	\$ 5,924,048
Central Services Fund	\$ 3,578,160	\$ 2,996,167	\$ 5,877,867	\$ 375,849			\$ 5,008,021				\$ 261,626	\$ 18,097,690
Insurance Fund			\$ 2,112,012								\$ 243,352	\$ 2,355,364
Health Insurance Fund	\$ 12,732,303										\$ 1,223,954	\$ 13,956,257
Equipment Fund							\$ 7,592,799				\$ 147,091	\$ 7,739,890
Cemetery Trust Fund											\$ 1,073,964	\$ 1,073,964
Parks & Recreation										\$ 14,049,047	\$ 201,257	\$ 14,250,304
Parks CIP Fund										\$ 5,020,000	\$ 2,162,800	\$ 7,182,800
Parks Equip. Fund										\$ 300,000	\$ 215,744	\$ 515,744
TOTAL												\$ 304,952,146

Budget presentations by department begin on page 3 - 1.

Budget presentations by fund begin on page 2 - 1.

Funds that include only one department are budgeted by major category (Personnel Services, Materials & Services, Capital Outlay, etc.).

Funds that include multiple departments are budgeted by program.

Program & Division by Department and Fund

ADMINISTRATION DEPARTMENT

General Fund

- Economic Development
- Library
- Public Art
- RVTV Programs
- Tourism
- Parking
- Municipal Court
- Economic & Cultural Grants

Electric Fund

- Electric Conservation

Central Service Fund

- Mayor & Council
- Administration
- Legal
- Human Resources

INFORMATION TECHNOLOGY DEPARTMENT

Telecommunications Fund

- Fund by major expenditure category

Central Service Fund

- Information Systems

ADMINISTRATIVE SERVICES DEPARTMENT

General Fund

- Band
- Parks Contracted Services

Debt Service Fund

- General Obligation Debt
- Bancroft Debt
- Notes and Contracts Debt

Capital Improvements Fund

- Parks Systems Development
- Parks Open Space

Central Service Fund

- Customer Relations
- Accounting
- Administration

Insurance Fund

- Fund by major expenditure category

POLICE DEPARTMENT

General Fund

- Administration
- Support
- Operations

FIRE AND RESCUE DEPARTMENT

General Fund

- Operations
- Emergency Services
- Forest Interface
- Fire and Life Safety

PUBLIC WORKS DEPARTMENT

General Fund

- Cemetery

Street Fund

- Operations
- SDC Transportation
- LID's and Transportation
- Grounds Maintenance

Airport Fund

- Fund by major expenditure category

Capital Improvements Fund

- Facilities
- Construction

Water Fund

- Conservation
- Supply
- Distribution
- Treatment
- SDC Reimbursement
- SDC Improvements

Wastewater Fund

- Collections
- Treatment
- SDC Reimbursement
- SDC Improvement

Storm water Fund

- Storm Water
- SDC Storm Water

Central Service Fund

- Support

Equipment Fund

- Purchasing/Acquisition
- Maintenance Property/Equipment

Cemetery Trust Fund

- Fund by major expenditure category

COMMUNITY DEVELOPMENT DEPARTMENT

General Fund

- Housing
- Planning
- Building Safety
- Social Services Grants
- Housing Trust Fund

Community Development Block Grant Fund

- Fund by major expenditure category

ELECTRIC DEPARTMENT

Electric Fund

- Supply
- Distribution
- Transmission

PARKS & RECREATION DEPARTMENT

Parks & Recreation Fund

- Administration & Operations
- Recreation
- Golf

Parks Capital Improvement Fund

- Fund by major expenditure category

Parks Equipment Replacement Fund

- Fund by major expenditure category

OTHER

Reserve Fund

- Fund by major expenditure category

Summary of Changes

City of Ashland Biennium 2019-2021 Summary of Changes

	2019 - 2021 Proposed	Staff Revisions	2019 - 2021 Revised	Committee Revisions	2019 - 2021 Approved	Council Revisions	2019 - 2021 Adopted
GENERAL FUND							
Administration Department	2,559,724		2,559,724		2,559,724		2,559,724
Administration Department- Municipal Court	1,307,809	98,846	1,406,655		1,406,655		1,406,655
Administrative Services - Band	132,733		132,733		132,733		132,733
Administrative Services - Miscellaneous	38,000		38,000		38,000		38,000
Administrative Services - Parks	10,783,800		10,783,800		10,783,800		10,783,800
Police Department	16,889,886		16,889,886	(170,000)	16,719,886		16,719,886
Fire and Rescue Department	19,905,049	(50,000)	19,855,049	(600,000)	19,255,049		19,255,049
Public Works - Cemetery Division	1,075,095		1,075,095		1,075,095		1,075,095
Community Development - Planning Division	3,463,963		3,463,963		3,463,963		3,463,963
Community Development - Building Division	1,677,657		1,677,657		1,677,657		1,677,657
Community Development - Social Services Grants	268,000		268,000		268,000		268,000
Transfers Out	211,000		211,000		211,000	-	211,000
Contingency	800,000		800,000		800,000		800,000
Ending Fund Balance	4,041,993	101,154	4,143,147	110,000	4,253,147		4,253,147
TOTAL GENERAL FUND	63,154,709	150,000	63,304,709	(660,000)	62,644,709	-	62,644,709
PARKS AND RECREATION FUND							
Parks Division	8,203,415	6,000	8,209,415		8,209,415		8,209,415
Recreation Division	2,957,983		2,957,983		2,957,983		2,957,983
Forestry Division	985,619		985,619		985,619		985,619
Senior Services Division	700,180		700,180		700,180		700,180
Golf Division	1,195,850		1,195,850		1,195,850		1,195,850
Contingency	150,000		150,000		150,000		150,000
Ending Fund Balance	51,257		51,257	-	51,257		51,257
TOTAL PARKS AND RECREATION FUND	14,244,304	6,000	14,250,304	-	14,250,304	-	14,250,304
HOUSING FUND							
Personnel Services			-		-		-
Materials and Services	247,000		247,000		247,000		247,000
Ending Fund Balance	204,668		204,668	200,000	404,668		404,668
TOTAL HOUSING TRUST FUND	451,668	-	451,668	200,000	651,668	-	651,668
COMMUNITY DEVELOPMENT BLOCK GRANT FUND							
Personnel Services	70,528		70,528		70,528		70,528
Materials and Services	456,661	(462)	456,199		456,199		456,199
Ending Fund Balance	(462)	462	-		-		-
TOTAL CDBG FUND	526,727	-	526,727	-	526,727	-	526,727
RESERVE FUND							
Ending Fund Balance	39,110	-	39,110	-	39,110	-	39,110
TOTAL RESERVE FUND	39,110	-	39,110	-	39,110	-	39,110
STREET FUND							
Public Works - Street Operations	20,364,474		20,364,474		20,364,474		20,364,474
Public Works - Street Operations Debt	251,460		251,460		251,460		251,460
Public Works - Transportation SDC's	930,213		930,213		930,213		930,213
Contingency	43,700		43,700		43,700		43,700
Ending Fund Balance	3,660,187		3,660,187		3,660,187		3,660,187
TOTAL STREET FUND	25,250,034	-	25,250,034	-	25,250,034	-	25,250,034
AIRPORT FUND							
Materials and Services	216,088	50,000	266,088		266,088		266,088
Capital Outlay	340,000		340,000		340,000		340,000
Ending Fund Balance	412,018	(1,000)	411,018		411,018		411,018
TOTAL AIRPORT FUND	968,106	49,000	1,017,106	-	1,017,106	-	1,017,106

Summary of Changes

City of Ashland Biennium 2019-2021 Summary of Changes (Continued)

	2019 - 2021 Proposed	Staff Revisions	2019 - 2021 Revised	Committee Revisions	2019 - 2021 Approved	Council Revisions	2019 - 2021 Adopted
CAPITAL IMPROVEMENTS FUND							
Public Works - Facilities	3,059,801	(90,922)	2,968,879		2,968,879		2,968,879
Administrative Services - Parks Open Space	150,000		150,000		150,000		150,000
Transfers Out	220,000		220,000		220,000		220,000
Contingency	60,000		60,000		60,000		60,000
Ending Fund Balance	90,713	90,922	181,635	-	181,635		181,635
TOTAL CAPITAL IMPROVEMENTS	3,580,514	-	3,580,514	-	3,580,514	-	3,580,514
PARKS CAPITAL IMPROVEMENTS FUND							
Personnel Services	-		-		-		-
Materials and Services	-		-		-		-
Capital Outlay	5,020,000		5,020,000		5,020,000		5,020,000
Transfer Out	793,828		793,828		793,828		793,828
Ending Fund Balance	1,368,972		1,368,972		1,368,972		1,368,972
TOTAL PARKS CAPITAL IMPROVEMENTS FUND	7,182,800	-	7,182,800	-	7,182,800	-	7,182,800
DEBT SERVICE FUND							
Debt Service	3,790,874		3,790,874		3,790,874		3,790,874
Ending Fund Balance	1,419,738		1,419,738		1,419,738		1,419,738
TOTAL DEBT SERVICE FUND	5,210,612	-	5,210,612	-	5,210,612	-	5,210,612
WATER FUND							
Public Works - Conservation Division	578,660		578,660		578,660		578,660
Public Works - Water Supply	4,382,522		4,382,522		4,382,522		4,382,522
Public Works - Water Supply Debt	19,090		19,090		19,090		19,090
Public Works - Water Treatment	18,225,395		18,225,395		18,225,395		18,225,395
Public Works - Water Treatment Debt	298,883		298,883		298,883		298,883
Public Works - Water Distribution	9,219,893		9,219,893		9,219,893		9,219,893
Public Works - Water Distribution Debt	502,563		502,563		502,563		502,563
Public Works - Improvement SDC's	4,153,000		4,153,000		4,153,000		4,153,000
Public Works - Improvement SDC's Debt	361,876		361,876		361,876		361,876
Public Works - Reimbursement SDC's Debt	68,724		68,724		68,724		68,724
Transfers Out	500,000	-	500,000		500,000		500,000
Contingency	685,000		685,000		685,000		685,000
Ending Fund Balance	19,600,412	-	19,600,412		19,600,412	-	19,600,412
TOTAL WATER FUND	58,596,018	-	58,596,018	-	58,596,018	-	58,596,018
WASTEWATER FUND							
Public Works - Wastewater Collection	5,741,660		5,741,660		5,741,660		5,741,660
Public Works - Wastewater Collection Debt Service	151,658		151,658		151,658		151,658
Public Works - Wastewater Treatment	8,319,440		8,319,440		8,319,440		8,319,440
Public Works - Wastewater Treatment Debt Service	3,434,209		3,434,209		3,434,209		3,434,209
Public Works - Reimbursement SDC's	1,109,750		1,109,750		1,109,750		1,109,750
Contingency	325,000		325,000		325,000		325,000
Ending Fund Balance	15,233,131		15,233,131		15,233,131		15,233,131
TOTAL WASTEWATER FUND	34,314,848	-	34,314,848	-	34,314,848	-	34,314,848

Summary of Changes

City of Ashland Biennium 2019-2021 Summary of Changes (Continued)

	2019 - 2021 Proposed	Staff Revisions	2019 - 2021 Revised	Committee Revisions	2019 - 2021 Approved	Council Revisions	2019 - 2021 Adopted
STORM WATER FUND							
Public Works - Storm Water Operations	1,888,482		1,888,482		1,888,482		1,888,482
Public Works - Storm Water Operations Debt	23,700		23,700		23,700		23,700
Public Works - Storm Water SDC's	316,000		316,000		316,000		316,000
Contingency	30,000		30,000		30,000		30,000
Ending Fund Balance	1,226,864		1,226,864		1,226,864		1,226,864
TOTAL STORM WATER FUND	3,485,046	-	3,485,046	-	3,485,046	-	3,485,046
ELECTRIC FUND							
Administration - Conservation Division	1,830,754		1,830,754		1,830,754		1,830,754
Electric - Supply	16,114,835		16,114,835		16,114,835		16,114,835
Electric - Distribution	16,896,919		16,896,919		16,896,919		16,896,919
Electric - Transmission	2,665,970		2,665,970		2,665,970		2,665,970
Debt Services	44,517		44,517		44,517		44,517
Contingency	225,000		225,000		225,000		225,000
Ending Fund Balance	761,698		761,698		761,698		761,698
TOTAL ELECTRIC FUND	38,539,693	-	38,539,693	-	38,539,693	-	38,539,693
TELECOMMUNICATIONS FUND							
Personnel Services	1,528,860	90,922	1,619,782		1,619,782		1,619,782
Materials and Services	2,561,123		2,561,123	240,000	2,801,123		2,801,123
Capital Outlay	130,000		130,000		130,000		130,000
Contingency	105,000		105,000		105,000		105,000
Ending Fund Balance	1,599,065	(90,922)	1,508,143	(240,000)	1,268,143		1,268,143
TOTAL TELECOMMUNICATIONS FUND	5,924,048	-	5,924,048	-	5,924,048	-	5,924,048
CENTRAL SERVICES FUND							
Administration Department	3,578,160		3,578,160		3,578,160		3,578,160
IT - Computer Services Division	2,996,167		2,996,167	-	2,996,167		2,996,167
Administrative Services Department	5,977,867		5,977,867	(100,000)	5,877,867		5,877,867
City Recorder Division	375,849		375,849		375,849		375,849
Public Works - Administration and Engineering	5,008,021		5,008,021		5,008,021		5,008,021
Contingency	210,418		210,418		210,418		210,418
Ending Fund Balance	51,208		51,208		51,208		51,208
TOTAL CENTRAL SERVICES FUND	18,197,690	-	18,197,690	(100,000)	18,097,690	-	18,097,690
INSURANCE SERVICES FUND							
Personnel Services	-		-		-		-
Materials and Services	1,982,012	130,000	2,112,012		2,112,012		2,112,012
Capital Outlay			-		-		-
Contingency			-		-		-
Ending Fund Balance	373,352	(130,000)	243,352		243,352		243,352
TOTAL INSURANCE SERVICES FUND	2,355,364	-	2,355,364	-	2,355,364	-	2,355,364
HEALTH BENEFITS FUND							
Personnel Services			-		-		-
Materials and Services	12,732,303		12,732,303		12,732,303		12,732,303
Transfers Out	200,000		200,000		200,000		200,000
Contingency	100,000		100,000		100,000		100,000
Ending Fund Balance	923,954		923,954		923,954		923,954
TOTAL INSURANCE SERVICES FUND	13,956,257	-	13,956,257	-	13,956,257	-	13,956,257

Summary of Changes

Biennium 2019-2021 Summary of Changes (Continued)

	2019 - 2021 Proposed	Staff Revisions	2019 - 2021 Revised	Committee Revisions	2019 - 2021 Approved	Council Revisions	2019 - 2021 Adopted
EQUIPMENT FUND							
Public Works - Maintenance	3,715,299		3,715,299		3,715,299		3,715,299
Public Works - Purchasing and Acquisition	3,877,500	-	3,877,500		3,877,500		3,877,500
Contingency	100,000		100,000		100,000		100,000
Ending Fund Balance	47,091	-	47,091		47,091		47,091
TOTAL EQUIPMENT FUND	7,739,890	-	7,739,890	-	7,739,890	-	7,739,890
PARKS EQUIPMENT RESERVE FUND							
Capital Outlay	300,000		300,000		300,000		300,000
Interfund Loan			-		-		-
Ending Fund Balance	215,744		215,744		215,744		215,744
TOTAL PARKS EQUIPMENT RESERVE FUND	515,744	-	515,744	-	515,744	-	515,744
CEMETERY TRUST FUND							
Transfers Out	150,000		150,000		150,000		150,000
Ending Fund Balance	923,964		923,964		923,964		923,964
TOTAL CEMETERY TRUST FUND	1,073,964	-	1,073,964	-	1,073,964	-	1,073,964
TOTAL BUDGET	305,307,146	205,000	305,512,146	(560,000)	304,952,146	-	304,952,146
Less Ending Fund Balance	52,244,677	(29,384)	52,215,293	70,000	52,285,293	-	52,285,293
Total Appropriations	253,062,469	234,384	253,296,853	(630,000)	252,666,853	-	252,666,853

