



**Eugene Central Services
Finance**

**EUGENE BUDGET COMMITTEE
Wednesday, May 11, 2016
Bascom-Tykeson Room, Eugene Public Library
100 W. 10th Ave., Eugene, OR 97401
5:30 – 7:30 p.m.**

- 5:30 p.m. I. Welcome and Minutes Approval**
Laura Illig, Outgoing Chair
- 5:35 p.m. II. Election of Budget Committee Chair and Vice Chair**
Laura Illig, Outgoing Chair
- 5:50 p.m. III. City Manager’s FY17 Proposed Budget**
Jon Ruiz, City Manager
Twylla Miller, Budget and Analysis Manager (AIC)
- 6:20 p.m. IV. Budget Committee Discussion**
Budget Committee Chair
- 7:20 p.m. VI. Wrap-up**
Budget Committee Chair
- 7:30 p.m. VII. Adjourn**

Next Meeting:

Wednesday, May 18, 2016 at 5:30 p.m.

Bascom-Tykeson Room, Eugene Public Library, 100 W. 10th Ave.

The City of Eugene is 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 three business days’ 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/106/Budget. To arrange for services or for more information about the session, please contact the Finance Division at (541) 682-5022.

City of Eugene FY17 Proposed Budget Presentation

Jon Ruiz, City Manager
May 11, 2016



Guiding Principles Have Served Us Well

- **Balanced Approach**
- **Targeted Investments**
- **One-Time Revenues for One-Time Expenditures**
- **Prudent Use of Reserves**
- **Avoided Overcorrection**



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Balanced Approach



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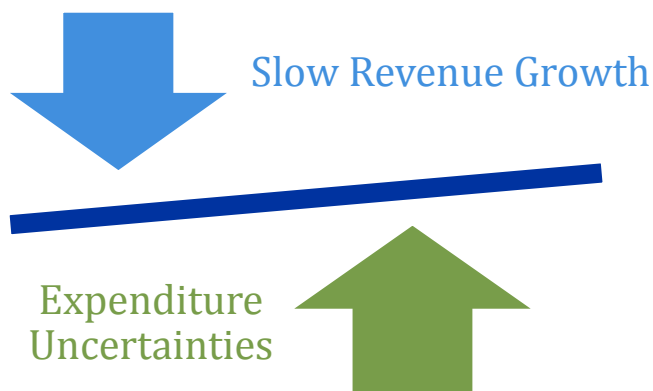
FY17 Proposed Budget

- Steady; No Gap
- Modest Targeted Investments
- Monitoring Uncertainty
- Open to Opportunities
- Living Within Our Means

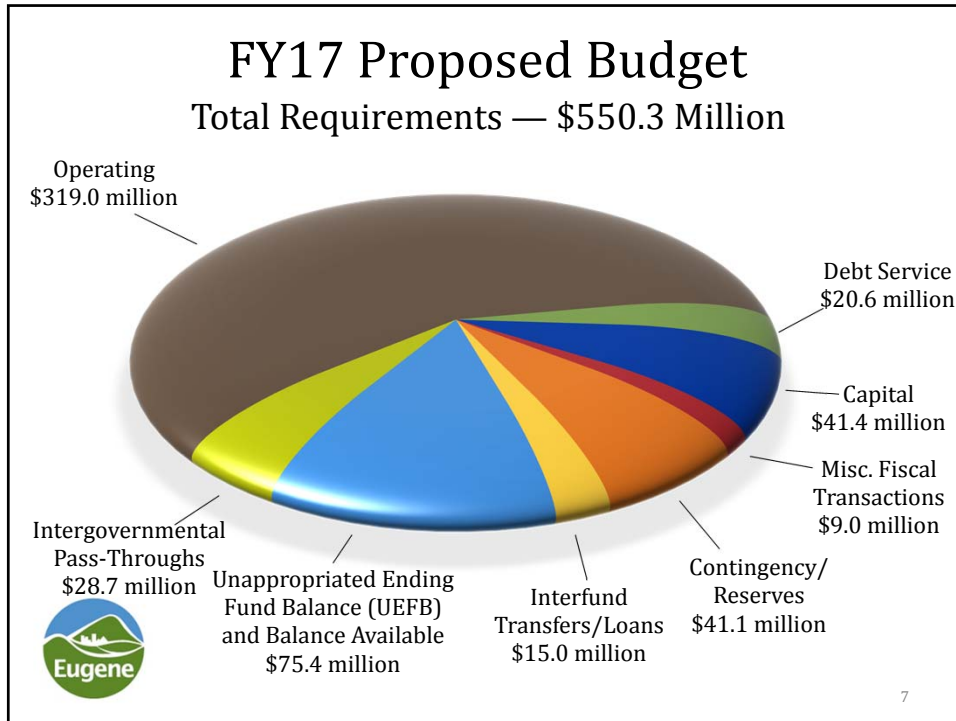


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Achieving the Right Balance



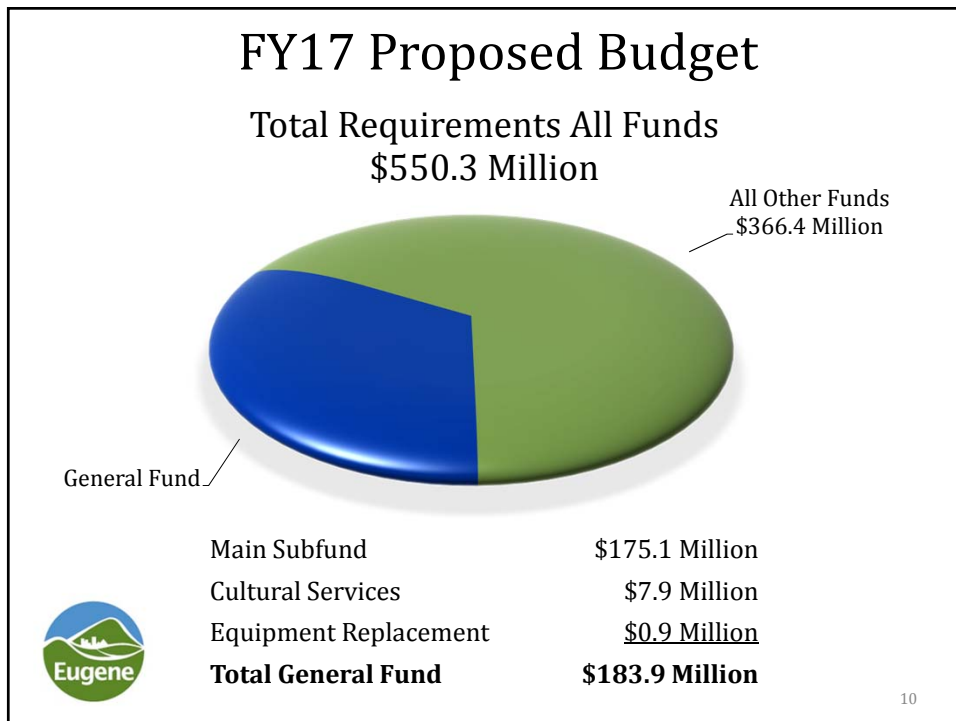
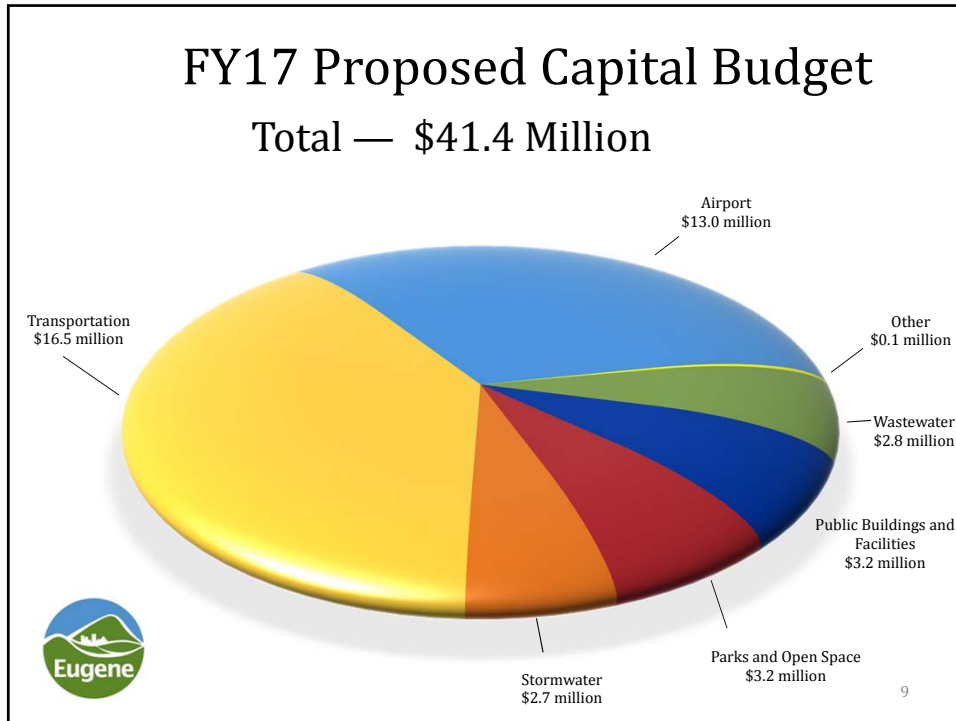
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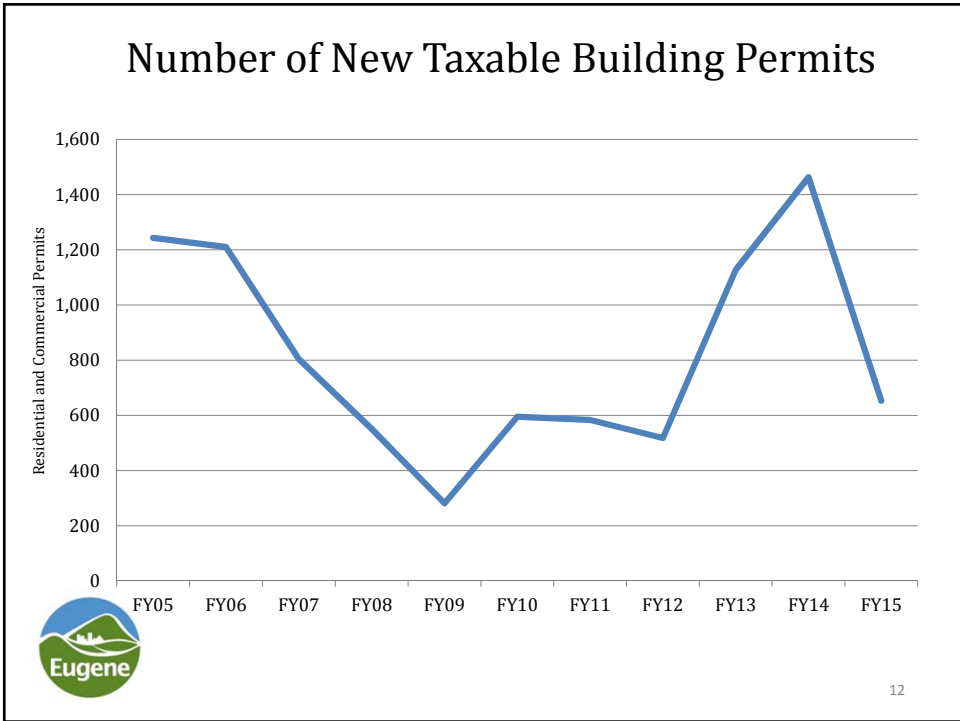
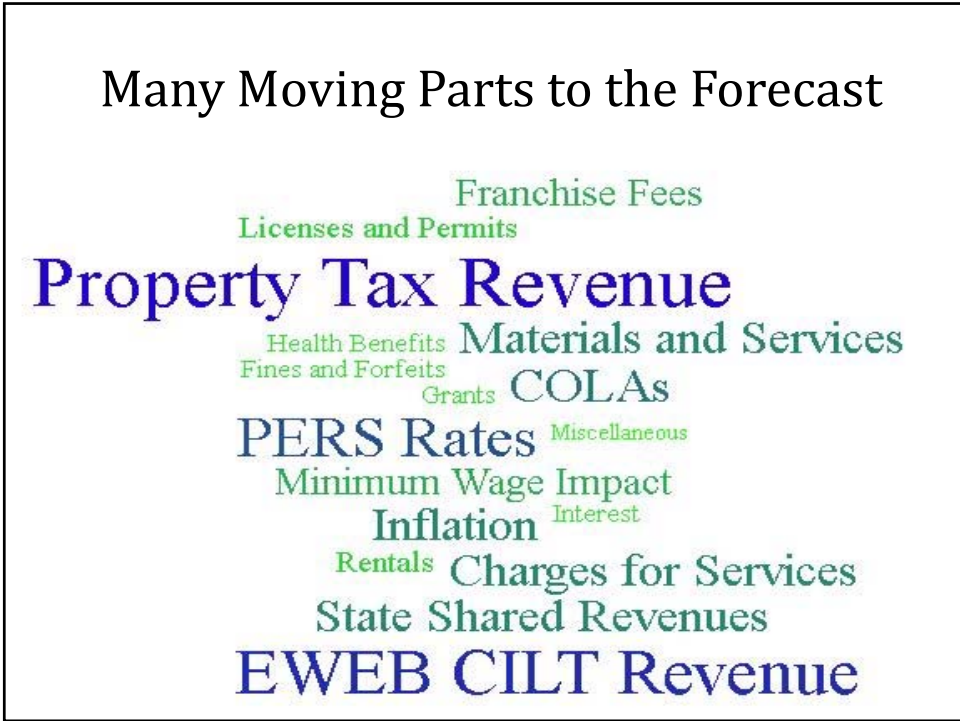


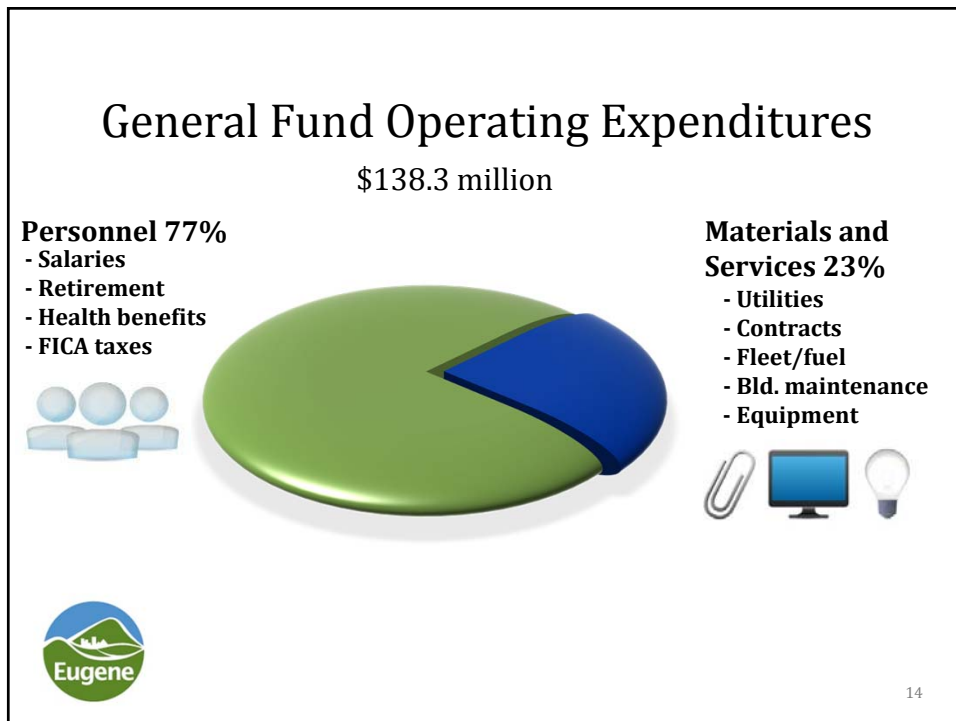
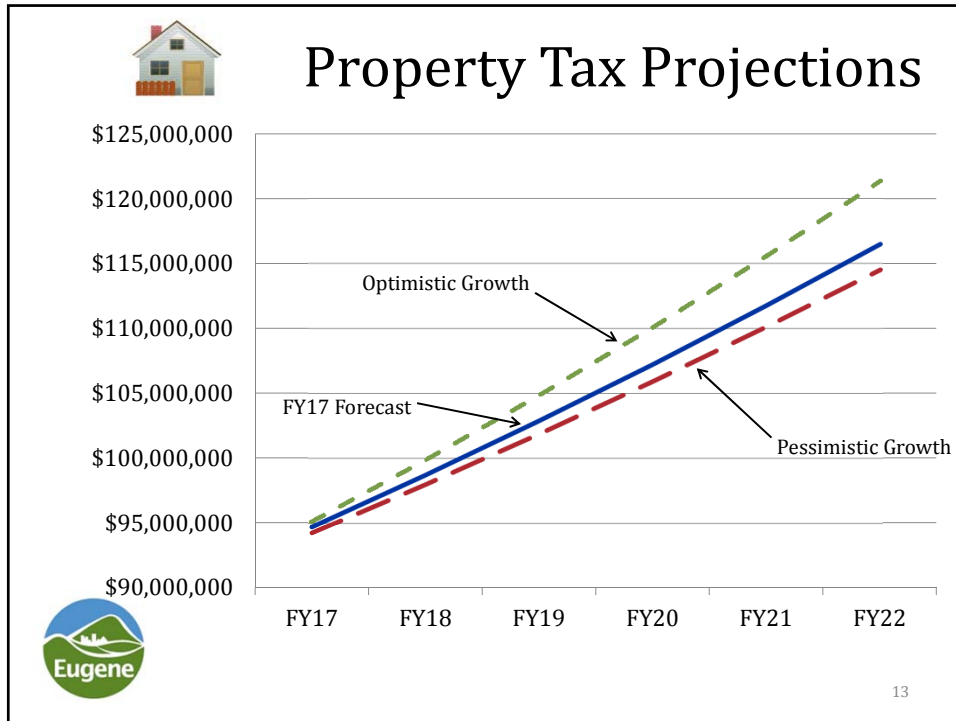
Status of Funds

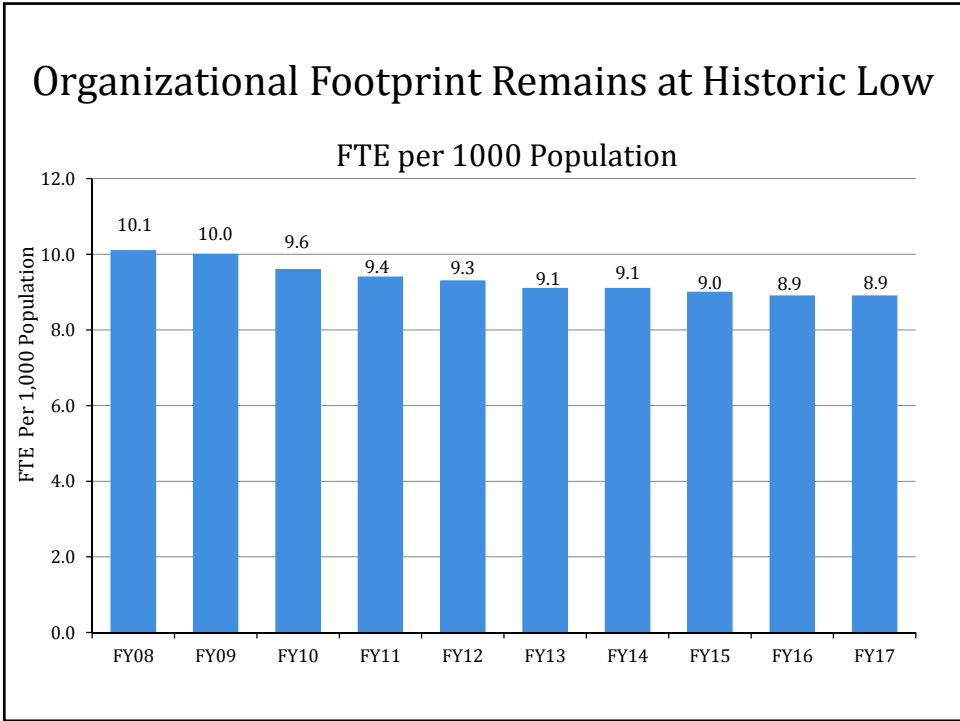
General Fund	Caution
Other Funds:	
Airport Fund	Stable
Ambulance Transport Fund	Caution
Construction and Rental Housing Fund	Stable
Parking Fund	Caution
Public Safety Answering Point Fund	Caution
Transportation Capital Road Fund	Stable
Stormwater Fund	Stable
Wastewater Fund	Stable

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Changes to PERS Unfunded Accrued Liability (UAL) (2013 to 2014)

Source of Increase	Change	Percent of Total Change
Oregon Supreme Court Moro Decision	\$5.1 billion	54%
Updated mortality assumptions	\$1.8 billion	19%
Decrease in assumed investment earnings rate	\$1.7 billion	18%
All other assumption changes/actual experiences	\$0.9 billion	9%
Total Change	\$9.5 billion	100%



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City of Eugene: PERS Rates Projections

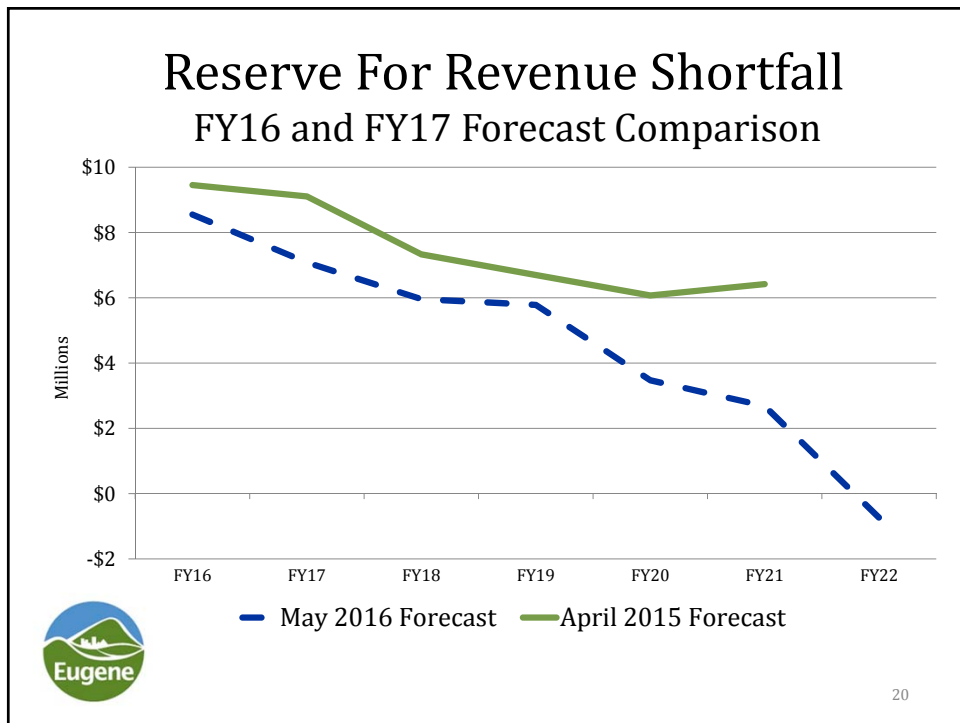
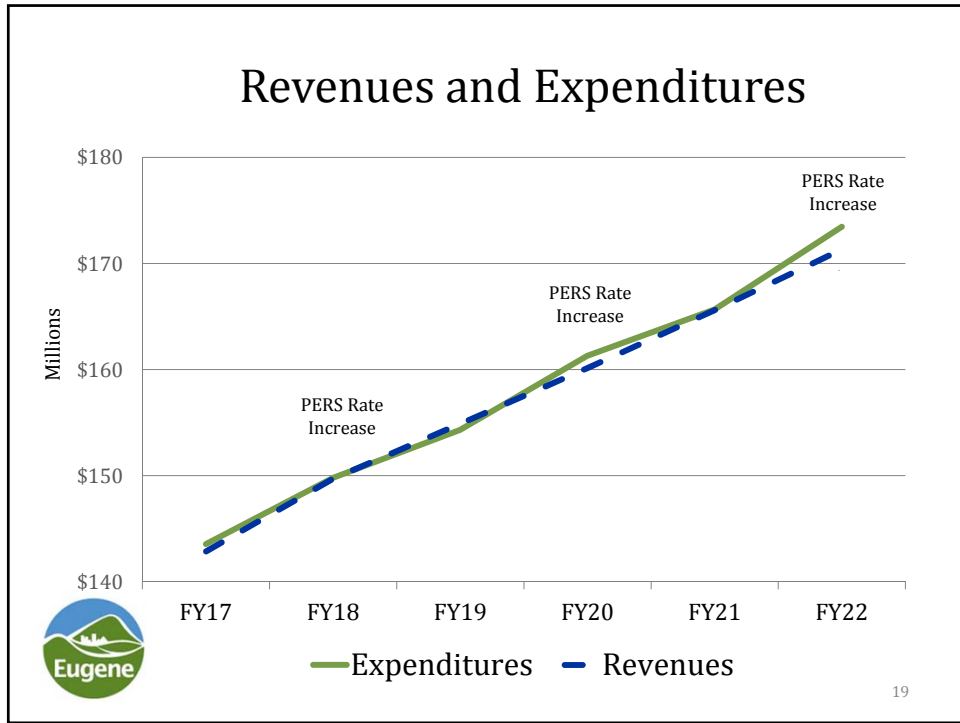
Rates as a % of Payroll	FY17	FY18	FY20	FY22
Tier 1 and 2	17.50%	21.14%	25.14%	30.14%
OPSRP General	10.05%	11.74%	13.94%	16.14%
OPSRP Police and Fire	14.16%	16.54%	19.34%	22.14%



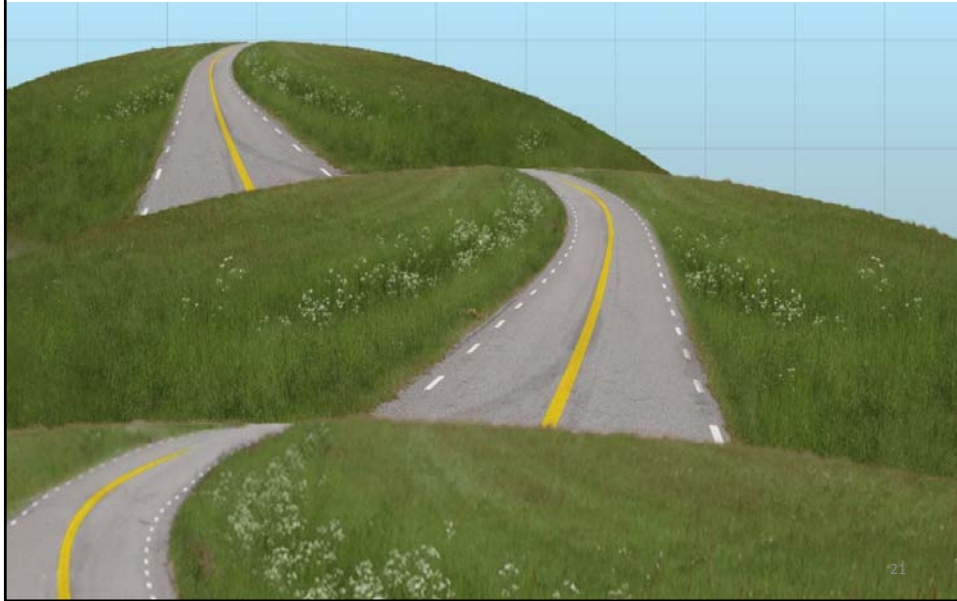
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PERS Rates and Cost Projections





Recommendations for What is Next



FY17 Proposed Budget

- Steady; no gap
- Modest Targeted Investments
- Monitoring Uncertainty
- Open to Opportunities
- Living Within Our Means



FY17 Ongoing General Fund Changes

Proposed Ongoing Funding (Main Subfund)	Amount	FTE
Downtown Portable Restrooms and Handwashing Stations	\$30,000	0
Municipal Court Judges' Salary Increase	\$20,760	0
Minimum Wage Impact (first year)	\$11,500	0
Police Auditor's Office Investigative Services	\$6,000	0
Subtotal	\$68,260	0
Revenue Backed		
Spay and Neuter Clinic Operations and Services	\$130,000	0
Nuisance Abatement Contractual Services	\$20,000	0
Revenue Backed Subtotal	\$150,000	0
Total	\$218,260	0



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FY17 One-Time General Fund Changes

Proposed Limited Duration Funding (Main Subfund)	Amount	FTE
2021 IAAF World Championships Funding	\$500,000	0
Urban Reserves (FY17 and FY18)	\$300,000	0
Body Camera Matching Grant Funding	\$250,000	0
Replacement of Recreation Program Software	\$150,000	0
Community Justice Initiative	\$100,000	0
Greenhill Contract Increase	\$95,000	0
Police Auditor's Office Limited Duration Position	\$49,407	0
Total	\$1,444,407	0



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FY17 Strategic Investments



Community Justice Initiative

- One of 10 cities nationwide to receive \$200,000 U.S. Department of Justice grant
- Eugene Community Court
- \$100,000 in limited duration funding to continue efforts to improve the City's justice system



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FY17 Strategic Investments



Community Justice Initiative

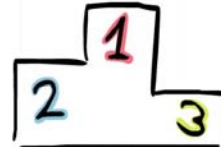
1. Implement community-based problem solving
2. Reduce crime and recidivism
3. Provide individualized treatment for offenders
4. Provide swift resolution of cases
5. Ensure high system cooperation and compatibility
6. Build trust in the community
7. Build an adaptable justice system



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FY17 Strategic Investments

2021 IAAF World Track Championships



FY17 Strategic Investments



Library Staffing Expansion



Library Levy

- \$2.4 million in FY17 funding
- Additional 18.4 FTE
- Includes plan for accountability and transparency

Services

- Restores Sunday morning hours to Downtown Library
- Additional 22 hours each week at Bethel and Sheldon branches
- More free programs for all ages and additional materials and technology



FY17 Strategic Investments



Cultural Services Staffing Expansion



Investments

- \$450,000 annually, beginning in FY17
- Additional 4.88 FTE
- Backed by ticketing revenue

Services

- Hult Center for the Performing Arts to add 40 more events per year
- Support marketing, administration and facilities
- Growth is a result of reinstating Hult Presents and more commercial events



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FY17 Proposed Budget Changes (Other Funds)

Proposed Budget Changes/Fund	Amount	FTE
Airport Operations (Airport Fund)	\$335,400	1.5
Construction-related Activity (Multiple Funds)	\$251,000	1.4
Downtown Credit Card Parking Meters (Parking Fund)	\$186,000	0
Emergency Management (Risk Fund)	\$87,600	1.0
Closed Captioning for City Council Meetings and Website Maintenance (Telecom Fund)	\$69,000	0
Business Development Loan Program (CDBG Funds)	\$28,000	0.25
Total	\$957,000	4.15



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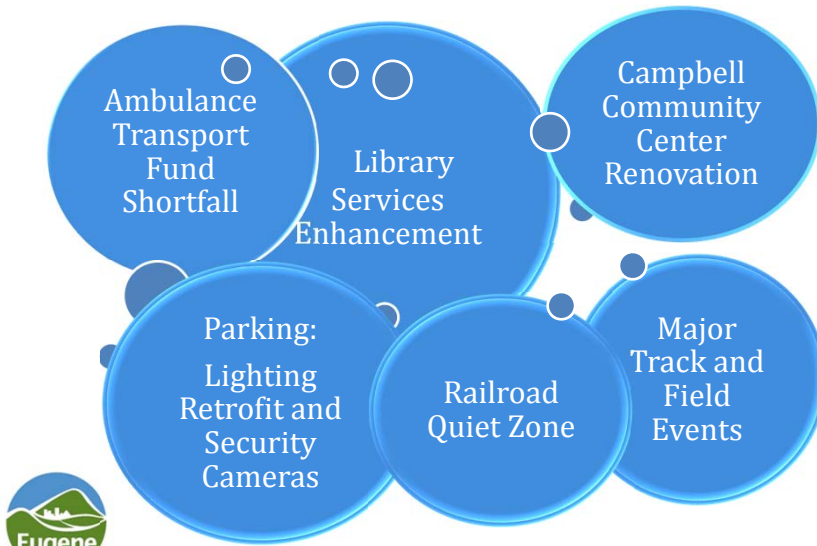
Human Services Funding

FY16 HSC Adopted Budget	FY17 HSC Option
Ongoing Support - \$610,000	Ongoing Support - \$610,000
One-Time - \$250,000	Additional Ongoing Allocation - \$100,000
	Marginal Beginning Working Capital Priority - \$150,000
FY16 Budget - \$860,000	FY17 Option - \$860,000



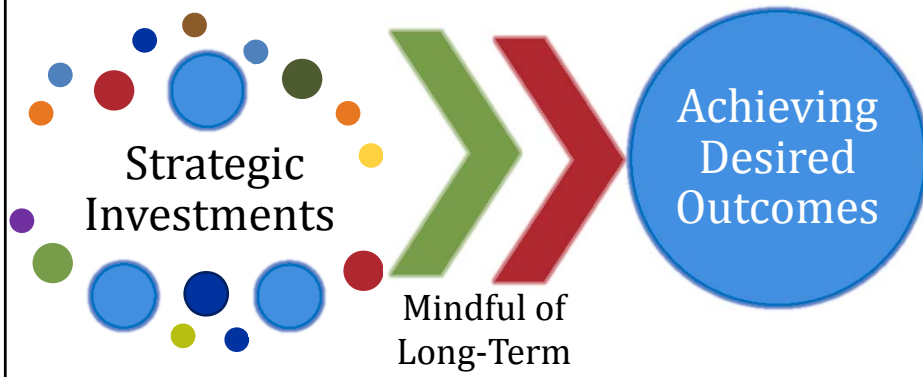
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Progress on FY16-21 MYFP Projects



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Focused Principles Lead to Solutions



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Questions



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