

**ASHLAND CITY COUNCIL
STUDY SESSION MINUTES
October 16, 2023**

Mayor Graham called the meeting to order 5:31 p.m.

1. Public Input - None

2. Revenue Study Overview

Finance Director Mariane Berry and Deputy City Manager Sabrina Cotta provided a presentation (see attached):

- | | |
|---|---|
| • Revenue Study | • Major Revenue Streams |
| • Study Overview | • Potential New Sources of Revenue |
| • What Does the Data Tell Us | • Outline |
| • Economic Sustainability/Durability Lens | • Other Considerations & Overall timing |
| • City's Cohesive Approach | • Questions |
| • Revenue Trends | |

The study would help feed into other planning budget processes for the next biennium. The consultant will identify opportunities for potential new revenue sources that match the city's economic needs. The study pertained to the general fund.

Council suggested researching new technologies and artificial intelligence that would free up staff time. There were three lenses to use. One was equity and tax to ensure the city covered their costs from those services, and making sure the city could moderate cost to lowest income residents. The second was the efficiency of the fees itself and third was sustainability. Another suggestion was looking at consultants that were familiar with Oregon that had a deeper revenue enhancement experience.

3. Charter Amendments Discussion

Deputy City Manager Sabrina Cotta provided background on the Charter amendment to Article 14, Chief of Police Powers and Duties, Section 2. It would allow the police chief to select a designee to attend council meetings in his place.

The other change would be to Article 3 and Article 6, regarding the city recorder position. Changing the position from elected to a professional hire would allow the city the ability to hire candidates whose skillset best matched the duties. The salary would be reviewed and adjusted accordingly to match other recorder positions in the valley.

Council discussed the Article 14 amendment and supported putting it on the May 2024 ballot for voter consideration, adding the designee should not be an officer on duty the night of the meetings.

Councilor Bloom asked for a discussion regarding a full Charter review during the meeting.

Council went on to discuss the amendments to Article 3 and 6. Council suggestion thought the recorder position was better suited under the Legal Department instead of the Administration Department since it was part of the municipality worked with a different autonomy. The recorder also managed important legal documents like ordinances, resolutions, cemetery deeds and licensing. Council supported putting the amendments to the recorder's position on the May 2024 ballot for voter consideration.

Staff confirmed the change to Article 14 would be separate from Article 3 and 6. If the recorder amendments failed in May, it would not affect the election process for November 2024.

Broader Charter Discussion

Councilor Bloom suggested establishing a Charter Review Commission made up of two parks commissioners, two councilors, two Southern Oregon University members and three citizens at large. The commission would take a year to review the Charter and recommend changes.

Council supported having a commission conduct a review and thought one should occur every ten years. There was discussion regarding participants. Concerns included taking a year for the review and waiting until a full-time city attorney was hired. Another concern was the increased workload on staff. Council would need to shift other projects for this undertaking.

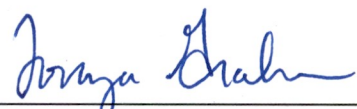
Council directed staff to move forward with a Charter Review Commission and place it on the Look Ahead for further discussion.

4. Adjournment of Study Session

The meeting was adjourned at 6:30 p.m.


Clerk of the Council Pro Tem Dana Smith
City Recorder Alissa Kolodzinski

Attest:



Mayor Tonya Graham



Revenue Study

October 16, 2023
Presented by Finance Dept

Revenue Study – Overview

- Start the discussion
- Establish a framework
- Review Current Revenue
- Review Potential Revenue
- Next Steps

Finance



What Does the Data Tell Us

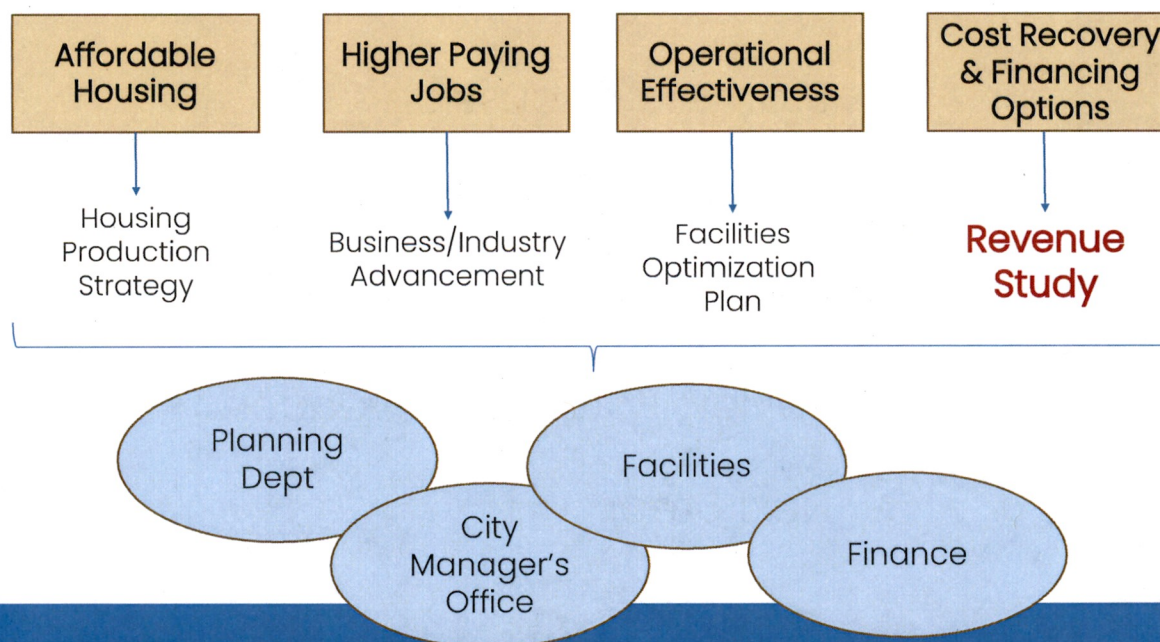
- Aggregate market value is very **high** comparatively
- Aggregate resident income is **low**
- Population growth is **limited**
- High **reliance** on Tourism industry

Sources -

- Chamber's Economic Diversification Study – Sept 2022 (by EconNW)
- City of Ashland Housing Production Strategy – May 2023 (by EconNW)
- Moody's Annual Report on Ashland – Sept 2023



Economic Sustainability/Durability Lens





City's Cohesive Approach

❖ *Overall Goal – Long-Term Financial Stability*

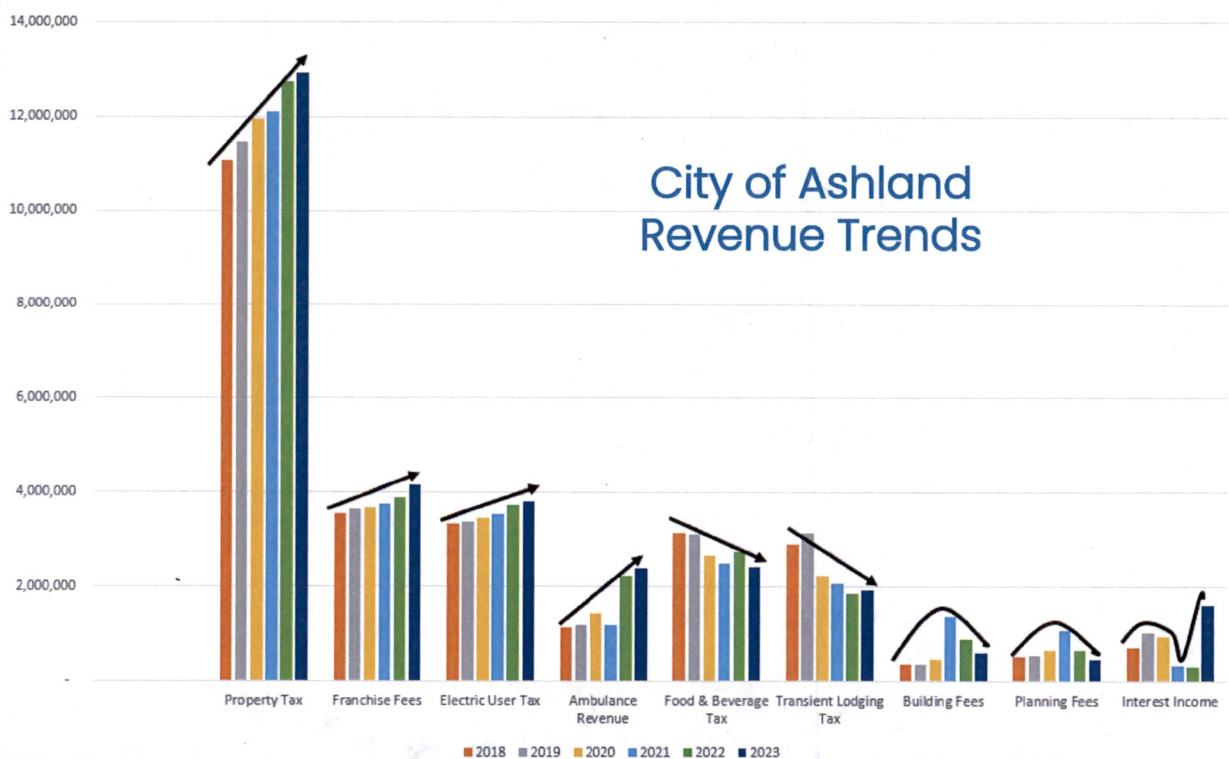
- ✓ Collaboration among departments
- ✓ Mitigate potential volatility
- ✓ Diversity is key
 - In jobs/industry, housing, tourism offerings, demographics

❖ *Revenue Study's Purpose:*

- Support the overall goal of Long-Term Financial Stability
- Ensure that any new implementation improves and strengthens the City's financial foundation
- Consider overall infrastructure – be planful and mindful of all our resources



Major Revenue Streams by Year





City of Ashland Major Revenue Streams

Revenue Chart

Major Revenues

Fiscal Year Ending	2018	2019	2020	2021	2022	2023
						<i>not final</i>
Property Tax	11,077,365	11,465,277	11,947,640	12,110,594	12,757,988	12,939,500
Franchise Fees	3,534,445	3,647,223	3,676,259	3,758,067	3,886,308	4,147,800
Electric User Tax	3,329,704	3,378,833	3,446,443	3,532,748	3,720,652	3,811,011
Ambulance Revenue	1,150,741	1,206,554	1,434,058	1,206,415	2,236,249	2,383,009
Food & Beverage Tax	3,135,746	3,114,437	2,658,308	2,487,578	2,748,555	2,424,900
Transient Lodging Tax	2,909,529	3,134,108	2,236,782	2,072,823	1,868,282	1,941,153
Building Fees	370,346	371,256	475,021	1,389,441	915,287	610,181
Planning Fees	520,618	546,844	667,488	1,089,585	658,586	469,982
Interest Income	708,809	1,035,443	945,387	352,621	310,030	1,608,327
Court Fees & Fines	426,453	365,326	301,335	204,142	121,294	115,200
Parking Fees	413,223	476,378	313,793	168,846	135,241	194,300



Revenue Study

Potential New Sources of Revenue

- New Fees/Increased fees
 - Park Utility Fee; Trailhead Fee; Increase AFR Fee; look at Franchise Fees; etc.
- New Tax/Increase Tax
 - Excise tax, make F&B permanent; other taxes
- New Taxing District
- Tax Increment Financing
- Debt / Bond
- Grant revenue



Revenue Study

Outline -

- ❖ Review and anticipate intermediate-term budget needs with a long-term eye
 - Rising personnel costs, deferred maintenance, etc
- ❖ Work with Consultant to flush out feasible options based on current initiatives
 - Review new revenue options, but also *current* revenue streams
- ❖ Present to Council the findings and propose next steps



Revenue Study

Other Considerations

- ❖ Budget for study is \$58,200
- ❖ Falls under Intermediate Procurement
 - Will seek 3 informally solicited quotes
- ❖ Contract is within the procurement authority of the City Manager

Overall timing

- ❖ Determine Consultant, 1-2 months (Dec '23)
- ❖ Revenue Study, 2-3 months (Mar '24)
- ❖ Submit Findings, Spring '24
- ❖ Implementation

QUESTIONS?

