

A G E N D A  
EUGENE BUDGET COMMITTEE  
Wednesday, March 7, 2012  
**Council Chambers, City Hall**  
777 Pearl Street, 5:30 p.m. – 9:00 p.m.



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|----------------|---|
| 5:30-5:35 p.m. | I. OPENING REMARKS<br>Claire Syrett, Chair  |
| 5:35-6:05 p.m. | II. PUBLIC COMMENT<br>This is an opportunity for members of the public to comment on budget priorities. Comments will be limited to three minutes per person and may be less, depending on the number of persons wishing to comment. Budget Committee members may ask clarifying questions of those testifying and will be given an opportunity to comment on what they have heard from the public at the end of the public comment time. |
| 6:05-7:00 p.m. | III. DISCUSSION<br>Committee Discussion   |
| 7:00-7:15 p.m. | -BREAK-   |
| 7:15-9:00 p.m. | IV. MOTIONS<br>Committee Discussion   |
| 9:00 p.m.      | ADJOURN   |

We are committed to access for all participants. All events are held in wheelchair accessible rooms. For individuals who are hearing impaired, an interpreter, note taker or FM assistive listening system (if available) can be provided with one week notice prior to the event. Materials can be made available in alternate formats if requested in advance and are available on the City's website at [www.eugene-or.gov/budget](http://www.eugene-or.gov/budget). To arrange for services or for more information about the session, please contact the Finance Division at (541) 682-5512.



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# MEMORANDUM

**Date:** March 7, 2012  
**To:** Budget Committee Members  
**From:** Mia Cariaga, Assistant Finance Director, (541) 682-5408  
**Subject:** Follow Up & Meeting Information

The following is included in this packet:

1. A numbered list of the original FY13 Strategies and the list of alternative strategies.
2. Example motions.
3. Updates to outstanding questions.

Please let me know if you have any questions.

#	Date Requested	BC Member	Question/Information Request	Department
1.	2/29/12	Pryor	History on how often both an engine and a truck have been needed at the same time out of Station 2.	FIRE

In progress.

2.	2/29/12	Ortiz	Statistics for Trainsong, Roosevelt area use of Station 2 services.	FIRE
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In progress.

3.	2/22/12	Barofsky	Information on other funds.	ALL
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Please find overviews for the following attached:

- Road Fund (131)
- Construction & Rental Housing Fund (150)
- Parking Services Fund (520)
- Ambulance Transport Fund (592)
- Fleet Services Fund (600)

4.	3/6/12	Rust	Clarification on \$800,000 in Parks and Open Space General Fund reductions referenced in March 5 <sup>th</sup> memo.	PW
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The information presented on page D.38 of the FY12 Adopted Budget compares the FY10 ACTUALS of \$4,709,248 with the FY12 BUDGET of \$4,582,190 for the Parks and Open Space General Fund. The General Fund BUDGET for FY10 was \$4,920,457. Comparing the BUDGETS from FY10 to FY12, a net reduction of \$338,267 was achieved, without adjusting for inflation increases or decision package reductions.

The \$800,000 General Fund reduction represents a BUDGET reduction from FY10 through FY13. The information presented on page 13 of the FY13 General Fund Strategy reports ACTUAL expenditures for the Parks and Open Space Service Category including the General Fund, Road Fund and the Parks SDC Fund. The General Fund portion of the Parks and Open Space Service Category BUDGET was reduced from FY10 through FY13 by \$758,704 (see table below). If the General Fund reductions were not implemented, the FY13 budget would have been approximately \$5.7 million. The adopted BUDGET is net of decision package reductions.

The ACTUALS reflect savings from the BUDGET due to cost reduction measures during the fiscal years presented and a concentrated effort to reduce general fund expenditures. The goal of the general fund reductions from FY10 through FY13 was to achieve savings with minimal impacts on services or employees and resulted in a reduced Parks and Open Space baseline budget during this period.

### **Summary of Parks and Open Space Service Category**

#### **FY10 Budget through FY13 Proposed Budget**

<b>Fund</b>	<b>FY10 Adopted Budget</b>	<b>FY11 Adopted Budget</b>	<b>FY12 Adopted Budget</b>	<b>FY13 Proposed Budget</b>	<b>Total GF Reductions</b>
<b>General Fund - 011 Baseline</b>	<b>\$ 5,079,872</b>	<b>\$ 5,075,647</b>	<b>\$ 4,517,436</b>	<b>\$ 4,620,479</b>	<b>(768,704)</b>
<b>Decision Packages Decreases</b>	<b>(168,116)</b>	<b>(612,691)</b>	<b>(16,660)</b>	<b>(11,016)</b>	
<b>Sub-Total General Fund - 011</b>	<b>4,920,457</b>	<b>4,472,953</b>	<b>4,501,096</b>	<b>4,579,434</b>	
<b>Road Fund - 131</b>	<b>63,309</b>	<b>95,917</b>	<b>96,596</b>	<b>104,542</b>	
<b>Parks SDC - 336</b>	<b>66,000</b>	<b>95,000</b>	<b>90,000</b>	<b>90,000</b>	
<b>Grand Total</b>	<b>\$ 5,049,766</b>	<b>\$ 4,663,870</b>	<b>\$ 4,698,472</b>	<b>\$ 4,773,976</b>	

5.	3/6/12	Ortiz	What are we responsible for if LRAPA were not there to provide services? What are Springfield and Lane County doing for LRAPA ?	CS
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The City of Springfield and Lane County previously have withheld dues. City Manager Jon Ruiz and City Attorney Glenn Klein will meet with LRAPA Executive Director Merlyn Hough on Thursday morning, 3/8. Staff will be able to respond more fully after that meeting.

6.	3/6/12	Ortiz	What are is Springfield doing in relation to LCAS?	CS
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The City of Springfield provides its own in-house animal code enforcement and dog licensing services within the Service Bureau of the City Police Department, and contracts with Lane County for shelter services. In FY12, Springfield has a total appropriation of \$128,163 for all animal services, which includes \$47,257 for Lane County shelter services and \$80,906 for in-house enforcement and licensing services. Springfield has budgeted animal services revenue at \$25,000 in FY12, mainly from sale of dog licenses, so General Fund expenditure net of revenue is expected to be \$103,163. If Lane County no longer provides public shelter services, Springfield would need to purchase shelter services, either directly from an organization with available private shelter capacity or from the publicly-owned shelter operated by a community partner. The City of Springfield is participating in transition discussions with the City of Eugene and Lane County.

7.	3/6/12	Farr, Poling	Options for branch hour reductions other than proposed strategy.	LRCS
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Please see the attached memo from Renee Grube, LRCS Director.

8.	3/6/12	Clinton	What are the Sister City contracts for?	CS
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Eugene has four sister cities: Chinju, South Korea; Kathmandu, Nepal; Kakegawa, Japan; and Irkutsk, Russia.

The City of Eugene has provided varying levels of support to sister city efforts over the decades, in more recent years contracting with the four sister city committees for services and activities including coordination for volunteer efforts; oversight for inbound and outbound delegation visits; informal translation services; coordination of logistics, events, home stays and follow up for all official delegation visits; assistance with visa arrangements; assistance to Eugene residents in communication with sister cities; participation in community education and presentations; and assistance in selecting gifts for sister city delegations.

The sister cities program has been part of City of Eugene government since 1961, when Chinju became Eugene's first sister city. Sister city relationships followed with Kathmandu (1975); Kakegawa (1979); and Irkutsk (1988).

As part of FY10 budget changes, a number of contracts across the organization were cut. The contract amount for each of the sister city committees was reduced from \$7,500 to \$5,000. Since then, the City has provided for the same amount to each committee, for a total City commitment of \$20,000.

If we eliminate the contracts, we believe the Eugene committees would continue - but their efforts could be curtailed without some level of financial support. We don't know how any reduction in our nominal contribution would be received by our sister city colleagues abroad, who participate more actively and formally than Eugene currently does.

9.	3/6/12	All	Request for copy of recent Council memo from Sustainability Commission related to transportation.	CS
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Please find this attached.

6.	3/6/12	Illig	LRAPA has provided a lot of information about the impacts to the organization from the City not paying membership dues. What would be the impact on the outcome of clean air from the reduction?	CS
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The Oregon Department of Environmental Quality could assume certain air protection responsibilities. City Manager Jon Ruiz and City Attorney Glenn Klein will meet with LRAPA Executive Director Merlyn Hough on Thursday morning, 3/8, and staff will be able to provide additional information about the impacts of this proposed budget reduction afterward.

7.	3/6/12	Illig	For the Ridgeline strategy, what would be the dollar amount from lost grants that would no longer be accessible because of the reduction? How contingent are grants on the current funding level?	PW
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In progress.

## FY13 Budget Strategies

The FY13 budget strategies are described in the following list and attached pages. The strategies included a mix of one-time and ongoing changes. There are two strategic investments made in the General Fund in FY13: \$175,000 is added for one-time funding for Opportunity Eugene issues and \$350,000 is added for additional jail beds. There are a total of \$4.4 million of ongoing cost reductions included in the budget, which are made up of the categories below.

	<b>Page #</b>
<b>Service Level Change &amp; Strategic Investments</b>	
1 Jail Beds - Additional Funding (ongoing)	<b>1</b>
2 Increase Ambulance Capacity / Eliminate Second Fire Company at Fire Station #2 (1X\$ expiration)	<b>2</b>
3 Animal Services Reduction	<b>3</b>
4 Branch Library Hours Reduction	<b>4</b>
<b>Human Services Strategy</b>	<b>5</b>
5 Funding for Opportunity Eugene Issues (1X\$)	
6 HSC Reduction - Ongoing	
<b>Memberships and Services Held in Abeyance</b>	
7 LRAPA Dues Held in Abeyance	<b>6</b>
8 LCOG Dues and Services Held in Abeyance	<b>7</b>
9 Ridgeline and Natural Area Maintenance Reduction Held in Abeyance	<b>8</b>
<b>Reorganizations</b>	<b>9</b>
10 Central Services Reorganization	
11 Library, Recreation and Cultural Services Reorganization	
12 PDD Restructuring	
<b>Revenue Increases and Funding Shifts</b>	<b>10</b>
13 Increase in Recreation Program and Increase in Toxics Program Revenues	
14 Reduce Contingency to Fund Council Memberships & Travel	
15 Telecom Finance Support Shifted to Telecom Fund	
16 Reallocate Fire Overtime to the Ambulance Transport Fund	
17 Hult Center Major Maintenance General Fund Subsidy Reduction	
<b>Administrative Changes</b>	<b>11</b>
18 Non-Represented Employees - Zero COLA	
19 Memberships Held in Abeyance	
20 Eliminate Non-Sworn Vacant Positions and Reduce Extra Help Budget	
<b>Internal Service Fund Changes</b>	<b>12</b>
21 Risk and Health Rate Reduction	
22 Facilities Rate Reduction	
23 Information Systems and Services Rate Reduction	
24 Fleet Operations Rate Reduction	
25 Fleet Replacement Transfer Reduction	

## Alternate Budget Reduction Strategies

#	Item	Ongoing Impact	One-Time Impact
26	Rolling Brownouts or Closing a Fire Station	\$300,000 to \$1,425,000	
27	Close Downtown Library One Day per Week	\$450,000	
28	Close Neighborhood Park Restrooms	\$94,000	
29	Close a Pool	\$400,000 to \$500,000	
30	Reduce One Additional Planner (in addition to FY13 restructuring reductions)	\$100,000	
31	Eliminate Sustainability Program	\$130,000	
32	Eliminate Equity & Human Rights Program	\$380,000	
33	Eliminate Neighborhoods Program	\$630,000	
34	Reduce Community Service Officers	\$85,000 to \$185,000	
35	Eliminate Second CAHOOTS Van	\$300,000	
36	Eliminate Council Memberships Budget	\$22,000	
37	Eliminate Council Travel Budget	\$14,500	
38	Eliminate HazMat Team	\$200,000	
39	Eliminate Jail Funding Added in FY13 Budget Strategy	\$350,000	
40	Eliminate Mental Health Court Program	\$50,000	
41	HSC Discretionary Funding	\$860,000	
42	HSC Directed Funding - Looking Glass Station 7	\$36,000	
43	St Vincent dePaul Contract for Homeless Camping (City Contract)	\$81,000	
44	Eliminate Sister Cities Contracts	\$20,000	
45	Eliminate Council Contingency (could be ongoing or one-time)*	\$50,000	\$50,000
46	Eliminate Opportunity Eugene Funding Added in FY13 Budget Strategy		\$175,000
47	Eliminate Funding for Portable Restrooms from SB#1		\$25,000
48	Remainder of Occupy Eugene Allocation (no additional spending occurs)		\$150,000

\*Leaving \$28,000 for possible election costs.

## Sample Motions

### **Where a specific strategy offset and dollar amount is known:**

I move to recommend restoring \$\_\_\_\_\_ of strategy #\_\_, the \_\_\_\_\_ strategy, on an ongoing basis by reducing a like amount of strategy #\_\_, the \_\_\_\_\_ strategy.

-or-

### **To add an item that is not currently included in the strategies:**

I move to recommend funding \$\_\_\_\_\_ of \_\_\_\_\_ service, on an ongoing basis by reducing a like amount of strategy #\_\_, the \_\_\_\_\_ strategy.

-or-

### **Where a concept is identified, but specific dollar amounts or detailed strategies might not be known yet:**

I move to recommend restoring a portion of strategy #\_\_, the \_\_\_\_\_ strategy, on an ongoing basis by reducing a like amount of strategy #\_\_, the \_\_\_\_\_ strategy, with options for how to implement the change brought back to the Committee at our next meeting.

## Road Fund (131)

## Special Revenue Fund

The purpose of this fund is to account for the operations and maintenance (O&M) of the City's street transportation system. Activities include street surface repair, street lighting, signing and striping, traffic signal maintenance, transportation planning and engineering and street tree maintenance. Resources are provided from Eugene's share of State Highway Trust Fund allocations, revenues from the utility systems for the use and occupancy of the city's right-of-way, and other miscellaneous grants, fees and permits.

**Service Categories:** Transportation; Parks & Open Space; Urban Forestry; Public Works Administration

### **Facts, decisions or conditions that are expected to have a significant effect on fund revenues or expenditures.**

**For FY13:** The 2009 Jobs and Transportation Act (JTA, HB 2001) was fully implemented in FY12. The economy is affecting the growth of the State Highway Trust Fund and projections have been accordingly adjusted downward.

**For fiscal years beyond FY13:** The State Highway Trust Fund and utility fund payments for use of the right of way are the two major sources of revenue for this fund. A future challenge for this fund is the pace of expenses increasing faster than revenues.

### **Important fund accomplishments, opportunities or challenges:**

The most significant challenge for this fund is the impact of ongoing economic conditions in the State of Oregon. The forecast shows this fund in a deficit situation starting in FY16. The gas tax provides about 45 percent of the State Highway Fund's ongoing revenues. However, gas tax receipts have been flat or declining for half a decade and this may be a continuing trend as the fuel efficiency of new cars has increased by 16 percent since 2004. Nationwide gasoline use peaked in 2006—before the recession and high gas prices reduced driving—and many experts project it will stay flat into the future as fuel efficiency increases and non-gasoline vehicles gain market share.

### **Relationships with other funds:**

The operations and maintenance activities for the city's transportation system, conducted out of the Road Operations Fund (131), has a close relationship with the Pavement Preservation Program. This program addresses the road repair backlog and is accounted for in the Pavement Preservation Fund (subfund 342), which is part of the Transportation Capital Projects Fund (340). An adequately-funded program in either of these areas reduces costs in the other program area. While the operations and maintenance (O&M) program in the Road Fund is currently stable and over time reduces capital preservation costs, the city still faces considerable challenges with the Pavement Preservation Program (capital).

**Forecast methodology for major revenue sources (top 75% of revenues):** Roughly 82% of this fund's revenue is generated from the State Highway Trust Fund. The State Highway Trust Fund forecasted revenue is based upon the most recent projection data from ODOT, which shows growth in the revenue stream throughout the six-year forecast period.

This reporting fund includes two subfunds. The Construction Permits Fund (151) is fully supported through assessed fees and accounts for all activities in the construction process, from the review of proposed construction plans and permit issuance to final inspections and occupancy. The Rental Housing Fund (152) is also fully supported through program-generated revenue and accounts for the collection of annual rental unit fees. Staff provides assistance with habitability issues in rental units and helps facilitate the completion of health and life safety improvements with rental owners and tenants.

**Service Categories:** Infrastructure and Planning Services - Construction Permits

**Facts, decisions or conditions that are expected to have a significant effect on fund revenues or expenditures.**

**For FY13:** Construction activity in Eugene is changing; new home construction is down almost 50% from peak levels while large, commercial construction is surpassing pre-recession levels. The challenge is to adapt services to a new level of demand while maintaining a sustainable budget and flexible staffing levels. The proposed budget for FY13 has no change in fees or staffing levels. No changes are proposed for the Rental Housing Program as the City Council will decide this Spring whether to continue the program as is, make changes, or let it sunset.

**For fiscal years beyond FY13:**

It seems doubtful that historical construction trends will return, making future long-term projections difficult. Conservative assumptions for this fund include a 1% increase in building activity each year through FY18 with a 5% fee increase proposed for FY14 and FY17. Staff will also implement new technology designed to improve permit timelines for customers, help contain costs in future years, and reduce our carbon footprint. No assumptions are being made about the Rental Housing Program until Council action this Spring.

**Important fund accomplishments, opportunities or challenges:** As a result of eliminating 18 FTE over FY09 and FY10 and reducing associated operating costs, this fund had adequate reserves in place to weather the recession without cutting services and without the need for assistance from the General Fund. The challenge now is to rebuild fund balance to an adequate level given very modest projections for increased activity over the next few years.

**Relationships with other funds:** Reduced development activity has a direct impact on System Development Charge (SDC) fee revenue and property tax revenue, which would impact the SDC Capital Development Fund and the General Fund.

**Forecast methodology for major revenue sources (top 75% of revenues):** Building permit activity forecasts are based on State of Oregon economic indicators for new housing starts, land use activity, building permit activity, local economic conditions, and project proposal discussions. Rental Housing activity forecasts are based on one-quarter of the estimated population increase for Eugene.

The Parking Fund is an enterprise fund that accounts for operations of the City's parking program. The program includes transportation and economic development planning, enforcement, permitting, meters, residential zones, parking lots, parking structures, maintenance, and downtown security. The fund is a self-sufficient fund and receives no outside subsidies, which is unique for municipal parking programs. In fact, Eugene's Parking Fund is one of few municipal parking funds that provide significant support to the General Fund. The Parking Fund is currently financially challenged, but the financial outlook is positive given the amount of new downtown and campus economic activity. The current situation is due to a variety of reasons ranging from foregone revenue associated with free parking programs, increased General Fund transfer, the sale of assets, to capital improvements in downtown parking facilities.

**Service Category:** Parking Services; Greater Downtown Services; Capital Projects; Public Buildings & Facilities.

**Facts, decisions or conditions that are expected to have a significant effect on fund revenues or expenditures:**

**For FY13:** Over the last year, the Parking Fund has made considerable investments in the parking system. The fund has moved its commercial leased spaces off of EWEB steam heat (\$500,000), replaced 20-year old gate arm equipment in two garages (\$280,000), sold two downtown parking lots that generated over \$100,000 in annual revenue to enable Lane Community College's downtown campus to be built, invested in downtown businesses by removing on-street parking meters and foregoing \$440,000 over the two year investment, doubled garage security staffing in the downtown core to discourage illegal activity, maintained open public restrooms for an additional \$250,000 per year, and increased the transfer to the General Fund in FY11 by \$560,000.

**For fiscal years beyond FY13:** New downtown developments and campus activity will likely increase parking needs and the demands on the system, especially in our six large parking structures. In order to balance the budget, we also anticipate a need to increase downtown parking rates, which have remained unchanged for 20 years.

A parking structure condition assessment has identified outstanding capital needs of \$4.3 million. Given current assumptions, the fund will not have sufficient resources for capital projects scheduled in the CIP for FY13 through FY17.

**Important fund accomplishments, opportunities or challenges:** Parking staff is working to ensure that revenue is adequate to cover operating and capital costs while still serving customers appropriately. The ongoing challenge is to use parking to leverage higher and better uses, promote economic activity, maintain neighborhood livability, and fit within the transportation system.

**Relationships with other funds:** The Parking Fund transfers about 25% of its annual operating revenue to the General Fund. The Parking Fund transfers an additional \$759,000 to the General Fund in lieu of paying the debt service on the Broadway Garage (paid by the Urban Renewal Agency starting in FY11).

**Forecast methodology for major revenue sources (top 75% of revenues):** The forecast methodology for major revenue sources includes reviewing historical trends and projecting changes to parking rates and occupancy.

The purpose of this fund is to account for the operations of ambulance transportation services and its associated pre-hospital life support care provided to the public. Revenues are provided through user fees and subscription program membership fees.

**Service Category:** Emergency Medical Services; Fire Administration

**Facts, decisions, or conditions that are expected to have a significant effect on fund revenues or expenditures:**

**For FY13:** The U.S. Centers for Medicare and Medicaid Services have been incrementally reducing ambulance transport reimbursement rates and implementing new billing regulations, resulting in reduced net revenue for the fund. Since FY09, a public/private partnership has been in place with a private ambulance company to provide pre-scheduled and inter-facility non-emergent basic life support transports as well as inter-hospital non-emergent intermediate life support (ILS) transports. This partnership assists with the depth of services available in the community, addresses system capacity, and workload issues within the department, and avoids the expense of adding another 24-hour transport unit. The fund continues to serve those that are either under-insured or not insured and have no other ability to pay, causing an increase in uncollectible accounts. Based on current transport projections, the fund is balanced through the end of FY13.

**For fiscal years beyond FY13:** Federal government health programs are expected to continue decreasing reimbursement rates and continued high unemployment would continue to have a significant impact on the patient's ability to pay for emergency transport services. Cost of providing emergency medical transport services will continue to increase. Additionally, system capacity will continue to be an issue. The department is working with a joint elected officials (JEO) group to develop funding options to stabilize the fund.

**Important fund accomplishments, opportunities or challenges:** The department has implemented a multi-phased redesign plan with a number of operational and business modifications designed to bring system costs closer to revenues. The two major challenges the fund continues to face are the balance between financial stability and capacity needs based on call volume. In FY11, a Joint Elected Official Ambulance Transport System Task Team was re-established to evaluate and recommend long-term solutions to the regional problem. This process is still on going.

**Relationships with other funds:** The Ambulance Transport Fund is assessed a Central Services Allocation and pays dispatching fees.

**Forecast methodology for major revenue sources (top 75% of revenues):** The forecast is based on the historical trending analysis of a compilation of gross revenues, write-downs, write offs, and FireMed memberships.

## Fleet Services Fund (600)

## Internal Service Fund

The purpose of this fund is to provide for a way to systematically set aside funding for the purchase of vehicles, equipment and radio infrastructure, and to fund corresponding maintenance. This fund includes two subfunds: Fleet Replacement & Acquisition Fund (616) and Fleet Services Fund (619). Fleet user charges cover vehicle and equipment maintenance expenses, as well as the replacement of vehicles and equipment sold or removed from use. Radio user charges cover radio maintenance expenses.

**Service Categories:** Fleet and Radio Communication Services

### **Facts, decisions or conditions that are expected to have a significant effect on revenues or expenditures:**

**For FY13:** Reductions in the City fleet occurred in FY10 and FY11 due to the City's effort to relieve budget pressures. These reductions resulted in lower-than-projected revenues in FY11. Despite implementing cost-savings measures in the fleet maintenance program, balance available was used for both FY10 and FY11 to cover operating deficits. In addition, one-time funds were used to pay for a fleet facility roof repair, which was found to be structurally damaged from water leakage.

The Fleet Services subfund borrowed from the Fleet Replacement subfund to cover the deficit in balance available resulting from shortfalls in FY11. The fleet maintenance program has been implementing cost saving measures that would enable repayment of the intra-fund loan. However, increasing fuel prices continue to absorb savings realized in other cost centers, and Fleet has been unable to generate an operating surplus. Fleet is working on developing strategies that will result in a financially stable fund, but those strategies have not yet been determined. In the interim, it is currently projected that FY12 may again result in an operating deficit, depending largely on what happens with fuel prices.

Fuel price increases, beyond what is projected in the internal service rates, will affect the health of this fund and will also financially impact other City programs as the costs are passed directly onto them. To reduce fuel use and cost, Fleet Services will continue to obtain more hybrid technology vehicles and newer, cleaner diesel powered equipment, and promote the use of bio-natural fuels. Ongoing utilization reviews will help departments reduce their fleet size whenever possible.

The City's communication facilities do not all meet required grounding, seismic and security standards, which can become an obstacle in applying for federal communication grants.

**For fiscal years beyond FY13:** Increases in fuel, parts and employee costs continue to rise above inflationary levels, causing corresponding increases in the rate and reimbursable revenue charged to City departments. The Fleet Services fund balance will be monitored and brought back up to an adequate level as budget balancing strategies are identified and implemented.

Advances in fleet and radio equipment continue and fleet and radio technicians need to be provided with technical training and the advanced diagnostic tools to maintain the City's fleet. As the City constantly works on reducing its carbon footprint, Fleet staff will continue their

## **Fleet Services Fund (600)**

## **Internal Service Fund**

efforts to bring in alternative fuel vehicles and technologies, and work with departments on finding solutions to their Fleet needs in an environment of constrained revenues.

### **Important fund accomplishments, opportunities or challenges:**

The changes in fleet equipment have outgrown the present fleet and fueling facility. A new Fleet and Radio Communication Services facility is part of the Public Works Master Plan and is an unfunded capital project scheduled for FY13. Costs for the new facility are estimated be about \$20 million. Developing a funding strategy for the construction of this facility will be a major challenge. Fleet Services completed the ECO-Business Certification program in FY11. Fleet Services was recognized as one of the 100 Best Fleets in North America for the third consecutive year in 2011.

### **Relationships with other funds:**

Fleet Services has relationships with all other funds that have vehicles, equipment, and/or radios.

### **Forecast methodology for major revenue sources (top 75% of revenues):**

The fleet and radio operating and maintenance rates account for 95% of the Fleet Services subfund revenues and are set to recover projected operating expenditures only. The fleet replacement rates are calculated to recover the projected cost of the replacement vehicle, at the end of the expected lifecycle.



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# MEMORANDUM

**Date:** March 7, 2012  
**To:** Budget Committee Members  
**From:** Renee Grube, LRCS Executive Director  
**Subject:** Branch Library Reduction Alternatives

Listed below are two possible alternatives to the proposed branch library reductions that are included in the City Manager’s FY13 budget strategy. Both Bethel and Sheldon Branches operate on the same schedule and the recommendations below continue that pattern.

	<b>Hours</b>	<b>Savings</b>	<b>Description</b>	<b>Branch Schedule</b>
Current	56 hrs/6 days	N/A	Open 10 hrs/day, M-Th Open 8 hrs/day, Fri-Sat	M – Th, 10 – 8 F – S, 10 – 6 Sunday closed

	<b>Hours</b>	<b>Savings</b>	<b>Description</b>	<b>Possible Schedule</b>
Proposed	24 hrs/6 days	\$578,703	Open 4 hrs/day, M-Sat Open hours are concentrated to after school & after work. It is anticipated that the branches will be very busy, but the reduction maximizes access during the times most used. Programs will move to Friday & Saturday.	M – Th, 2 – 6 F – S, 11 – 3 Sunday closed
Alternative #1	36 hrs/6 days	\$310,000	Open 6 hrs/day, M-Sat Open hours are concentrated to afternoons & after work. Programs will move to Friday & Saturday.	M – Th, 12 – 6 F – S, 10 – 4 Sunday closed
Alternative #2	42 hrs/6 days	\$149,000	Open 7 hrs/day, M-Sat	M – Sat, 11 – 6 Sunday closed



# Memorandum

**Date:** February 7, 2012  
**To:** Mayor Piercy and City Council  
**From:** Sustainability Commission  
**Subject:** Pedestrian/Bicycle Master Plan

The Sustainability Commission has reviewed the draft Pedestrian/Bicycle Master Plan (PBMP) and we urge your acceptance and strong support for its recommendations. The Plan reinforces current efforts and goals -- including several of Envision Eugene's seven pillars and the Council-adopted goal to reduce fossil fuel use -- and it needs your support in securing funding and political support.

Biking and walking, as "alternative" transportation modes, are poised for growth. Virtually every city-wide goal or imperative depends on moving away from our overwhelming reliance on the car: economic development, energy security, public health and neighborhood livability. Yet our current infrastructure and funding mechanisms all overwhelmingly focus on the car. Implementing and funding this Plan can level the playing field.

The Plan's goal is to make walking and bicycling more attractive than driving for short trips. Achieving this goal will protect the transportation system's capacity. In the long run, our best hope for matching needed transportation infrastructure with available funds is to reduce reliance on motor vehicles, particularly for short trips. As such, **we urge you to prioritize funding the PBMP's recommended projects, estimated in the Plan at \$60 million, as an essential element of all transportation plans and related budgets covering the next twenty years.**

We specifically recommend strengthening the following aspects of the PBMP as it is implemented:

1. **Collecting Accurate Data:** Our current methods of data collection about bicycling and walking trips (census information, occasional surveys, and occasional counts taken by volunteers) are sporadic and unreliable. It will be difficult to monitor the impact of PBMP project investments as a result. A modest investment in accurate non-motorized trip data collection should be part of the system investment.
2. **Prioritization:** In the context of constrained public resources and ambitious goals, it is critical to prioritize those PBMP projects that are "game-changers"; i.e., those that will cause residents to take notice and reassess their transportation options. The Plan would benefit from clearer criteria for prioritizing projects, as well as an annual update process to reflect completed projects, the actual use of new and existing pedestrian/bike infrastructure, and any changed conditions.
3. **Funding: Most importantly,** Eugene needs a dedicated source of funding to build the PBMP projects. The only City funding for pedestrian/bicycle projects in the past few years has been for maintenance

projects in the Street Repair Bond Measure. That bond measure improved pedestrian/bicycle facilities on some re-constructed streets, and applied \$350,000 per year to maintenance of multi-use paths. We applaud Council's decision to include multi-use path maintenance in that Bond Measure. Unfortunately, there have been no dedicated City funds for sidewalk infill or multi-use path construction. At the bond measure's rate of spending, it would take 171 years to build the infrastructure identified in the PBMP. That's too long.

Because the Transportation System Plan, due for adoption in 2013, is the major long-term plan for infrastructure funding, we strongly advise a firm commitment to funding high priority PBMP projects through that process. In the meantime, potential sources of dedicated funding for pedestrian and bicycle infrastructure include:

- A. If another street repair bond measure goes before voters in 2012, we recommend that it include dedicated funding for bicycle infrastructure and sidewalk construction, and not just multi-use path maintenance. The bond measure should help achieve a level of parity between active transportation and automobile funding, which supports community goals to enhance walking and bicycling modes of transportation.
- B. Re-institute and fund a sidewalk infill program. Gaps in the sidewalk system are a significant deterrent to walking, yet there is currently no program or funding for sidewalk infill.

Eugene has an unprecedented window of opportunity to meld the Pedestrian/Bicycle Master Plan with City and Regional Transportation System Plans, Envision Eugene, and Bus Rapid Transit into a single blueprint for a more resilient and sustainable community that can accommodate growth without increased congestion. The Sustainability Commission looks forward to working with you toward that future.

The purpose of this fund is to account for the operations of ambulance transportation services and its associated pre-hospital life support care provided to the public. Revenues are provided through user fees and subscription program membership fees.

**Service Category:** Emergency Medical Services; Fire Administration

**Facts, decisions, or conditions that are expected to have a significant effect on fund revenues or expenditures:**

**For FY13:** The U.S. Centers for Medicare and Medicaid Services have been incrementally reducing ambulance transport reimbursement rates and implementing new billing regulations, resulting in reduced net revenue for the fund. Since FY09, a public/private partnership has been in place with a private ambulance company to provide pre-scheduled and inter-facility non-emergent basic life support transports as well as inter-hospital non-emergent intermediate life support (ILS) transports. This partnership assists with the depth of services available in the community, addresses system capacity, and workload issues within the department, and avoids the expense of adding another 24-hour transport unit. The fund continues to serve those that are either under-insured or not insured and have no other ability to pay, causing an increase in uncollectible accounts. Based on current transport projections, the fund is balanced through the end of FY13.

**For fiscal years beyond FY13:** Federal government health programs are expected to continue decreasing reimbursement rates and continued high unemployment would continue to have a significant impact on the patient's ability to pay for emergency transport services. Cost of providing emergency medical transport services will continue to increase. Additionally, system capacity will continue to be an issue. The department is working with a joint elected officials (JEO) group to develop funding options to stabilize the fund.

**Important fund accomplishments, opportunities or challenges:** The department has implemented a multi-phased redesign plan with a number of operational and business modifications designed to bring system costs closer to revenues. The two major challenges the fund continues to face are the balance between financial stability and capacity needs based on call volume. In FY11, a Joint Elected Official Ambulance Transport System Task Team was re-established to evaluate and recommend long-term solutions to the regional problem. This process is still on going.

**Relationships with other funds:** The Ambulance Transport Fund is assessed a Central Services Allocation and pays dispatching fees.

**Forecast methodology for major revenue sources (top 75% of revenues):** The forecast is based on the historical trending analysis of a compilation of gross revenues, write-downs, write offs, and FireMed memberships.