

MINUTES

**Eugene Budget Committee
Bascom-Tykeson Room, 100 West 10th Avenue
Eugene, Oregon 97401**

**June 3, 2013
5:30 p.m.**

Committee Members Present: City Council Members George Brown, Betty Taylor, Alan Zelenka, George Poling, Mike Clark, Clair Syrett, Greg Evans, Chris Pryor; Budget Committee Citizen Members Laura Illig (Chair), Ken Beeson, Robert Clarke, Chelsea Clinton, Doug Smith, Jill Fetherstonhaugh, Marshall Wilde (*via conference phone*)

Committee Members Absent: Vice-Chair Mark Rust

CALL TO ORDER

Chair Illig called the meeting to order at 5:30 p.m.

I. COMMITTEE DISCUSSION

Budget Committee Discussion:

- Discussion started with Councilor Taylor's amendment to Chair Illig's original motion, where the Committee ended discussion at the May 30, 2013 meeting.
- The City Council should adopt a policy on reserve size, usage and replenishment of reserves, and spending one-time funds for ongoing expenses.
- Suggestion that the Budget Committee recommend to Council that the Budget Committee meet at least six times in the next six months to form a longer term policy strategy.

MOTION AND VOTE: Councilor Zelenka, seconded by Councilor Syrett, moved to table Councilor Taylor's amendment and Chair Illig's motion. MOTION CARRIED.

MOTION: Councilor Zelenka, seconded by Ms. Fetherstonhaugh, moved to adopt the City Manager's proposed budget as written. (No vote occurred.)

MOTION: Councilor Clark, seconded by Councilor Brown, moved to substitute the following motion: Fund the FY14 budget with the City Manager's recommended cuts restored for one year by the following:

\$1.1 million from projected PERS savings
\$1.7 million from City Hall Facility Reserve, and
\$2.5 million from the Reserve for Revenue Shortfall

The Budget Committee will make strong recommendation to City Council to set up to six meetings with the Budget Committee prior to December 31, 2013, to formulate a long term, multi-year financial strategy and policy for the City.

Budget Committee Discussion:

- Councilor Syrett asked if Councilor Clark would accept a friendly amendment to add back \$30,000 in general fund dollars and \$25,000 in in-kind support to LRAPA. Councilor Clark and Councilor Brown accepted the friendly amendment.

- Concern that if the Committee does not make any reductions, the budget gap will continue to increase exponentially in the coming years.
- The Budget Committee has cut \$24 million out of the budget over the last several years.
- Councilor Zelenka asked for a friendly amendment to the motion to solidify the Chair of the Budget Committee, the Mayor, the Council President and the City Manager develop the proposed process for the additional Budget Committee meetings that would be held after the FY14 budget is adopted. Councilor Clark and Councilor Brown accepted the friendly amendment.
- A discussion by the City Council of revenue opportunities should take place.

VOTE on SUBSTITUTE MOTION: PASSED: 11:4, Councilor Taylor, Councilor Poling, Councilor Zelenka and Ms. Fetherstonhaugh opposed.

The substitute motion included the following revisions to Councilor Clark's motion: Move that the Budget Committee takes to the public hearing on Wednesday, June 5, 2013 the motion that passed. The Budget shall include restored funding to LRAPA with \$30,000 from the General Fund and \$25,000 in-kind. Request that the Chair of the Budget Committee, the Mayor, the Council President and the City Manager develop a proposed process for the additional Budget Committee meetings that would be held after the FY14 budget is adopted.

VOTE on MAIN MOTION: PASSED: 12:3, Councilor Taylor, Councilor Pryor and Ms. Fetherstonhaugh opposed.

MOTION AND VOTE: Councilor Evans, seconded by Councilor Brown, moved to cancel the Budget Committee Meeting on Tuesday, June 4, 2013. PASSED: 14:1, Mr. Smith opposed.

ADJOURN

The meeting adjourned at 6:35 p.m.

Respectfully submitted,

Jessica Mumme,
Program Coordinator, Finance Division