

MINUTES
Eugene Budget Committee Workshop
Eugene Springfield Fire Admin. Headquarters
1705 W 2nd Avenue, Eugene OR 97402

Saturday, February 29, 2020
9:00 a.m.

Committee Members Present: Emily Semple, Betty Taylor, Alan Zelenka, Jennifer Yeh, Greg Evans, Claire Syrett, Chris Pryor, Alicia Voorhees, Eliza Kashinsky, Ryan Moore, Tai Pruce-Zimmerman, Jon Jasper, Katharine Ryan, Randy Groves

Committee Members Absent: Mike Clark, Shaun Londahl

Guests: Mayor Vinis, Sarah Medary, Kristie Hammit, Kathryn Brotherton, Renee Grube, Chris Skinner, Chris Heppel, Mia Cariaga, Denny Braud, Matt Rodrigues, Brooke Freed, Laura Hammond, Twylla Miller, Vicki Silvers, Maurizio Bottalico, Liz Butterfield, Abby Alway

CALL TO ORDER

Interim Chair Jasper called the meeting to order at 9:02 a.m.

I. WELCOME

Interim Chair Jasper welcomed the returning and new members of the Budget Committee.

City Manager Pro Tem, Sarah Medary, welcomed the Committee and guests and asked for a round of introductions.

II. MINUTES APPROVAL

The Budget Committee received past meeting minutes for review and approval. The minutes pending approval were for the following meeting: May 22, 2019.

MOTION: Citizen Member Tai Pruce-Zimmerman seconded by Councilor Chris Pryor, moved to approve the minutes as described above. PASSED 14:0.

III. Staff Presentation on Budget Process and Documents Overview

Vicki Silvers, Assistant Finance Director, presented an overview of the budget process and the financial cycle, including roles and responsibilities of the Budget Committee throughout the process: to provide recommendations to the City Manager Pro Tem on the budget she submits to City Council, who will in turn be the entity that adopts the budget. Ms. Silvers outlined the materials that are used for guiding budget development, highlighting the relationship between the previous year's adopted budget and the upcoming year's proposed document; the budget process does not start from scratch each year, but rather uses the previous year's adopted budget as a baseline from which to develop the upcoming year's proposed document. The presentation concluded with an outline of the planned Budget Committee schedule.

Interim Chair Jasper opened the floor to questions and comments.

IV. Staff Presentation on Financial Condition Update

Maurizio Bottalico, Senior Financial Analyst, presented on the financial condition of the City and on changes to the General Fund forecast. He noted that the forecast is in a preliminary state, and additional information will be provided in April when the City Manager Pro Tem presents her proposed budget. The presentation focused on the General Fund, which is almost one-third of the City's total budget, and in particular on the Main Subfund, which represents the true discretionary funds of the organization. Mr. Bottalico covered many of the variables that impact the forecast and how they have changed since the adopted budget forecast, discussed loans to support the Community Safety Initiative, and concluded with the importance of having a reserve for unpredictable situations.

Interim Chair Jasper opened the floor to questions and comments.

V. Break

Interim Chair Jasper called for the Committee to be in recess for a break at 10:04 a.m.

Interim Chair Jasper called the meeting back to order at 10:20 a.m.

VI. Staff presentation on PERS (Public Employees Retirement System) and the Employer Incentive Fund (EIF)

Twylla Miller, Finance Director, provided an overview of the PERS component of personnel costs and how to address these costs in the future. Ms. Miller described the system benefits and funding, provided an overview of Senate Bill (SB) 1049, and shared details on the EIF and the related opportunity for the City to make a one-time deposit and reduce future PERS costs. SB 1049, enacted in 2019, provided matching funds for PERS employers who participate in the EIF, and also included several other provisions designed to lower PERS employer contribution rates. While PERS is a complicated system, in short, the Oregon Legislature creates the pension plan, the Oregon Investment Council invests the assets, and the PERS Board sets the rates. Local governments do not have direct influence over the system, though they can choose whether to participate.

Sarah Medary, City Manager Pro Tem, spoke about the budget she will present in April, acknowledging there are lots of community needs that need to be addressed, and the Budget Committee will have the opportunity to recommend adjustments. The City Manager Pro Tem also asked that the Budget Committee provide feedback throughout the process.

Interim Chair Jasper asked each person to provide questions or comments.

VII. Election of Officers

Interim Chair Jasper requested nominations regarding the election of Budget Committee officers at 11:10 a.m.

NOMINATION: Citizen Member Ryan Moore seconded by Councilor Chris Pryor moved to nominate Jon Jasper as Chair of the Budget Committee. PASSED 14:0

NOMINATION: Councilor Emily Semple, seconded by Citizen Member Ryan Moore, moved to nominate Tai Pruce-Zimmerman as Vice-Chair of the Budget Committee. PASSED 14:0

VIII. Next Steps

Chair Jasper noted that the Budget Committee has open positions and the deadline has been extended.

Chair Jasper encouraged members to be forthcoming about topics of interest early in the Budget Committee meeting process so there will be ample time to discuss and bring forward subject matter experts.

Councilor Taylor said Budget Committee members do not make policy. Chair Jasper clarified Budget Committee makes a recommendation to City Council, and Council adopts the budget.

Randy Groves asked City Manager Pro Tem Sarah Medary if Budget Committee members have questions ahead of the meeting, should they send them to staff to streamline the process. City Manager Pro Tem Medary said Budget Committee members are also able to bring up topics with their Budget Buddies during the lunch break.

ADJOURN

Chair Jasper adjourned the meeting at 11:17 a.m.

Respectfully submitted,

Abby Alway
Program Coordinator, Finance Division