FY18 Adopted Budget

City of Eugene, Oregon

Jon Ruiz, City Manager

FY18 ADOPTED BUDGET

Mayor
Lucy Vinis

Budget Committee

Councilors
Emily Semple (Ward 1)
Betty Taylor (Ward 2)
Alan Zelenka (Ward 3)
Jennifer Yeh (Ward 4)
Mike Clark (Ward 5)
Greg Evans (Ward 6)
Claire Syrett (Ward 7)
Chris Pryor (Ward 8)

Citizen Members
Scott Nowicki, Chair
Ken Beeson
Garrett Dunlavey
Jill Fetherstonhaugh
Jon Jasper
Shaun Londahl
Joshua Skov
Vacant

City Manager
Jon Ruiz

Executive Management Team
Sarah Medary, Assistant City Manager
Glenn Klein, City Attorney
Kristie Hammitt, Central Services
Joe Zaludek, Fire and EMS
Renee Grube, Library, Recreation and Cultural Services
Denny Braud, Planning and Development
Pete Kerns, Police
Kurt Corey, Public Works

Finance Director
Sue Cutsogeorge

Finance Staff
Maurizio Bottalico
Jenna Boyd
Jamie Garner
Andrea Jobanek
Twylla Miller
Jessica Mumme
Yulia Papleka
Vicki Silvers
Mike Streepey
Kevin Vanderwall

Cover Image Credits: Mural and dancers photos courtesy of Benjamin Schorzman.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Eugene

Oregon

For the Fiscal Year Beginning

July 1, 2016

Executive Director

Award of Distinguished Budget Presentation

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to the City of Eugene for its annual budget for the fiscal year beginning July 1, 2016.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The award is valid for a period of one year only. The City expects that the current budget continues to conform to program requirements and is submitting it to the GFOA to determine its eligibility for another award.

Organization of the Budget Document

The City's annual budget for fiscal year 2018 is presented in this document in eight sections:

- Budget Summary
- Revenue Summary
- Fund Summary
- Service View
- Department View
- Capital Budget
- Non-Departmental Budget
- Urban Renewal Agency

In addition, this document contains a budget message from the City Manager, an overview of the City organization, legal forms, the Unfunded Needs Assessment, a glossary and acronym list, and an index. The goal of this document is to provide a comprehensive and clear basis for review of the Annual City Budget.

The annual budget is available online at the City's website at www.eugene-or.gov/budget.

If you have suggestions for improving this document or questions about its contents, please contact the Budget Office at 541-682-5512.

Table of Contents

BUDGET MESSAGE
FY18 Adopted Budget Message 1
Summary of Changes to the City of Eugene FY18 Proposed Budget 5
Approved Motions 11
General Fund Forecast 13
General Fund Changes 21
Other Fund Changes 26
City Focus 29
FY18 Adopted Budget Snapshot 51

BUDGET SUMMARY
Adopted Budget (all funds) Summary 55
Capital Budget 61
Net Budget 63
Impact on Taxpayers 65
General Fund Summary 66
General Fund (Main Subfund) Reserves 69
Ten-Year Trends 70
FTE Summary and Trends 72

CITY OVERVIEW
Economy 79
City Government 84
Eugene Mayor, City Council and Ward Map 85
City Council Vision and Goals 86
Citizen Involvement 88
Organizational Chart 89
City Services 90
Budget Process 91
Fiscal Year 2018 Budget Cycle 94
Budgeting Principles 95
Financial Management Goals and Policies 96

REVENUE SUMMARY
Resources/Requirements Summary 109
General Fund Revenue Summary 110
General Fund Revenue Assumptions 111
General Fund Resources Ten-Year Trends 118
Non-General Fund Revenue Summary 119
Non-General Fund Revenue Assumptions 120
Property Tax Rates and Tax Levy 128

FUND SUMMARY
Introduction 133
Financial Structure 134
Fund Structure 135
Fund Types 136
Combined Statement of Revenues, Expenditures and Changes in Fund Balance 137

Table of Contents

How to Read a Fund Schedule 140
Fund Schedules
General Fund 141
Special Revenue Funds 146
Debt Service Funds 175
Capital Project Funds 178
Enterprise Funds 189
Internal Service Funds 202

SERVICE VIEW
Reader's Guide 223
Service Area Charts 225
Service Budget Reconciliation 226
Public Safety Services
Charts 229
Service Description 230
Budget Information 231
Animal Services 235
Call Taking and Dispatch 235
Fire and Emergency Medical Services 236
Investigations 237
Municipal Court 239
Patrol 240
Police Records Management and Analysis 241
Social Services 242
Fire and Emergency Medical Services Department Administration 243
Police Department Administration 243
Infrastructure and Planning Services
Charts 245
Service Description 246
Budget Information 249
Airport 258
Construction Permits 259
Greater Downtown Services 260
Housing Opportunities and Economic Prosperity 261
Infrastructure Project Management 262
Land Use Planning 263
Metropolitan and Community Planning 264
Parking 265
Parks and Open Space 267
Public Buildings and Facilities 268
Stormwater 269
Transportation 270
Urban Forestry 271
Waste Prevention/Green Building and Business Licensing 272
Wastewater Collection and Treatment 272
Zoning and Nuisance Administration 273
Planning and Development Department Administration 274

Table of Contents

Public Works Department Administration 274
Culture and Recreation Services
Charts 275
Service Description 276
Budget Information 278
Adaptive Recreation 282
Adult and Senior Services 283
Aquatics 284
Athletics 285
Cultural Services 285
Library 287
Youth and Family Recreation 288
LRCS Administrative Services 289
Central Business Functions
Charts 291
Service Description 292
Budget Information 293
Civic Leadership and Collaboration Services 296
Financial Services 297
Fleet and Radio Communication Services 298
Human Resources and Risk Services 299
Human Rights and Neighborhood Involvement 300
Information Technology Services 301
Central Services Department Administration 302

DEPARTMENT VIEW
Preface 305
Central Services
Mission Statement 306
Functional Organization Chart 307
Department Budget Changes 309
Department Financial Summary 312
Service Budget View 312
Division Financial Summary 313
Fire and Emergency Medical Services
Mission Statement 316
Functional Organization Chart 317
Department Budget Changes 318
Department Financial Summary 320
Service Budget View 320
Division Financial Summary 321
Library, Recreation and Cultural Services
Mission Statement 323
Functional Organization Chart 324
Department Budget Changes 325
Department Financial Summary 327
Service Budget View 327
Division Financial Summary 328

Table of Contents

Planning and Development
- Mission Statement 329
- Functional Organization Chart 330
- Department Budget Changes 331
- Department Financial Summary 334
- Service Budget View 334
- Division Financial Summary 335

Police
- Mission Statement 336
- Functional Organization Chart 337
- Department Budget Changes 338
- Department Financial Summary 341
- Service Budget View 341
- Division Financial Summary 342

Public Works
- Mission Statement 344
- Functional Organization Chart 345
- Department Budget Changes 346
- Department Financial Summary 349
- Service Budget View 349
- Division Financial Summary 350

CAPITAL BUDGET

Introduction 355
Capital Improvement Program 356
Capital Budget Overview 359
Project Descriptions
- Airport 365
- Parks and Open Space 368
- Public Buildings and Facilities 373
- Stormwater 379
- Transportation 382
- Wastewater 387

Fund Descriptions 389

NON-DEPARTMENTAL BUDGET

Preface 395
Balance Available 396
Contingency 398
Debt Service 399
Interfund Loans 405
Interfund Transfers 406
Reserves 410
Special Payments 411
Unappropriated Ending Fund Balance 412

Table of Contents

LEGAL FORMS
FY18 Adopted Budget Resolution 415
Exhibit A – Expenditure Appropriations by Fund 418
Exhibit B – Fund Names 425
FY18 State Shared Revenues Resolution 427
FY18 State Revenue Sharing Funds Resolution 429
FY18 Budget Committee Meeting Notice 431
FY18 City Council Public Hearing and Financial Summary Notice 433
Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property (Form LB-50 filed with Lane County) 434
FY18 Tax Differentials 435

URBAN RENEWAL AGENCY
Overview 439
Downtown District 440
Riverfront District 445
Property Taxes 447
Maximum Indebtedness 452
Other Information 454
Approved Motions 456
Description of Funds 457
Summary of Changes to the Urban Renewal Agency FY18 Proposed Budget 458
Budget Changes 459
Net Budget 463
Fund Summaries
Combined Statement of Revenues, Expenditures, and Changes in Fund Balance 465
Resources/Requirements Summary 466
Fund Schedules 467
Legal Forms
FY18 Adopted Budget Resolution 473
Exhibit A – Expenditure Appropriations by Fund 475
Exhibit B – Fund Names 477
FY18 URA Board Public Hearing and Financial Summary Notice 478
Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property (Form UR-50 filed with Lane County) 479

ADDITIONAL MATERIALS
Unfunded Needs Assessment
Glossary
Acronyms
Index

Budget Message

Table of Contents

FY18 Adopted Budget Message 1

Summary of Changes to the City of Eugene FY18 Proposed Budget 5

Approved Motions 11

General Fund Forecast 13

General Fund Changes 21

Other Fund Changes 26

City Focus 29

FY18 Adopted Budget Snapshot 51

This page intentionally left blank.

Budget Committee, Mayor Vinis, Colleagues and Members of the Eugene Community:

Our community has emerged from the economic downturn poised to excel. We've pulled together as a community, investing with optimism, compassion, perseverance and savvy. Business, non-profit, government, school and faith communities have found common ground through financial commitment to Eugene. While different, these various sectors have found that we share a desire to see our town succeed as we move into the future.

Significant investments in our downtown and surrounding community have built economic momentum and brought new jobs and opportunities. EUGNet, a municipally owned high-speed fiber network in downtown Eugene, launched this spring. This multi-agency partnership provides world-class gigabit internet to downtown businesses. As a result, Mozilla recently chose the City of Eugene to be their next Gigabit City. In addition to national recognition, the City will receive $150,000 in grant funding for local initiatives that increase participation in technology innovation. The Urban Renewal Agency helped make the fiber project a reality by providing funding for the portion of the project in the Downtown and Riverfront Districts. The fiber project will also be funded, in part, by a $1.9 million grant that was awarded by the Economic Development Administration (EDA) in May 2017.

The goal of the Places for People project is to make downtown a better place for all. We engaged the community in re-imagining our downtown parks, squares and sidewalks as active, vital destinations. Up to $5.2 million of Urban Renewal Agency funds are available to improve the Park Blocks and other downtown open spaces. In addition, the City recently reached a milestone agreement with EWEB to redevelop the central riverfront property. This project is a once in a lifetime opportunity to define our downtown riverfront and strengthen the identity of our community. It will be a key part of the River District's vision that follows the Willamette River, connecting downtown Eugene to downtown Springfield and providing better access to our natural resources. Urban Renewal Agency funding is also critical to accomplishing this long-held community vision.

The downtown and riverfront areas anchor two sides of a triangle, the third being the recently announced Knight Science Campus. The City's commitment to Envision Eugene and ongoing investments in partnerships and infrastructure have built the foundation for this triangle to fully realize its potential as a prime prosperity center for generations to come. This prosperity triangle will be at the center of attention as we welcome the global community for the 2021 World Championships.

This budget continues the current level of investment in neighborhoods, ongoing human services, sister cities, CAHOOTS, jail beds, Envision Eugene and many other service areas. Emergency preparedness infrastructure assessments, upgrades and training continue at appropriate levels.

The FY18 budget process began when I submitted the Proposed Budget, which does the following:

- Adds ongoing funding for prosecution services to support the criminal justice system, parks safety and security resources and marijuana tax administration, all of which are paid from the new local marijuana tax.

- Proposes one-time funds for legal services to implement Envision Eugene and body worn cameras by police officers.

- Continues one-time funding of downtown, parks and near-neighborhood security, safety, programming and cleanliness; as well as community court and Community Outreach Response Team (C.O.R.T.), both of which are proven successful at providing alternative paths for some offenses.

- Expands ambulance capacity by putting another Basic Life Support (BLS) unit on the street using existing staff and equipment. This new unit should be able to cover its costs through additional user fees.

Over the past several years the City has supported programs in stages. Many of the one-time additions to the General Fund listed above use this strategy and are a continuation of pilot programs that were included in the FY17 Supplemental Budget #1. This approach allows the City to implement strategies and evaluate effectiveness prior to obligating ongoing funding. It is also a way to further progress on important community goals without making long-term funding commitments during periods of fiscal constraint. The FY18 Budget includes a new section titled "City Focus" (Attachment E) that includes additional information on some of the key initiatives and other highlighted areas where we are continuing to move forward.

The FY18 Adopted Budget also includes service changes in non-General funds such as telecom equipment replacement, and adding a building inspector and structural engineer plan reviewer in the Construction Permits Fund. (See Attachment D)

The Budget Committee made the following recommendations to adjust the FY18 Proposed Budget:

- Procure and implement a public budget transparency solution, to go live in advance of the FY18-19 budget deliberations ($20,000 one-time and $20,000 ongoing).
- Increase the General Fund contribution on a one-time basis to the Human Services Commission by $154,655 to provide Eugene's share of the FY18 cost for the Dusk to Dawn winter warming site program.
- Allocate $1 million of one-time Comcast Settlement Funds for future shelter options and request that the City Manager develop a plan for City Council approval for spending these funds within the next two year in conjunction with interjurisdictional partners.
- Increase funding for one additional BLS ambulance in the amount of $500,000 on a one-time basis in FY18 and complete a preliminary ambulance capacity analysis and implementation options, and present both to Council prior to their 2018 winter break.

The City Council adopted the FY18 Proposed Budget as recommended by the Budget Committee with the following changes:

- Increase ambulance capacity by adding an additional Advanced Life Support (ALS) unit beginning January 2018 ($650,000).
- Change the language of the shelter motion to read: Allocate $1 million of one-time Comcast Settlement Funds for a shelter and request that the City Manager develop a plan for City Council approval for spending these funds in conjunction with interjurisdictional partners.

The City Council also directed the City Manager to include as one-time dollars an additional appropriation of $750,000 in the FY19 Proposed Budget to staff the 24/7 ALS ambulance for an additional year. This action addresses ambulance capacity concerns and ensures continuity of service while the ambulance transport system is evaluated and a long-term funding plan is developed.

There are many unfunded needs and challenges facing the community, but there simply is not fiscal capacity to pay for everything. The items selected for funding in the FY18 Adopted Budget are shown in Attachment C for the General Fund and Attachment D for all other funds. The Executive Team compiled the Unfunded Needs Assessment (UNA) in order to catalog additional projects, programs and services that are important but for which funding is not available in FY18. The items in the UNA represent the project and service alternatives that were considered by the Executive Team as the FY18 Proposed Budget was prepared. (See appendix titled "Unfunded Needs Assessment").

Our challenges in the near future are to continue funding for street maintenance and downtown, revitalization while also securing new funding for parks and recreation operations, maintenance and capital projects. Implementation of the Climate Recovery Ordinance, Vision Zero, community justice initiative and emergency preparedness are also priority initiatives. Our task is to balance all of these important priorities in an environment of fiscal constraint.

In order to accomplish our dreams and visions we have to be smart, innovative and fiscally responsible. Since 2010, we have successfully filled a General Fund budget gap by reducing ongoing General Fund expenditures by $30 million or 24%, while still advancing important community projects. During this time, we fixed a structural budget imbalance and improved services, such as expanding library services, making progress on the backlog of pavement preservation projects, improving the Eugene Airport, developing and implementing the climate and energy action plan, and targeting investments in human services.

Last year we took a breath from the difficult years of budget cuts, although the forecast at that time foreshadowed an ongoing future budget gap of $1 to $2 million. After updating the General Fund forecast this spring, the budget gap has grown to $3 million through FY21, increasing to $6 million beginning in FY22 (see Attachment A).

Our budget philosophy is to maintain community services, respect employees and live within our means. We have developed a strategy to bridge budget shortfalls, position ourselves with adequate reserve levels, and continue forward with important community work.

We began to address this gap in FY18 through administrative cost savings measures of $1 million. Rather than reducing service levels, City departments will continue to look for ways through efficiencies to manage growing costs and budgets will be held steady and not given customary inflationary adjustments.

This approach is reasonable but it does have impacts. As these budgets have been reduced already through the recession, it has an internal impact to the City organization as many budgets are already constrained.

The budget balancing strategy also anticipates additional ongoing budget reductions of $1 million in FY19 and again in FY20. As staff monitors all of the unknown and ever-changing factors that impact the financial health of the City, these recommendations will serve as placeholders for future actions that may be needed. Maintaining a sufficient fiscal cushion in the Reserve for Revenue Shortfall (RRSF) has enabled us to take this three-year approach. We have time to see how events unfold over the next several years before taking action. In this way, we do not over-correct by reducing more than needed in anticipation of future events.

The Reserve for Revenue Shortfall (RRSF) is our savings account that helps weather uncertainties in our financial situation. Our target is to maintain a balance of 8% in this reserve, with a minimum level of 5%. Last December, $16.5 million from a large one-time payment for the Comcast legal settlement was added to the RRSF on Supplemental Budget #1 per Council direction. I applaud the restraint and fiscal stewardship demonstrated by the Budget Committee and City Council by leaving the majority of those funds in the RRSF as part of the FY18 Budget, given the many unfunded needs in our community. Keeping these funds in our savings account helps provide stability to the General Fund by keeping the RRSF balance at or above our target for an additional three years as we monitor fiscal impacts.

Our fiscal discipline has served us well throughout the past decade. We have creatively approached challenges, continued to provide quality services and positioned ourselves to be a community of the future. This has demonstrated to rating agencies that the City is proactive and well managed, as we have maintained our high "Aa1" bond rating through the economic downturn. Only a small percentage of communities attain this high level of confidence. I believe we must continue the sound practices of using one-time monies for one-time expenses, maintaining our reserves, and being willing to change our course when necessary to maintain the financial health of the City.

Change is inevitable and at times can be both exciting and uncomfortable. Throughout the turbulence of the past decade, the elected officials, Budget Committee and City staff have consistently found creative ways to maintain services and invest in the community in fiscally responsible ways. We are resilient, and together we can continue to provide excellent service and achieve the public's and Council's vision. I am excited about our future possibilities and look forward to working together in service to all of Eugene.

Sincerely,

Jon R. Ruiz
City Manager

Fund / Department	FY18 Proposed Budget	Misc. Actions		<---------- Budget Committee Actions ----------> Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	Council Action	FY18 Adopted Budget
A. General Fund								
Central Services	25,173,689	1,040,000	c,d			26,213,689		26,213,689
Fire and Emergency Medical Services	30,238,972					30,238,972		30,238,972
Library, Recreation and Cultural Services	30,731,736					30,731,736		30,731,736
Planning and Development	7,049,245	154,655	b			7,203,900		7,203,900
Police	53,279,325					53,279,325		53,279,325
Public Works	6,463,030					6,463,030		6,463,030
Interfund Transfers	4,671,055	500,000	a			5,171,055	500,000 f	5,671,055
Special Payments	700,000					700,000		700,000
Contingency	32,000	(20,000)	d			12,000		12,000
Reserve	24,534,923	(1,954,655)	b,c,d,e	2,877,865		25,458,133	(500,000) f	24,958,133
Unappropriated Ending Fund Balance	25,050,000	280,000	e			25,330,000		25,330,000
Total	**$ 207,923,975**	**-**		**$ 2,877,865**	**-**	**$ 210,801,840**	**-**	**$ 210,801,840**

(a) Increase funding for one additional basic life support (BLS) ambulance in the amount of $500,000 on a one-time basis in FY18, complete a preliminary ambulance capacity analysis of implementation options, and present both to Council prior to their 2018 winter break. Funding is from the Reserve for Revenue Shortfall Fund (RRSF).

(b) Increase General Fund contribution on a one-time basis to the Human Services Commission by $154,655 to provide Eugene's share of the FY18 cost for the Dusk to Dawn winter warming site program. Funding is from the RRSF with direction to the City Manager to restore said reserve using Marginal Beginning Working Capital (MBWC) on Supplemental Budget #1 after the capital transfer and any other prearranged expenditures are accounted for.

(c) Allocate $1,000,000 of one-time Comcast Settlement Funds for a future shelter, and request that the City Manager develop a plan for City Council approval in conjunction with interjurisdictional partners.

(d) Funding is for public budget transparency solution, to go live in advance of the FY18-19 budget deliberations. Allocate $40,000 ($20,000 one-time funding from the RRSF) to cover one-time costs, such as the bid-RFP process itself and the upfront establishment of City capabilities. Ongoing funds shall come from Council Contingency.

(e) Increase the General Fund Unappropriated Ending Fund Balance (UEFB) by $280,000 and decrease the RRSF by the same amount to comply with the City policy of maintaining two months of operating expenditures in UEFB. This change was not explicitly approved by the Budget Committee; however, it only affects the UEFB and the RRSF, neither of which is appropriated for spending.

(f) City Council added one 24/7 advanced life support (ALS) ambulance beginning January 2018 funded from the RRSF in the amount of $500,000 and additional Charges for Services revenue of $150,000 in the Ambulance Transport Fund.

	Fund / Department	FY18 Proposed Budget	Misc. Actions	<---------- Budget Committee Actions ----------> Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	Council Action	FY18 Adopted Budget
B.	**Special Assessment Management Fund**							
	Central Services	102,155				102,155		102,155
	Interfund Transfers	9,000				9,000		9,000
	Special Payments	30,000				30,000		30,000
	Reserve	50,000				50,000		50,000
	Balance Available	1,085,177				1,085,177		1,085,177
	Total	**$ 1,276,332**	-	-	-	**$ 1,276,332**	-	**$ 1,276,332**
C.	**Library Local Option Levy Fund**							
	Library, Recreation and Cultural Services	2,415,896		-		2,415,896		2,415,896
	Reserve	376,372				376,372		376,372
	Total	**$ 2,792,268**	-	-	-	**$ 2,792,268**	-	**$ 2,792,268**
D.	**Road Fund**							
	Public Works	12,114,176		403,712		12,517,888		12,517,888
	Interfund Transfers	1,024,000				1,024,000		1,024,000
	Balance Available	2,564,336				2,564,336		2,564,336
	Total	**$ 15,702,512**	-	**$ 403,712**	-	**$ 16,106,224**	-	**$ 16,106,224**
E.	**Public Safety Communications Fund**							
	Police	2,158,200		-		2,158,200		2,158,200
	Interfund Transfers	131,000				131,000		131,000
	Balance Available	1,587,238				1,587,238		1,587,238
	Total	**$ 3,876,438**	-	-	-	**$ 3,876,438**	-	**$ 3,876,438**
F.	**Telecommunication Registration/Licensing Fund**							
	Central Services	2,747,204		-		2,747,204		2,747,204
	Interfund Transfers	487,000				487,000		487,000
	Reserve	592,847				592,847		592,847
	Balance Available	1,586,956				1,586,956		1,586,956
	Total	**$ 5,414,007**	-	-	-	**$ 5,414,007**	-	**$ 5,414,007**
G.	**Construction and Rental Housing Fund**							
	Fire and Emergency Medical Services	333,961				333,961		333,961
	Planning and Development	7,385,362		356,403		7,741,765		7,741,765
	Public Works	465,363				465,363		465,363
	Interfund Transfers	919,000				919,000		919,000
	Special Payments	880,000				880,000		880,000
	Balance Available	4,315,568				4,315,568		4,315,568
	Total	**$ 14,299,254**	-	**$ 356,403**	-	**$ 14,655,657**	-	**$ 14,655,657**

	Fund / Department	FY18 Proposed Budget	Misc. Actions	<---------- Budget Committee Actions ----------> Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	Council Action	FY18 Adopted Budget
H.	**Solid Waste and Recycling Fund**							
	Planning and Development	1,002,243		112,955		1,115,198		1,115,198
	Interfund Transfers	73,000				73,000		73,000
	Balance Available	622,641				622,641		622,641
	Total	**$ 1,697,884**	**-**	**$ 112,955**	**-**	**$ 1,810,839**	**-**	**$ 1,810,839**
I.	**Community Development Fund**							
	Planning and Development	3,744,932		145,925		3,890,857		3,890,857
	Capital Projects	73,200			478,000	551,200		551,200
	Debt Service	364,649				364,649		364,649
	Interfund Transfers	93,000				93,000		93,000
	Special Payments	6,687,534		963,527		7,651,061		7,651,061
	Reserve	1,186,658				1,186,658		1,186,658
	Total	**$ 12,149,973**	**-**	**$ 1,109,452**	**$ 478,000**	**$ 13,737,425**	**-**	**$ 13,737,425**
J.	**Library, Parks and Recreation Fund**							
	Library, Recreation and Cultural Services	370,000		22,845		392,845		392,845
	Capital Projects	57,222			752,228	809,450		809,450
	Special Payments	86,872				86,872		86,872
	Reserve	2,761,895				2,761,895		2,761,895
	Balance Available	1,042,464				1,042,464		1,042,464
	Total	**$ 4,318,453**	**-**	**$ 22,845**	**$ 752,228**	**$ 5,093,526**	**-**	**$ 5,093,526**
K.	**General Obligation Debt Service Fund**							
	Debt Service	13,447,025		-		13,447,025		13,447,025
	Total	**$ 13,447,025**	**-**	**-**	**-**	**$ 13,447,025**	**-**	**$ 13,447,025**
L.	**Special Assessment Bond Debt Fund**							
	Debt Service	250,000				250,000		250,000
	Interfund Transfers	10,000				10,000		10,000
	Reserve	62,538				62,538		62,538
	Total	**$ 322,538**	**-**	**-**	**-**	**$ 322,538**	**-**	**$ 322,538**

	Fund / Department	FY18 Proposed Budget	Misc. Actions	<---------- Budget Committee Actions ----------> Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	Council Action	FY18 Adopted Budget
M.	**General Capital Projects Fund**							
	Library, Recreation and Cultural Services	20,000				20,000		20,000
	Capital Projects	3,205,878			22,825,376	26,031,254		26,031,254
	Debt Service	40,000				40,000		40,000
	Reserve	26,560				26,560		26,560
	Balance Available	3,348,017				3,348,017		3,348,017
	Total	**$ 6,640,455**	**-**	**-**	**$ 22,825,376**	**$ 29,465,831**	**-**	**$ 29,465,831**
N.	**Systems Development Capital Projects Fund**							
	Planning and Development	119,171				119,171		119,171
	Public Works	531,453		12,953		544,406		544,406
	Capital Projects	5,524,830			10,961,539	16,486,369		16,486,369
	Interfund Transfers	44,000				44,000		44,000
	Balance Available	15,802,565				15,802,565		15,802,565
	Total	**$ 22,022,019**	**-**	**$ 12,953**	**$ 10,961,539**	**$ 32,996,511**	**-**	**$ 32,996,511**
O.	**Transportation Capital Projects Fund**							
	Capital Projects	22,701,671			18,817,755	41,519,426		41,519,426
	Debt Service	10,000				10,000		10,000
	Balance Available	860,303				860,303		860,303
	Total	**$ 23,571,974**	**-**	**-**	**$ 18,817,755**	**$ 42,389,729**	**-**	**$ 42,389,729**
P.	**Special Assessments Capital Projects Fund**							
	Interfund Transfers	20,000				20,000		20,000
	Balance Available	1,221,312				1,221,312		1,221,312
	Total	**$ 1,241,312**	**-**	**-**	**-**	**$ 1,241,312**	**-**	**$ 1,241,312**
Q.	**Municipal Airport Fund**							
	Fire and Emergency Medical Services	919,653				919,653		919,653
	Police	634,276				634,276		634,276
	Public Works	8,087,699		946,132		9,033,831		9,033,831
	Capital Projects	6,551,000			11,615,302	18,166,302		18,166,302
	Interfund Transfers	605,000				605,000		605,000
	Reserve	139,025				139,025		139,025
	Balance Available	5,123,314				5,123,314		5,123,314
	Total	**$ 22,059,967**	**-**	**$ 946,132**	**$ 11,615,302**	**$ 34,621,401**	**-**	**$ 34,621,401**

	Fund / Department	FY18 Proposed Budget	Misc. Actions	<---------- Budget Committee Actions ----------> Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	Council Action	FY18 Adopted Budget
R.	**Parking Services Fund**							
	Central Services	401,966				401,966		401,966
	Planning and Development	6,022,332		245,376		6,267,708		6,267,708
	Public Works	78,727				78,727		78,727
	Capital Projects	250,000			48,200	298,200		298,200
	Interfund Transfers	1,087,350				1,087,350		1,087,350
	Balance Available	518,643				518,643		518,643
	Total	**$ 8,359,018**	**-**	**$ 245,376**	**$ 48,200**	**$ 8,652,594**	**-**	**$ 8,652,594**
S.	**Wastewater Utility Fund**							
	Public Works	23,788,057		1,391,788		25,179,845		25,179,845
	Capital Projects	2,140,000			4,130,937	6,270,937		6,270,937
	Interfund Transfers	1,785,000				1,785,000		1,785,000
	Special Payments	28,589,000		176,127		28,765,127		28,765,127
	Balance Available	347,072				347,072		347,072
	Total	**$ 56,649,129**	**-**	**$ 1,567,915**	**$ 4,130,937**	**$ 62,347,981**	**-**	**$ 62,347,981**
T.	**Stormwater Utility Fund**							
	Public Works	15,308,444		508,761		15,817,205		15,817,205
	Capital Projects	3,165,000			5,028,347	8,193,347		8,193,347
	Interfund Transfers	1,111,000				1,111,000		1,111,000
	Special Payments	15,000				15,000		15,000
	Balance Available	3,258,531				3,258,531		3,258,531
	Total	**$ 22,857,975**	**-**	**$ 508,761**	**$ 5,028,347**	**$ 28,395,083**	**-**	**$ 28,395,083**
U.	**Ambulance Transport Fund**							
	Fire and Emergency Medical Services	8,190,077	500,000 a	-		8,690,077	650,000 b	9,340,077
	Interfund Transfers	979,757				979,757		979,757
	Balance Available	3,805				3,805		3,805
	Total	**$ 9,173,639**	**$ 500,000**	**-**	**-**	**$ 9,673,639**	**$ 650,000**	**$ 10,323,639**

(a) Increase funding for one additional BLS ambulance in the amount of $500,000 on a one-time basis in FY18, complete a preliminary ambulance capacity analysis and review of implementation options, and present both to Council prior to their 2018 winter break. Funding is from the General Fund, Reserve for Revenue Shortfall.

(b) Increase funding for one 24/7 ALS ambulance beginning January 2018, funded from a General Fund transfer in the amount of $500,000 and an additional $150,000 in charge for services revenue.

V.	**Fleet Services Fund**							
	Public Works	15,870,583		2,286,528		18,157,111		18,157,111
	Interfund Transfers	394,000				394,000		394,000
	Reserve	17,157,656				17,157,656		17,157,656
	Balance Available	1,370,946				1,370,946		1,370,946
	Total	**$ 34,793,185**	**-**	**$ 2,286,528**	**-**	**$ 37,079,713**	**-**	**$ 37,079,713**

	Fund / Department	FY18 Proposed Budget	Misc. Actions	<---------- Budget Committee Actions ----------> Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	Council Action	FY18 Adopted Budget
W.	**Information Systems and Services Fund**							
	Central Services	12,471,505		1,290,610		13,762,115		13,762,115
	Interfund Transfers	402,000				402,000		402,000
	Reserve	1,617,024				1,617,024		1,617,024
	Balance Available	2,265,603				2,265,603		2,265,603
	Total	**$ 16,756,132**	**-**	**$ 1,290,610**	**-**	**$ 18,046,742**	**-**	**$ 18,046,742**
X.	**Facilities Services Fund**							
	Central Services	9,900,898		191,211		10,092,109		10,092,109
	Planning and Development	492,281		14,784		507,065		507,065
	Capital Projects	375,000			256,860	631,860		631,860
	Debt Service	211,165				211,165		211,165
	Interfund Transfers	477,000				477,000		477,000
	Reserve	412,000				412,000		412,000
	Balance Available	2,015,803				2,015,803		2,015,803
	Total	**$ 13,884,147**	**-**	**$ 205,995**	**$ 256,860**	**$ 14,347,002**	**-**	**$ 14,347,002**
Y.	**Risk and Benefits Fund**							
	Central Services	37,949,143		68,297		38,017,440		38,017,440
	Debt Service	6,674,500				6,674,500		6,674,500
	Interfund Transfers	224,000				224,000		224,000
	Reserve	6,961,697				6,961,697		6,961,697
	Balance Available	7,087,098				7,087,098		7,087,098
	Total	**$ 58,896,438**	**-**	**$ 68,297**	**-**	**$ 58,964,735**	**-**	**$ 58,964,735**
Z.	**Professional Services Fund**							
	Public Works	6,571,143		71,824		6,642,967		6,642,967
	Interfund Transfers	920,000				920,000		920,000
	Reserve	388,512				388,512		388,512
	Balance Available	1,082,377				1,082,377		1,082,377
	Total	**$ 8,962,032**	**-**	**$ 71,824**	**-**	**$ 9,033,856**	**-**	**$ 9,033,856**
	TOTAL CITY OF EUGENE BUDGET	**$ 589,088,081**	**$ 500,000**	**$ 12,087,623**	**$ 74,914,544**	**$ 676,590,248**	**$ 650,000**	**$ 677,240,248**

There are two opportunities for the FY18 Proposed Budget to be altered. The first opportunity takes place during Budget Committee meetings. During this time, the Budget Committee reviews the City Manager's proposed budget, holds public comment opportunities for citizens to weigh-in, holds a public hearing and deliberates on the proposed budget presented by the City Manager. During the deliberation process, Budget Committee members have the opportunity to ask questions about the budget and make formal motions. These motions are then debateed and voted on by the Budget Committee. If a motion passes, it then becomes a change to the recommended budget.

The following list includes the motions that were debated, voted on and approved by the Budget Committee:

- Move that the Budget Committee recommend to the Eugene City Council the FY18 Budget for the City of Eugene that consists of the City Manager's Proposed FY18 Budget, including the property tax levies and/or rates contained therein, amended to reflect appropriations for prior year encumbrances and prior year capital projects with the following amendments:

- The Budget Committee recommends the City Council amend the proposed budget to include funding to procure and implement a public budget transparency solution, as described below, to go live in advance of the FY18-19 budget deliberations. The motion requests that the City allocate $40,000 ($20,000 one-time) to pursue this resolution from the following sources: Up to $20,000 in one-time funding to cover one-time costs, such as the bid/Request for Proposals (RFP) process itself and the upfront establishment of City capabilities. One-time funds shall come from the Reserve for Revenue Shortfall (RRSF), and ongoing from Council Contingency.

  The solution shall include but not be limited to the following functionality: allow visitors to browse current revenues and expenditures at a detailed level; have aggregation and disaggregation capability that provides a high-level view of the entire budget and entire departments, with single-click ability to move directly to more detailed views; provide similar insights by fund; provide similar aggregation and disaggregation of the revenue side.

  Ideally, the solution should include the following functionality as well: have a clear bridge between the Department and Division views and the Fund view; include connections to the Unfunded Needs Assessment (UNA); provide (or provide links to) programmatic or project information for major expenditures, including those attached to bond measures (such as our pavement preservation program, and library activities funded by the recent bond).

- Move that the Budget Committee recommend to the Eugene City Council to increase FY18 General Fund contribution on a one-time basis to the Human Services Commission (HSC) by $154,655 to provide Eugene's share of FY18 cost for Dusk to Dawn winter warming site program. Funding would initially come from RRSF with direction to the City Manager to restore said reserve using Marginal Beginning Working Capital (MBWC) in Supplemental Budget #1 after the capital transfer and any other prearranged expenditures are accounted for.

- Move to allocate $1 million dollars of one-time Comcast settlement funds for future shelter options and request that the City Manager develop a plan for City Council approval for spending these funds within the next 2 years in conjunction with interjurisdictional partners.

- Move to recommend to the City Council to increase funding for one additional Basic Life Support (BLS) ambulance in the amount of $500,000 on a one-time basis in FY18, complete a preliminary ambulance capacity analysis and review of implementation options and present both to Council prior to their 2018 winter break. The funding for this addition would come from the RRSF.

- Move that the Budget Committee recommend the City Council review City of Eugene General Fund allocation to the HSC for ongoing support funding in context of overall City of Eugene human service funding.

The Budget Committee then forwards its budget recommendation to the City Council, which includes these approved motions. The City Council holds a public hearing and deliberates on the recommended budget. City Council has the opportunity to make formal motions for debate and action at this meeting to make changes to the recommendation received from the Budget Committee.

The following list includes the motions that were debated, voted on and approved by the City Council:

- Adopt Resolution 5196 electing to receive State Revenue Sharing funds pursuant to Section 221.770 of Oregon Revised Statutes.

- Adopt Resolution 5197 certifying that the City of Eugene provides the municipal services required by Oregon Revised Statutes Section 221.760.

- Adopt Resolution 5198 adopting the budget, making appropriations and determining, levying and categorizing the annual ad valorem property tax levy for the City of Eugene for the fiscal year beginning July 1, 2017 and ending June 30, 2018, with the following amendments:

    - Allocate funding to add one 24/7 Advanced Life Support (ALS) ambulance beginning January 2018.

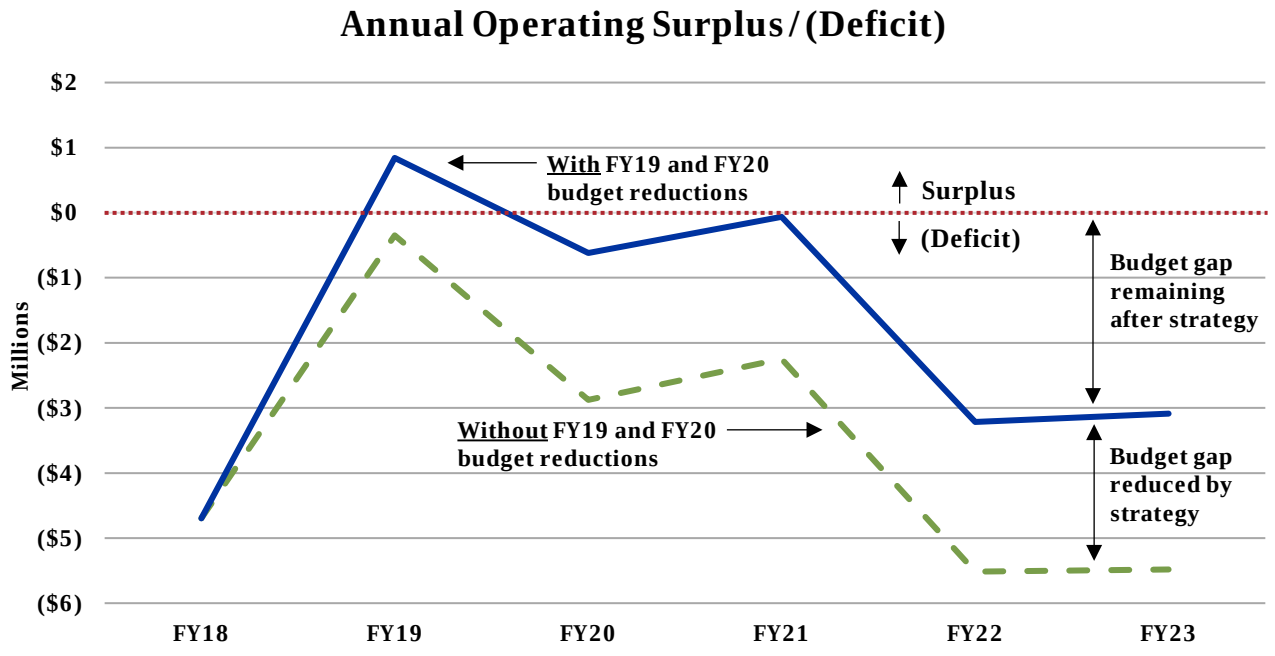
    - Amend the Budget Committee motion to read: allocate $1 million of one-time Comcast settlement funds for a future shelter and request that the City Manager develop a plan for City Council approval in conjunction with interjurisdictional partners.

General Fund (Main Subfund) Six-Year Financial Forecast FY18 to FY23

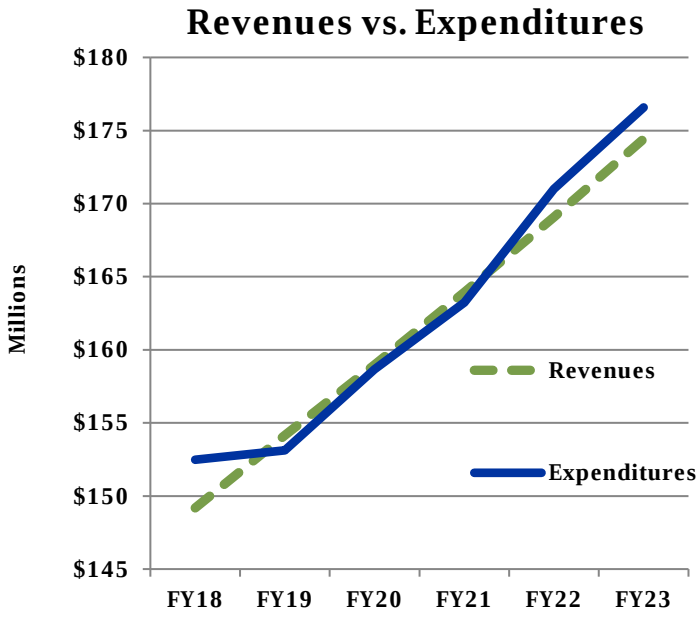
The General Fund Forecast has been updated to reflect the FY18 Adopted Budget. The differences between the FY18 Proposed and Adopted Budgets include Budget Committee recommendations for one-time funding of $1 million for a future homeless shelter, $500,000 for one Basic Life Support (BLS) ambulance, and $154,655 for the Human Services Commission. The Budget Committee also recommended funding of $40,000 to implement a budget transparency solution, half of which is one-time funding and the other half is ongoing funding. In addition, City Council passed motions for one-time funding of $500,000 for one Advanced Life Support (ALS) ambulance in FY18 and another $750,000 of one-time funding in FY19. Other forecast changes include the incorporation of $2.2 million in Reserve for Encumbrance and an increase of $280,000 in the Unappropriated Ending Fund Balance (UEFB). Other than these updates, all other actions and forecast variables are consistent with the FY18 Proposed Budget.

Similar to the previous version, the General Fund Forecast for the FY18 Adopted Budget contains the City Manager's recommended changes. These changes include ongoing funding for revenue-backed items and proposals funded from the Local Marijuana Tax. One-time funds are also provided to move important initiatives forward. See the General Fund Changes section for more details about what is included in the FY18 Adopted Budget.

All forecast drivers will be monitored closely to determine the long-term trends impacting the financial health of the City. In order to mitigate future uncertainty, the City has put strategies in place in the short term to preserve financial flexibility without overcorrecting now for actions that may or may not be needed later down the road. These strategies include $1 million of ongoing reductions in FY18, with $1 million of ongoing reductions assumed in FY19 and in FY20.



After incorporating the service adjustments and financial strategies previously described, the forecast shows that the service system is more stable in the near term with revenues greater than expenditures in most years until FY22. The last two years of the forecast are in a deficit position with expenditures greater than revenues primarily due to another PERS rate increase in FY22. The out-year deficit could translate into a $3 million annual budget gap if projections continue as currently forecasted. The forecast outlook remains in a cautionary status, and finance staff will continue to monitor all forecast drivers closely.



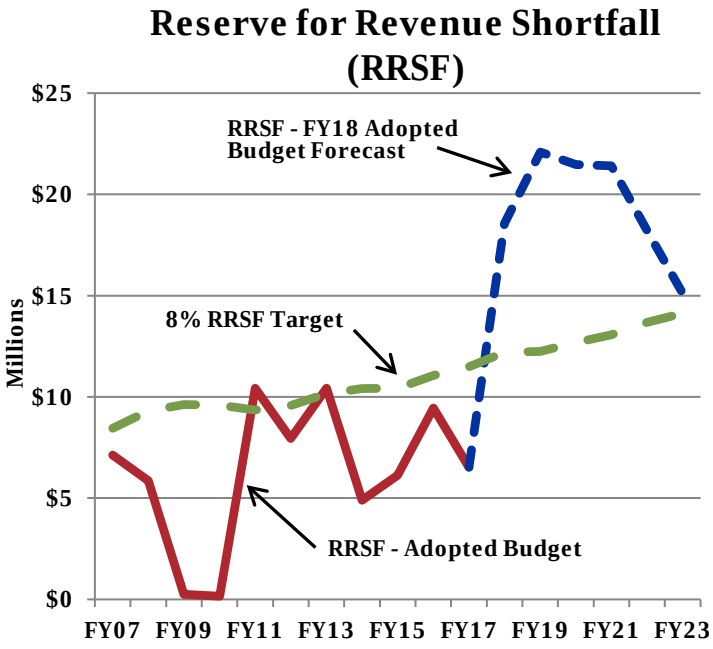
FY18 Projected Operating Results and Change in Reserve for Revenue Shortfall

The FY18 Adopted Budget shows an operating deficit of $3.3 million, which is the difference between revenues expected to be received and expenditures expected to be made during the year. The Adopted Budget includes $3.9 million of one-time expenditures for important community priorities. Without these one-time expenditures, there would have been a $0.6 million operating surplus.

The Reserve for Revenue Shortfall (RRSF) of $18.6 million in the FY18 Adopted Budget is $4.5 million less than the FY17 ending RRSF balance of $23.1 million. This reduction is primarily due to two factors: (i) to cover the FY18 operating deficit; and (ii) to shift dollars to the UEFB to meet the Council policy of two months of expenditures in FY18.

Reserve for Revenue Shortfall

The RRSF is in essence the savings account for the General Fund and is a key measure of the City's fiscal health. On average, the target level is approximately $13 million per year over the forecast period. In the fall of 2016, the City received a large one-time payment of $18.75 million from Comcast due to a legal settlement. The majority of these funds ($16.5 million) was placed in the RRSF last December on Supplemental Budget #1, per Council direction. With the exception of a few targeted one-time expenditures, most of the Comcast settlement funds remain in the RRSF in the FY18 Adopted Budget.



The forecast reflects the strategy of reductions of $1 million in FY19 and FY20 along with the FY18 Adopted Budget changes. After incorporating these strategies and anticipated changes around major forecast drivers, the RRSF drops from 14.4% in FY19 to 8.6% by the end of the forecast period. While the RRSF decreases in subsequent years of the forecast, it remains above the target level of 8% of General Fund expenditures. The drop in the RRSF that occurs in even years of the forecast is due to anticipated increases in PERS rates.

In addition to the RRSF, the other key reserve maintained by the City is the UEFB. Consistent with the financial policies adopted by City Council, UEFB is budgeted at two months of operating expenses. This allows the City to pay bills and make payroll between the start of the fiscal year in July and when property tax revenue is received starting in November. One other reserve maintained by the City is the Property Tax Appeal Reserve, which is set at $500,000 in order to set aside funds pending the outcome of large property tax appeals.

There are several areas of risk to the forecast that will be monitored moving forward:

Property Tax Revenues – Certified taxable assessed value grew at a rate of 5.0% in FY16 and then dropped to 2.9% in FY17, which was lower than anticipated. The drop in certified assessed value growth in FY17 is attributed to a spike in assessed value corrections that occurred during FY16 after property tax certification. These corrections can occur for a number of reasons such as appeals, late filed exemptions, and clerical errors. After accounting for the FY16 corrections, the taxable assessed value growth rate was actually 4.1% in FY16 and 3.7% in FY17. An analysis of current building permit activity supports a continuation of FY17's level of growth, and the FY18 Adopted Budget includes a moderate growth rate of 3.8%, remaining at the same level through the remainder of the forecast. If the assessed value growth rate were reduced to 3.5% over the forecast period, property tax revenues would be reduced by an average of $1.3 million annually.

PERS Rates – The FY18 Adopted Budget includes significant PERS rate increases in FY18, FY20, and FY22. These rate increases are based on the actuary's calculations for overall system rate increases, and are projected at the maximum possible increase over the period. The actuary currently projects that PERS rates will level out after the FY22 increase, so the City's financial position would stabilize at that point, all else being equal. A 1% annual change in the PERS rates assumed in the FY18 Adopted Budget forecast, beginning in FY20, has an impact of $2.8 million over the remainder of the forecast period. More information on PERS is contained towards the end of this General Fund Forecast section.

Inflation – Interest rates are anticipated to increase in the short term, which could potentially impact the low inflationary factors that have been present for some time. Inflation rates in this forecast are slightly higher than predicted last year. Changes in the rate of inflation can have a large impact on the forecast. An increase of 0.5% annually over the inflation rates assumed in the FY18 Adopted Budget forecast would increase costs by an additional $8.5 million over the forecast period.

Legislation – Legislation increasing exemptions for centrally assessed properties, which has the potential to reduce property tax revenue to the City, took effect in FY17. This includes an infrastructure property tax exemption for telecommunications businesses that offer high-speed internet. Although Comcast's application for the high-speed fiber exemption was initially approved by the Public Utilities Commission, the Department of Revenue ultimately decided that

no exemption would be granted. The 2017 legislative session included a bill that would have fully repealed the exemption, but it did not pass.

Forecast Variables

Assessed Value – The FY18 taxable assessed value growth rate is projected to be 3.8% and remains at that level through the forecast period, which is in alignment with recent growth levels and current building permit activity.

Property Tax Collection Rate – The projected property tax collection rate for current year taxes is estimated at 94.5% for all years of the forecast. The actual collection rates for FY15 and FY16 were 94.7% and 94.4%, respectively. These collection rates are applied against the gross taxes levied by the Lane County Assessor and incorporate the 3% early payment discount available to taxpayers for making full payment of taxes in November.

Property Tax Revenue – Total property tax revenue, including current and delinquent taxes, is projected at $95.3 million in FY17, which is $1 million less than the amount included in the FY17 Adopted Budget. Future years have been adjusted accordingly and are projected at $98.5 million in FY18 and $118.2 million by FY23, after taking into account the assessed value growth and property tax collection rates explained above. Delinquent tax collections are projected at $2 million in FY17, reducing to $1.8 million in FY18 and remaining at that level through the forecast period.

EWEB Contributions-In-Lieu-of Taxes (CILT) – Revenue from EWEB is estimated at $13.3 million in FY18 and is expected to continue building to $14 million annually by the end of the forecast. These estimates incorporate the CILT methodology approved by City Council in 2014, adjustments based on recent weather experience and future anticipated rate increases in the out years of the forecast.

Licenses and Permits – Right-of-way use fees from CenturyLink, NW Natural, Comcast and other providers are estimated at $7.2 million in FY18, increasing to $8 million annually by FY23. This includes $1 million of new, ongoing annual revenue from Comcast related to the legal settlement.

Interest Earnings – Portfolio interest earnings are projected at 1.35% in FY18, increasing in the out years of the forecast to 2.0%. This reflects an outlook of rising rates in the near future.

Local Marijuana Tax – In November 2016, voters approved a local tax of 3% on the retail sales of recreational marijuana, on top of the State tax. The local marijuana tax is administered by the Oregon Department of Revenue through an intergovernmental agreement. The City received its first local marijuana tax revenue in June 2017 in the amount of $109,319 covering the January to March period. The forecast includes $320,000 in revenue in FY18 and remains at that level through the forecast. This is a rough estimate that will continue to be refined as we gain experience with actual receipts.

State Shared Revenues – State shared revenue is projected to increase from $5.1 million to $6.5 million over the forecast period. This includes a conservative revenue estimate for the State marijuana tax of $100,000 in FY18 and each year thereafter. Similar to the local marijuana tax, this

is a rough estimate that will continue to be refined as we gain experience with actual receipts. The City should receive its first State marijuana tax revenue payment in September 2017.
Inflation Rates – The FY18 rate is 2.5% based on the state forecast from September 2016. Inflation rates beginning in FY19 are pegged at the inflation percentages used by the State Office of Economic Analysis in its March 2017 forecast. In FY19, the rate is 2.3%, increasing to a high of 2.8% by the end of the forecast period.

Cost of Living Adjustments (COLA) – If a labor contract is in place, the forecast includes the COLA per the contract. If no contract is in place for a particular year, the forecast assumes the State Office of Economic Analysis inflation projections from its March 2017 forecast. Increases in the minimum wage, per recent Oregon Legislation, are also included.

Materials and Services – As part of the ongoing budget reduction strategy, there is no inflationary increase to existing General Fund materials and services costs in FY18. Beginning in FY19, increases are tied to the inflation percentages estimated by the State Office of Economic Analysis in its March 2017 forecast.

Health Benefits – The forecast includes a health benefits inflation rate of 4.8% in FY18. Based on preliminary projections from the City's actuary, the cost of health benefits is expected to rise to 5.5% in FY19 with the growth rate dropping to 5.0% by the end of the forecast period.

Retirement Costs – The forecast includes a PERS Tier 1 and Tier 2 rate increase of 3.9% of payroll in FY18, 4.2% in FY20, and 4.9% in FY22 based on the actuarial valuation from calendar year 2015 data and subsequent PERS actuary projections of system-wide rates. An OPSRP General Service rate increase of 2.3% of payroll will occur in FY18, with additional projected increases of 2.3% in FY20 and FY22. The rate for OPSRP Police/Fire increases 3.0% in FY18 and an additional 3.0% in FY20 and FY22.

Public Employees Retirement System

What is PERS and how does it work?
It is the Public Employees Retirement System, which is a pension plan for public employers. The Oregon Legislature determines what the pension plan is, the Oregon Investment Council invests the fund assets, and the PERS Board sets the rates that employers, such as the City of Eugene, must pay to cover the system costs.

How is PERS funded?
The system assets have come mainly from investment income, which represents 73.4% of system revenues since 1970. Employer contributions made up 21.1% and member contributions were the remaining 5.5%.

The PERS system is about 79% funded as of the last valuation, which was at December 31, 2015. This means that the system has approximately 79% of the funds needed to pay projected benefit costs. The remaining 21% is called the "unfunded liability".

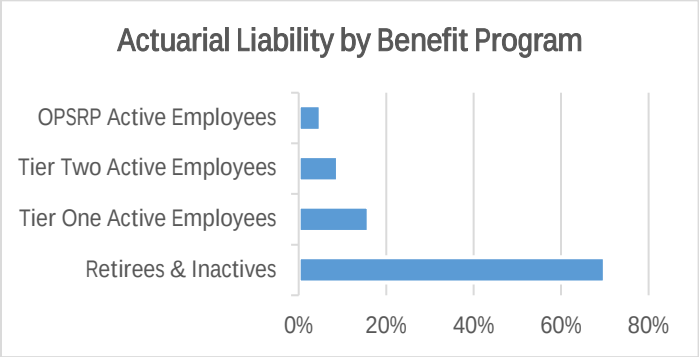
How are the City's costs determined?
The City's costs are determined by the PERS Board based on an actuarial projection of retirement benefits costs for City employees. The actuarial projection of benefit costs is updated every year.

What are the City's costs for PERS and will they go up in the FY18 budget and beyond?
The City currently contributes about $21.5 million for PERS costs, and those costs are expected to go up by about $4 million in the FY18 budget. This is for all of the City's funds. Employer rates are set every two years, and the PERS Board's actuarial projections show that rates will go up significantly over the next several years. The PERS Board decreased the assumed earnings rate from 7.5% to 7.2% at their July 2017 meeting, an action that will result in additional rate increases.

Rates as a Percent of Payroll	FY12 Actual	FY14 Actual	FY16 Actual	FY18 Actual	FY20 Projected	FY22 Projected
Tier 1 and 2	14.03%	14.10%	17.50%	21.40%	25.58%	30.52%
OPSRP General Service	10.18%	9.26%	10.05%	12.38%	14.71%	17.04%
OPSRP Police and Fire	12.89%	11.99%	14.16%	17.15%	20.14%	23.13%

Note: Tier 1 employees were hired before 1/1/96; Tier 2 employees were hired between 1/1/96 and 8/28/03; Oregon Public Service Retirement Plan (OPSRP) employees were hired after 8/28/03.

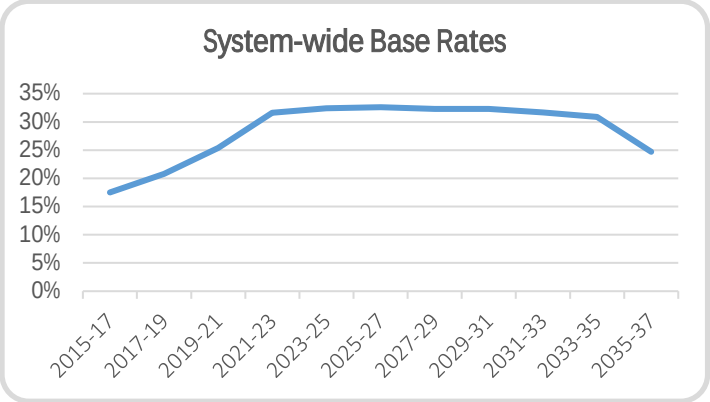
What actions can the City take to lower the costs of PERS?
The City does not determine the benefits or costs of PERS, so there is no direct way to affect system costs. Eugene was the lead plaintiff in a lawsuit against the PERS board in the late 1990's, however, which resulted in lower costs and encouraged the legislature to create a new, lower cost tier of benefits.



The 2017 Legislature considered potential ways to lower system costs but did not take action. Due to previous lawsuits and court rulings, the ability to affect employer costs is limited. About 70% of the cost of the system is due to members who are either already retired or no longer working for a PERS employer. They have earned benefits and the court has said that those benefits cannot be reduced retroactively.

Will high market returns mean lower costs for the City?
According to the PERS actuary, if market returns average 9% per year for the next six years, there will be little difference in projected employer rates. Rates are currently insufficient to pay off the unfunded liability over the 20 year amortization period. During the next six years, rates will be gradually increased to the level necessary to fully fund the liability over time. Higher or lower market returns will not have any significant impact on rates in the next few years.

What is the outlook for PERS rates in the long run?
PERS rates are expected to nearly double over the next six years. After that, rates will stabilize at those levels through about 2035. The current unfunded liability is expected to be paid off by then, and rates will start to slowly decrease in the late 2030's as a result.



How do increasing PERS costs affect the City's budget? What can the Budget Committee or the City Council do about PERS costs?
As mentioned above, PERS benefits are determined by the Oregon Legislature and the cost of funding those benefits is determined by the PERS Board. A large percentage of the cost is associated with retired employees. The Budget Committee and the City Council cannot directly impact PERS costs. They can, however, proactively plan for the financial impacts of the increasing costs. The Six-Year General Fund Forecast includes projections of future PERS costs, so that the Budget Committee and City Council can take those costs into account as they develop an approach to balancing the budget. The City has faced a budget gap in the past, and has been successful at balancing services to the community, support for employees and fiscal stewardship to close those gaps.

Where can I get more information?
The Budget Committee received a presentation about PERS at their March 9, 2017 meeting. The handout from that presentation, as well as a link to the webcast, can be found on the City's website at www.eugene-or.gov/2517/Budget-Meeting-Materials. Additionally, the PERS website has comprehensive information about the system at www.oregon.gov/PERS.

GENERAL FUND SIX-YEAR FINANCIAL FORECAST (MAIN SUBFUND 011), FY18 THROUGH FY23

FY18 Adopted Budget with FY19 and FY20 Reductions

June 26, 2017

Executive Summary: Resources and Requirements

		FY15	FY16	Projected FY17	Adopted FY18	Forecast FY19	FY20	FY21	FY22	FY23
Resources										
Beginning Working Capital		$38,503,285	$36,559,410	$53,668,202	$50,387,523	$47,091,000	$48,123,000	$48,426,000	$49,131,000	$47,208,000
Current Revenues		133,959,791	156,447,171	144,722,696	149,182,998	154,149,000	158,956,000	163,945,000	169,084,000	174,421,000
Total Resources		172,463,076	193,006,581	198,390,898	199,570,521	201,240,000	207,079,000	212,371,000	218,215,000	221,629,000
Requirements										
Department Expenditures										
Personnel		94,555,788	101,353,019	107,221,285	111,578,178	114,360,000	120,545,000	124,047,000	130,737,000	135,169,000
Materials and Services		33,144,452	32,275,990	36,786,283	34,530,229	33,507,000	34,495,000	35,494,000	36,484,000	37,537,000
Department Subtotal		127,700,239	133,629,009	144,007,568	146,108,407	147,867,000	155,040,000	159,541,000	167,221,000	172,706,000
FY19 and FY20 Budget Reductions						(1,000,000)	(2,026,000)	(2,081,000)	(2,137,000)	(2,197,000)
Non-Departmental Expenditures		8,203,426	5,709,371	6,180,280	6,371,055	6,250,000	5,639,000	5,780,000	5,923,000	6,069,000
Total Expenditures		135,903,666	139,338,379	150,187,848	152,479,462	153,117,000	158,653,000	163,240,000	171,007,000	176,578,000
Change in UEFB	(1)	40,000	1,330,000	890,000	1,400,000	190,000	920,000	770,000	1,290,000	930,000
Total Expenditures plus Change in UEFB		135,943,666	140,668,379	151,077,848	153,879,462	153,307,000	159,573,000	164,010,000	172,297,000	177,508,000
Annual Operating Surplus/(Deficit)	(2)	**(1,983,875)**	**15,778,792**	**(6,355,152)**	**(4,696,464)**	**842,000**	**(617,000)**	**(65,000)**	**(3,213,000)**	**(3,087,000)**
Ending Fund Balance										
UEFB at June 30	(3)	21,710,000	23,040,000	23,930,000	25,330,000	25,520,000	26,440,000	27,210,000	28,500,000	29,430,000
Reserves										
Reserve for Revenue Shortfall (RRSF)	(4)	**5,539,141**	**8,551,371**	**23,090,703**	**18,564,586**	**22,091,000**	**21,474,000**	**21,409,000**	**18,196,000**	**15,109,000**
Other Reserves	(5)	1,000,000	695,000	1,000,000	3,196,473	512,000	512,000	512,000	512,000	512,000
Total Reserves		6,539,141	9,246,371	24,090,703	21,761,059	22,603,000	21,986,000	21,921,000	18,708,000	15,621,000
Mid-Year Adjustments or Experience Estimates	(6)	5,741,263	(71,104)	182,347						
Reserve For Encumbrance For The Next Fiscal Year	(7)	2,723,809	2,269,491	2,184,473						
Marginal Beginning Working Capital For The Next Fiscal Year	(8)	(154,803)	19,183,444							
Total Ending Fund Balance		36,559,410	53,668,202	50,387,523	47,091,059	48,123,000	48,426,000	49,131,000	47,208,000	45,051,000
Total Requirements		172,463,076	193,006,581	200,575,371	199,570,521	201,240,000	207,079,000	212,371,000	218,215,000	221,629,000

Notes:

(1) Increase necessary to keep Unappropriated Ending Fund Balance (UEFB) at Council-adopted policy level of two months of operating expenditures, excluding reserves and contingency.

(2) For the Adopted Budget and forecasted years, the Annual Operating Surplus/(Deficit) equals Current Revenues less Total Expenditures plus Change in UEFB.
For actuals and current year projections, the Annual Operating Surplus/(Deficit) also includes expenditures made on supplemental budgets using carryover resources.

(3) Per Council policy, UEFB equals two months operating expenses (total department and non-departmental expenditures).

(4) RRSF as budgeted for actual and budgeted years. Forecast assumes any annual surpluses are set aside in RRSF and used to fully or partially fund any future operating deficits. FY17 includes a deposit from a large Comcast legal settlement.

(5) Other Reserves include reserve for property tax appeals, reserve for 2021 World Championships, and contingency. For the Adopted Budget, includes Reserve for Encumbrance for the current year.

(6) Mid-year adjustments include supplemental budget actions, experience estimates for revenues/expenditures, and adjustments to Beginning Working Capital (BWC) to enact the Adopted Budget.

(7) Reserve for Encumbrance represents a reserve for uncompleted contracts carried over to the next fiscal year.

(8) Marginal Beginning Working Capital (MBWC) represents the audited difference between estimated Beginning Working Capital (BWC) and actual BWC. MBWC is appropriated by City Council on supplemental budget in December each year.
FY16 includes a large Comcast legal settlement.

Reserve For Revenue Shortfall (RRSF) as a % of Actual or Projected Expenditures	*4.1%*	*6.1%*	*15.4%*	*12.2%*	*14.4%*	*13.5%*	*13.1%*	*10.6%*	*8.6%*
Reserve For Revenue Shortfall (RRSF) as a % of Expenditures per the Adopted Budget; Target is 8%	*4.7%*	*6.8%*	*4.5%*						

FY18 General Fund Budget Changes

Main Subfund (Subfund 011)		
Ongoing Funding	**FTE**	**Amount**
Downtown Urban Renewal Staffing (revenue-backed) *	2.50	$302,000
Criminal Justice System Funding Gaps (revenue-backed)	0.00	$250,000
Police Reimbursable Overtime (revenue-backed)	0.00	$200,000
Assistant City Manager Position	0.50	$124,000
Planning and Development Executive Director Position	0.50	$102,000
Land Use Planning (revenue-backed)	1.00	$100,000
Police Auditor Community Engagement Specialist	0.80	$75,000
Urban Renewal Finance Manager (revenue-backed) *	0.50	$55,000
Park Safety and Security (revenue-backed)	0.00	$50,000
Marijuana Tax Administration (revenue-backed)	0.00	$20,000
Budget Transparency Solution (contingency reduction)	0.00	$20,000
Total	5.80	**$1,298,000**

Limited Duration Funding (End Date)	**FTE**	**Amount**
Downtown and Urban Parks Improvements (FY18)	0.00	$500,000
Body Worn Cameras (FY18)	0.00	$250,000
Envision Eugene Legal Services (FY18)	0.00	$181,000
Veterans Affairs Clinic SDC Repayment from Property Taxes (FY27)	0.00	$135,000
Greenhill Contract Increase (FY18)	0.00	$100,000
Budget Transparency Solution (FY19)	0.00	$20,000
Human Services Commission Funding (FY19)	0.00	$154,655
Future Shelter (FY19)	0.00	$1,000,000
Transfer to Ambulance Transport Fund (592) for Basic Life Support (BLS) System Ambulance (FY19) **	0.00	$500,000
Transfer to Ambulance Transport Fund (592) for Advanced Life Support (ALS) System Ambulance (FY20) **	0.00	$500,000
Total	0.00	**$3,340,655**

Cultural Services Subfund (Subfund 031)		
Ongoing Funding	**FTE**	**Amount**
Cultural Services Activity Increase	0.00	$818,000
Total	0.00	**$818,000**

Limited Duration Funding	**FTE**	**Amount**
Hult Ticketing Improvements, Web Redesign and Marketing Outreach	0.00	$150,000
Total	0.00	**$150,000**

* See corresponding Urban Renewal changes in Urban Renewal Agency section.
** See corresponding Other Fund Budget Changes section.

FY18 Main Subfund (Subfund 011)

Downtown Urban Renewal Staffing – Provides ongoing funding, supported by payments from the Downtown Urban Renewal District, to add 2.5 FTE in the Planning and Development Department for project delivery administration related to Downtown Urban Renewal District projects, including managing projects for a downtown high-speed fiber network, Park Blocks and open space improvements, improved space for Farmers' Market, and redevelopment of the former Lane Community College downtown center.

Criminal Justice System Funding Gaps – Provides ongoing, revenue-backed funding from the new local marijuana tax to address resource gaps within the Eugene municipal justice system. The specific use of these funds will be determined by the City Manager based on recommendations from the Community Justice Team, and may include continuation of the Community Court program beyond the two-year pilot project, addressing capacity needs in the City Prosecutor's Office and other critical needs to improve public safety outcomes in the community.

Police Reimbursable Overtime – Provides ongoing, revenue-backed funding for overtime related to the provision of law enforcement and security services for functions outside of the normal scope of services. This increase to revenue and associated expenses matches the trend in recent years of an increased demand for these services.

Assistant City Manager Position – Provides ongoing funding to bring this position to full-time. As a cost-savings measure in FY14, the Assistant City Manager position was combined with the Planning and Development Executive Director position. In early FY17, the decision was made to fully fund each position.

Planning and Development Executive Director Position – Provides ongoing funding to bring this position to full-time. As a cost-savings measure in FY14, the Assistant City Manager position was combined with the Planning and Development Executive Director position. In early FY17, the decision was made to fully fund each position.

Land Use Planning – Provides ongoing, revenue-backed funding for an additional 1.0 FTE. This will fund an Assistant/Associate Planner to review land use applications. The Land Use Planning work group has consistently exceeded their revenue budgets over the last three fiscal years as development continues to recover from the recession and returns to normal levels. The increased level of development has a direct relationship on the number of land use applications.

Police Auditor Community Engagement Specialist – This change is a continuation and expansion of an FY17 limited duration request. Provides ongoing funding for an additional 0.8 FTE for a Community Engagement Specialist in the Police Auditor's Office. This position will provide community engagement and outreach services, with a focus on assisting community members whose primary language is Spanish.

Urban Renewal Finance Manager – Provides ongoing funding, supported by payments from the Downtown and Riverfront Urban Renewal Districts, to add 0.5 FTE in the Planning and Development Department for a Finance Manager to work on complex financial budgeting, tracking, reconciling and reporting needs of the City staff working on Council-directed redevelopment projects.

Park Safety and Security – Provides ongoing, revenue-backed funding from the new local marijuana tax for ongoing downtown coordination work by the Facilities Management division.

Marijuana Tax Administration – Provides ongoing, revenue-backed funding from the new local marijuana tax for City costs associated with administration and collection of the tax.

Downtown and Urban Parks Improvements – Provides one-time funding for cross-departmental efforts to improve downtown and urban parks. Work will include a focus on downtown and parks safety and security, cleanliness and facilities, and programming. This work is a continuation of the one-time funding granted on FY17 Supplemental Budget #1, and will incorporate recommendations from the Downtown Operations Team.

Body Worn Cameras – Provides one-time funding for the Police Department to implement body worn cameras.

Envision Eugene Legal Services – Provides one-time funding for a limited duration Assistant City Attorney position. This position will be dedicated to providing legal support for the work related to implementation of Envision Eugene, and other long-term planning and growth management initiatives.

Veterans Affairs Clinic SDC Repayment – Provides funding through fiscal year 2027 to offset the loss from waiving System Development Charges (SDC) for the construction of the Veterans Affairs Clinic. As part of the agreement, the City committed to use property taxes generated by the development to offset the loss.

Greenhill Contract Increase – Provides one-time funding to address increased contract costs associated with the operation of the First Avenue Animal Shelter. Continuation of a one-time addition in FY17.

Budget Transparency Solution – Provides funding to procure and implement a public budget transparency solution to go live in advance of the FY18-19 budget deliberations. The solution should allow visitors to browse current revenues and expenditures at a detailed level, have aggregation and disaggregation capability that provides a high-level view of the entire budget and departments, with the ability to navigate to detailed views, and provide similar insights at a fund level. One-time funding in the amount of $20,000 to come from the Reserve for Revenue Shortfall and ongoing funding of $20,000 to come from City Council's Contingency.

Human Services Commission Funding – Increases the General Fund contribution on a one-time basis to the Human Services Commission to provide Eugene's share of the FY18 cost for the Dusk to Dawn winter warming site program.

Future Shelter Planning – Provides one-time funding for a future shelter, and development of a plan for City Council approval in conjunction with inter-jurisdictional partners.

Basic Life Support (BLS) System Ambulance – The Budget Committee recommended adding a second BLS unit in the Ambulance Transport Fund (592). A one-time transfer of $500,000 from the General Fund Reserve for Revenue Shortfall to the Ambulance Transport Fund provides funding for this additional BLS system ambulance.

Advanced Life Support (ALS) System Ambulance – The City Council amended the FY18 Proposed Budget to add one 24/7 advanced level medic unit beginning January 2018. Funding comes from a one-time transfer from the General Fund Reserve for Revenue Shortfall in the amount of $500,000 to the Ambulance Transport Fund (592) and additional Charges for Services revenue in the Ambulance Transport Fund in the amount of $150,000. The City Council also directed the City Manager to include as one-time dollars an additional appropriation of $750,000 in the FY19 Proposed Budget to staff the 24/7 ALS ambulance for an additional year.

FY18 Cultural Services Subfund (Subfund 031)

Cultural Services Activity Increase – Provides ongoing, revenue-backed funding for increased commercial and Hult Presents shows at the Hult Center. Revenues from the additional events will offset the increased expenditures.

Hult Ticketing Improvements, Web Redesign and Marketing Outreach – Provides one-time funding to assess and develop improvements to the Hult Center's ticketing system and website, as well as outreach targeted to diversify and expand the audience.

Prior Years' Limited Duration Funding Removed in FY18

Main Subfund (Subfund 011)		
Body Camera Matching Grant Funding	0.00	$250,000
Evidence Control Unit Staffing	0.00	$250,000
Replacement of Recreation Program Software	0.00	$150,000
Human Services Commission Funding	0.00	$125,000
Community Justice Initiative	0.00	$100,000
Greenhill Contract Increase	0.00	$95,000
Police Auditor's Office Limited Duration Position	0.00	$49,000
Rest Stop Program	0.00	$25,000
Total	0.00	**$1,044,000**

Main Subfund (Subfund 011)

Body Worn Camera Matching Grant Funding – Provided one-time funding for the match portion of the Body Worn Camera grant received by the Police Department.

Evidence Control Unit (formerly Property Control) Staffing – Provided funding for two years (FY16 and FY17) as additional resources for the Evidence Control Unit to comply with audit recommendations.

Replacement of Recreation Program Software – Provided one-time funding to assist in the replacement of the Recreation program's CLASS registration and scheduling software.

Human Services Commission Funding – The Budget Committee and City Council directed staff to allocate $125,000 in one-time funding from Marginal Beginning Working Capital on FY17 Supplemental Budget #1 for the Human Services Commission.

Community Justice Initiative – Provided one-time funding to support the Community Justice Initiative project. Goals of the project include reducing behavioral crime and recidivism, achieving

a better alignment between justice system processes, caseload and available resources, and creating a more nuanced community justice system that focuses on problem solving, individualized treatment of the offenders, providing restorative justice options, and achieving faster resolution of cases.

Greenhill Contract Increase – Provided one-time funding to address increased contract costs associated with the operation of the First Avenue Animal Shelter. An additional one-time allotment is included for FY18.

Police Auditor's Office Limited Duration Position – Provided one-time funding for a limited duration (0.5 FTE) position in the Police Auditor's Office. This position worked as a community engagement and translation specialist to assist community members whose primary language is Spanish. This is included as an ongoing, increased FTE for FY18.

Rest Stop Program – The Budget Committee and City Council directed staff to allocate $25,000 in one-time funding from Marginal Beginning Working Capital on FY17 Supplemental Budget #1 for the rest stop program.

FY18 Other Fund Budget Changes

Road Fund (Fund 131)	FTE	Amount
Signs and Markings Inventory Growth	0.00	$100,000
Utility Locate Technical Specialist (partially funded by Fund 530)	0.50	$62,000
Telecom Registration/Licensing Fund (Fund 135)		
Telecom Equipment Replacement Fund Shortfall	0.00	$500,000
Construction and Rental Housing Fund (Fund 150)		
Plumbing Inspector and Van	1.00	$144,000
Structural Engineer Plans Reviewer	1.00	$137,000
Business Liaison	1.00	$137,000
Municipal Airport Fund (Fund 510)		
Air Show	0.00	$100,000
Airport Worker	1.00	$95,000
Parking Services Fund (Fund 520)		
Business Intelligence Analyst	0.50	$0
Wastewater Utility Fund (Fund 530)		
Utility Locate Technical Specialist (partially funded by Fund 131)	0.50	$62,000
Utility Administration Coordinator	1.00	$90,000
Stormwater Utility Fund (Fund 539)		
Green Infrastructure Maintenance	0.00	$50,000
Ambulance Transport Fund (Fund 592)		
Basic Life Support (BLS) System Ambulance (revenue-backed)	0.00	$250,000
Basic Life Support (BLS) System Ambulance *	0.00	$500,000
Advanced Life Support (ALS) System Ambulance (partially revenue-backed) *	0.00	$650,000
Risk and Benefits Fund (Fund 620)		
Emergency Management Analyst	0.50	$53,000
Total	7.00	**$2,430,000**

* See corresponding General Fund Budget Changes section.

Road Fund

- **Signs and Markings Inventory Growth –** This is for funding to assist in the provision of routine maintenance of the large inventory of signs and markings that have been added to the City since 2009 to support bicycle and pedestrian infrastructure and transportation safety.

- **Utility Locate Technical Specialist –** Provides funding for 0.5 FTE for locating utilities. Locating utilities requires highly trained staff to research, identify and locate City services including waste and stormwater facilities and street light and traffic signal wiring. The current trends in construction and development lead management to believe that current staff resources will not meet future demand. By law, locate requests must be performed in a prescribed time. This position will significantly reduce overtime expenses (see Wastewater Utility Fund for additional 0.5 FTE increase).

Telecom Registration/Licensing Fund

- **Telecom Equipment Replacement Fund Shortfall –** The Telecom program currently funds telecom-related equipment replacement at $500,000 per year. This funding supports critical parts of the City's information technology infrastructure, such as data network hardware, as well as equipment used by individual departments. This amount is not projected to keep pace with the telecom-related equipment replacement needs over the next six fiscal years. This addition provides additional funds for the unfunded portion of the City's telecom equipment replacement costs.

Construction and Rental Housing Fund

- **Plumbing Inspector and Van –** During the last recession, Inspection Staff was reduced by 7.0 FTE. With construction stabilized, this additional position and vehicle will assist the organization in providing inspections in a timely manner.

- **Structural Engineer Plans Reviewer –** Continued increase in development, inquiries and consultations have exceeded the current service capacity for Building and Permit Services. When internal resources are at capacity, the City sends work to third-party contractors. The addition of this position is expected to reduce those costs by $60,000 and also provide the City with greater oversight of the review process.

- **Business Liaison –** This position will work as a liaison between the local building community and senior management of the Planning and Development Department to develop, interpret, manage and analyze administrative systems, policies and procedures related to building and local code. This position coordinates staff and resources related to public outreach and manages community relations and expectations.

Municipal Airport Fund

- **Air Show –** This funding allows the Airport to provide an annual air show in conjunction with other Airport events that promote the airport, services available and aviation. The air show is expected to give local businesses an opportunity to advertise and gain public exposure to a new segment of the community. The event will also create opportunities for vendors to provide services during the air show.

- **Airport Worker –** This additional position will provide support and maintenance to the increased airfield infrastructure at the Airport. Increased passenger traffic and use has resulted in additional repair and maintenance work that had previously been somewhat seasonal, relying on staff overtime to complete.

Parking Services Fund

- **Business Intelligence Analyst –** This position will manage parking structure capital project investments, audit annual parking revenue, lead tech initiatives, wayfinding and work with community and partners to implement master plans and projects. This position will be funded by existing resources.

Wastewater Utility Fund

- **Utility Locate Technical Specialist –** Provides funding for 0.5 FTE for locating utilities. Locating utilities requires highly trained staff to research, identify and locate City services, including waste and stormwater facilities and street light and traffic signal wiring. The current trends in construction and development lead management to believe that current staff resources will not meet future demand. By law, locate requests must be performed in a prescribed time. This position will significantly reduce overtime expenses (see Road Fund for additional 0.5 FTE increase).

- **Utility Administration Coordinator –** The addition of this position will offset the additional workload associated with the implementation of EWEB's new Customer Information System.

Stormwater Utility Fund

- **Green Infrastructure Maintenance –** Funding is for equipment and supplies to be used in green stormwater management. This workgroup provides maintenance, inspection and reporting on public stormwater development. Forecasts indicate continued growth of this program for public and private infrastructure. Facilities have been installed that will require replacement of plants and other components to extend their lifespan. For FY18, funding will be for equipment and supplies, and a request will be submitted in FY19 for an additional 1.0 FTE.

Ambulance Transport Fund

- **Basic Life Support (BLS) System Ambulance –** The Fire Department's Emergency Medical Services deployment system is unsustainable due to increased demand and limited resources. Currently, the department deploys an advanced level medic unit on all medical calls. In 2017, the department implemented on a trial basis a basic life support (BLS) program to help ensure the appropriate medical transport unit is dispatched to the emergency scene, saving Advanced Life Support (ALS) medic units for the most critical calls for service. One additional unit will be using existing equipment, and hiring additional staff. The Budget Committee recommended adding a second BLS unit in the Ambulance Transport Fund. A one-time transfer of $500,000 from the General Fund Reserve for Revenue Shortfall to the Ambulance Transport Fund, and additional Charges for Services revenue in the Ambulance Transport Fund in the amount of $250,000 provides funding for two additional BLS system ambulances.

- **Advanced Life Support (ALS) System Ambulance –** The City Council amended the FY18 Proposed Budget to add one 24/7 advanced level medic unit beginning January 2018. Funding comes from a one-time transfer from the General Fund Reserve for Revenue Shortfall in the amount of $500,000 to the Ambulance Transport Fund, and additional charge for service revenue in the Ambulance Transport Fund in the amount of $150,000.

Risk and Benefits Fund

- **Emergency Management Analyst –** Provides funding through the Risk and Benefits Fund for the addition of 0.5 FTE. This partial FTE will be added to an existing half-time position to lead the City's Natural Hazards Mitigation and Continuity of Operations plans, processes and other emergency management program assignments.

This new section of the FY18 Adopted Budget document was developed in response to Budget Committee feedback at their workshop on February 4, 2017. This section is intended to provide updates on important plans, policies and initiatives of the City Council in a short, easily understandable format. The write-ups are intended to convey (where applicable):

- A description of the service area, priority or initiative;
- The outcomes we are trying to achieve;
- The direction received from council, including any adopted plans, policies or specific actions;
- The actions that have been taken so far and planned actions. This is a brief update and not intended to be a comprehensive list of all past and future actions;
- Any new allocations in the FY18 budget; and
- Information about where people can go to find out more.

The write-ups are limited to one sheet of paper, both sides. They include visuals, such as graphs or charts, photos, etc., to help illustrate the points.

This section includes write-ups of the following items:

- Affordable Housing
- Climate Recovery Ordinance
- Downtown and Urban Parks
- Emergency Preparedness
- Homelessness
- Human Services
- Parks and Recreation System Plan
- Pavement Preservation Program
- Safe Community/Community Justice Initiative
- 2021 World Championships

The City of Eugene receives annual funding from the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME). For FY17, Eugene received a CDBG grant of $1,247,300. Eugene and Springfield received a HOME grant of $971,219, and approximately 75% of these funds are designated for use within Eugene.

The use of CDBG and HOME funds is guided by the Eugene-Springfield 2015 Consolidated Plan, which was developed through extensive data analysis, community engagement, and multiple work sessions with City Council. The Consolidated Plan includes strategies for both affordable housing and community development activities. The 2015 Consolidated Plan identifies strategies to increase access to affordable housing by:

- Increasing the supply of affordable housing
- Rehabilitating and preserving existing affordable housing stock
- Removing barriers to affordable and supportive housing

Staff administer additional City in-kind subsidies including the System Development Charge Grant and Low-Income Rental Housing Property Tax Exemption programs. These resources are typically combined with federal and state funds to make affordable housing developments possible.

Bascom Village

Increase Supply of Affordable Housing

The City of Eugene increased the supply of affordable housing through construction and acquisition of new affordable housing and property acquisition for future affordable housing. The following notable projects have been completed recently or are underway:

- *Bascom Village*- St. Vincent de Paul Society of Lane County and HACSA completed a new 101 unit development for low-income people.
- *North Polk Street Apartments*- Neighborhood Economic Development Corporation (NEDCO) acquired a 12 unit building that serves very-low income youth aging out of foster care.
- *Delta Court*- Cornerstone Community Housing acquired an 8 unit building on Hunsaker Lane to serve as transitional housing for homeless families.
- *The Monroe*- Liberty Housing Group acquired a 6 unit building in the Whiteaker neighborhood, which will serve veterans.
- *Youth House*- St. Vincent de Paul Society of Lane County acquired a church for conversion into 14 transitional housing units for homeless high school students.
- *River Road Apartments*- NEDCO acquired a 4 unit building for very-low income people with HIV/AIDS.

Land Acquisition for Affordable Housing

The City of Eugene acquired vacant land on River Road using CDBG funds for the future development of 50-60 units of affordable housing. The site will be offered through a future Request for Proposals along with HOME funds and local resources.

Rehabilitate Existing Affordable Housing Stock

Olive Plaza

The City works to rehabilitate and preserve existing affordable housing through the Housing Rehabilitation Fund supported with CDBG funds.

Emergency Home Repair and Accessibility Improvements
Twenty-three individual households received assistance through Eugene's emergency home repair and accessibility improvements. Of these, 13 homes are occupied by homeowners with disabilities. Households served through this program include seniors, persons with disabilities and people living in manufactured home parks.

Rental Rehabilitation Activity

- *Olive Plaza* – The City provided significant support for the rehabilitation of Olive Plaza using CDBG funds including seismic upgrades and accessibility improvement. This action preserved 150 units of affordable housing for very low income seniors and people with disabilities.
- *West Town on 8th* - Cornerstone Community Housing is using CDBG funds to repair construction defects that have led to a failed roofing system. This will preserve 102 affordable housing units in downtown Eugene.

Remove Barriers to Affordable and Supportive Housing

Intergovernmental Housing Policy Board - The mission of the HPB is to increase the availability of decent, affordable housing, for low and very low income people in Lane County through collaboration and policy recommendations.

Fair Housing - The City of Eugene engages in fair housing work in collaboration with the Fair Housing Council of Oregon, including services for Eugene residents with complaints of illegal discrimination, coordinated outreach with community agencies and trainings for staff, non-profits and community members.

Current Challenges

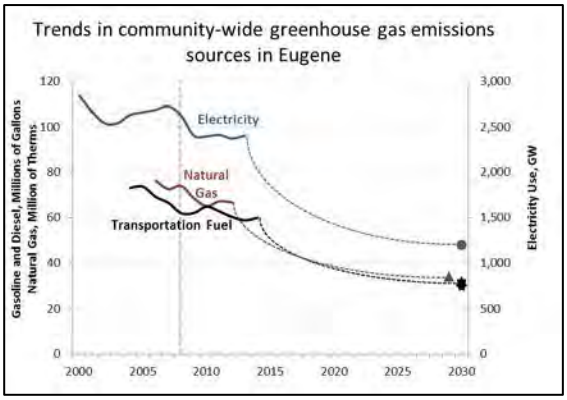
The variability and instability of the federal budget creates challenges in program development and operation. The funds are highly regulated, and uses are restricted. The amount of funds has also diminished significantly over time. The future of these federal grant programs is uncertain as they would receive no funding under the current federal budget proposal.

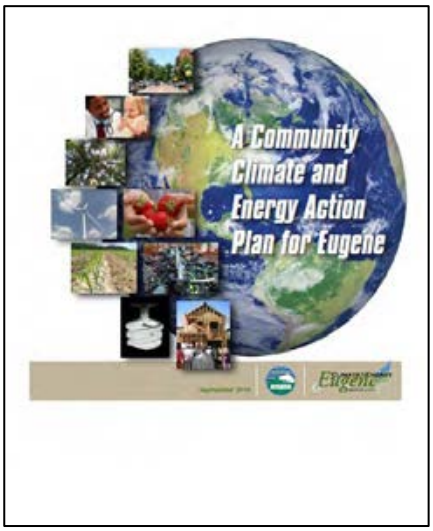
For More Information

- Consolidated Plan, Annual Action Plans, Annual Reports: www.eugene-or.gov/hudconplan
- Fair Housing: www.eugene-or.gov/fairhousing

The Climate Recovery Ordinance (CRO), adopted in 2014 and updated in 2016, provides goals for organization and communitywide greenhouse gas emission (ghg) and fossil fuel use reductions, including:

- By 2020, all City-owned facilities and City operations shall be carbon neutral, either by reducing greenhouse gas emissions to zero, or, if necessary, by funding of verifiable local greenhouse gas reduction projects and programs or the purchase of verifiable carbon offsets for any remaining greenhouse gas emissions.
- By 2030, the City organization shall reduce its use of fossil fuels by 50% compared to 2010 usage.
- By 2030, all businesses, individuals and others living or working in the city collectively shall reduce the total (not per capita) use of fossil fuels by 50% compared to 2010 usage.
- By the year 2100, total community greenhouse gas emissions shall be reduced to an amount that is no more than the City of Eugene's average share of a global atmospheric greenhouse gas level of 350 ppm, which was estimated in 2016 to require an annual average emission reduction level of 7.6%.





Resources

Since adoption, the Council has approved $85,000 on multiple supplemental budgets to support technical assistance for inventories and tracking as required by the ordinance. The FY18 Budget does not contain new appropriations to support CRO implementation. The City's approach has been to leverage existing funding across all departments and service areas to support investments that advance CRO goals. The Unfunded Needs Assessment (UNA) contains several CRO-related items, and it is anticipated that additional funding to support CRO implementation will likely be needed in future fiscal years.

Making Progress

Since adoption of the CRO, the City of Eugene has been working on implementation. While departments have made significant steps to reduce emissions, most recent actions reflect reporting and communication efforts.

Communications: Knowing that the community wants to stay up to date on the work of the City, the CRO webpages have been updated to convey the goals, plans, and work in an accessible way for the public at www.eugene-or.gov/climaterecovery.

Progress Reports: The City produced the Climate Energy Action Plan (CEAP) progress reports in 2011 and 2013, as well as a CRO progress report in 2015. Work is currently underway to complete a 2017 progress report to inform the 2017 CEAP update.

Inventories: The organization finalized community-wide (2015 sector-based and 2013 consumption-based) and internal (2013 and 2015 scope 1 and 2) ghg inventories. In 2013 community consumption was inventoried and in 2015 the inventory looked at information by sectors. This information may be used in future implementation efforts.

Engagement: Work with a Mayor's Ad Hoc workgroup and the Sustainability Commission to provide input on a CRO Communications Plan and a CEAP Update Plan is underway. The work will include recommendations to the Mayor on reporting metrics, action items, and community engagement.

Internal Efforts: The City has been working on emissions reductions through improvements to operations for several years. Previous efforts include streetlight retrofits to use of light-emitting diodes (LEDs), switching from biodiesel to renewable diesel, building retro commissioning, indoor LED lighting, and purchasing electric vehicles to name some. Going forward, City departments will work on individual plans for ghg emissions reductions through a phased approach.

What's Next?

- Over the next couple of months the Mayor's Ad Hoc workgroup will finalize recommendations to the Mayor.
- In the fall, staff will present to City Council annual reports on CRO goal progress, updates on CEAP planning efforts and proposed administrative rules outlining the City's inventory baseline and methodology as required by the ordinance.
- Once Fire and Fleet Services finalize their reduction plans, additional departments will begin work to do the same.
- The Budget Committee directed staff to investigate and report back to the Budget Committee within six months how:
    1) The City can create greenhouse gas reduction metrics from Capital Improvement Program (CIP) projects;
    2) The City can track projects that help meet our CRO goals; and
    3) The CIP process can be modified to prioritize projects that help us meet our CRO goals.

Safe and Welcoming Public Spaces

Providing vibrant, active and safe public spaces for people in the downtown area and surrounding parks continues to be a high priority for the City Council and the entire City organization. Cross-departmental staff teams are focused on three key areas to achieve this goal: a) environmental enhancements; b) police and security presence; and c) programming activities.

The focus is on the downtown and urban parks in and surrounding downtown, such as Washington Jefferson, Skinner's Butte and Monroe Parks, in addition to the Park Blocks and Broadway Plaza. When evaluating options for improvements in one area, the team also takes into consideration the impacts on other neighborhoods such as Whiteaker and Jefferson Westside. Beginning in the winter of 2017, the City has been focusing on specific efforts to support these valued public spaces.

Stakeholder and Community Engagement

Stakeholder involvement in working together to find solutions to current challenges is and will continue to be important to the long-term success downtown. Over the last year and a half, a number of engagement efforts have collected extensive input from the community regarding downtown, including but not limited to the following:

- Mayor's Downtown Solutions Forum, December 2015, more than 150 participants and 22 responses to the online survey.
- Project for Public Spaces Public Engagement, Summer and Fall of 2016:
  - Places for People Advisory Committee – 12 participants representing downtown stakeholders;
  - Interviews and Focus Groups – 16 community organizations, more than 100 people;
  - Two Placemaking Workshops – 60 participants;
  - Pop-Up Placemaking Stations – 12 locations (at least one in every City ward), 250 participants;
  - On-line Community Survey – close to 2,000 responses.
- Stakeholder meetings, winter 2016 – Downtown Policy Team and Operation Team met with the Downtown Stakeholder group multiple times to gather feedback and input on safety concerns and solutions.

Downtown Solutions Forum

Additional public input is received on an ongoing basis via a variety of channels, including City Council public forums, City website and social media, and via public engagement around specific initiatives, such as outreach to the downtown business and property owners as part of the Community Court program implementation.

The results from the Downtown Solutions Forum are available on the City's website at www.eugene-or.gov/downtownsolutions and the presentation and summary of observations and engagement by the Project for Public Spaces are available at www.eugene-or.gov/placesforpeople.

What's Next?

Based on community input, City staff have developed a short-term action plan for improving downtown and urban parks in the summer of 2017, with the goal of making downtown and urban parks feel safer and more inviting. Key components of this action plan will include but are not limited to the following:

Park Ambassadors

Safety and Social Services

Helping Those in Need	• Expand the Community Outreach Response Team program to include parks; • Continue to support and utilize Community Court and collaborate with social service providers.
Setting Clear Expectations	• Add new Park Blocks signs with park name and rules; • Build on the "Be" campaign, a positive visioning campaign that portrays a community where all people are included, empowered, engaged, safe and welcome, by posting signage downtown.
Improving Safety and Sense of Security	• Increase EPD staffing downtown and in urban parks during spring/summer season by four officers through backfill and overtime; • Expand the Park Ambassador program by four ambassadors in downtown parks and one park host in the Park Blocks, and implement a citizen "Downtown Watch" program; • Utilize and leverage existing volunteer programs offered through social services providers.

Physical Improvements and Amenities

Making Spaces Healthier and Safer	• Improve Washington Jefferson Park basketball court facilities; • Upgrade security lighting; • Provide an attended restroom downtown and offer managed day storage lockers.
Improving the Look and Feel	• Deep clean downtown sidewalks and other public areas; • Add seating to enhance public spaces and improve planters and landscaping; • Upgrade decorative lighting and enhance public art; • Add a public phone/device charging station.

Programming Activation

Creating Reasons to Come	• Implement Project for Public Spaces' "Lighter Quicker Cheaper" short-term recommendations that create active and inviting public spaces; • Develop a busking program to activate our public spaces with live music; • Seek partnerships and sponsorships to create more free programs and events; • Partner with the University of Oregon and Harmonics Laboratory on the digital arts projection project.

Investments in Downtown

To implement the short-term downtown action plan, $500,000 in one-time funding was appropriated as part of the FY17 Supplemental Budget #1. The FY18 Adopted Budget includes $500,000 in one-time General Fund appropriations and $50,000 in ongoing funding from local marijuana tax to support the downtown and parks safety and security initiative.

Building a Resilient Community

The City of Eugene Emergency Management Program mission is to protect the community from the impact of disasters or emergencies by maximizing public health and safety, minimizing property damage and mitigating the environmental consequences. The program uses a comprehensive all-hazards approach to emergency preparedness and attempts to address all hazards that may result in disasters or emergencies for our community, including natural hazards such as severe winter weather, floods and earthquakes as well as planned events that may require an emergency response.

Focus Areas

The overarching Emergency Management mission areas, identified by the Federal government, are prevention, protection, mitigation, response and recovery. At the local level, Eugene's Emergency Management Program is involved in many emergency preparedness activities to further our goals in each mission area, including operational readiness, implementation of mitigation strategies, community preparedness and stakeholder partnerships. Operational readiness is dependent on effective emergency planning, training, exercising and evaluating the organization's capability. The City of Eugene Emergency Management Program has made significant progress in each of these areas.

In October 2014, the cities of Eugene and Springfield adopted the first joint Eugene Springfield Multi-Jurisdictional Emergency Operations Plan (EOP). The EOP, updated in November 2016, is an all-hazards plan that enhances coordination and collaboration between Eugene and Springfield, identifies stakeholders and provides the framework to accomplish the Emergency Management Program's mission. The purpose of the joint plan is to establish a comprehensive approach to protect the life, safety and health of the community and to provide for the most efficient and effective use of resources.

Eugene and Springfield also coordinate planning and implementation of a joint Eugene-Springfield Multi-Jurisdictional Natural Hazards Mitigation Plan (NHMP) that addresses multiple natural hazards including earthquake, flood, wildfire and landslide. The latest update of the NHMP, adopted by the City Council in February 2015, includes a climate and hazards vulnerability assessment of twelve essential sectors of our community.

The vulnerability assessment was used to inform the development and prioritization of specific mitigation actions for multiple natural hazards. The action items in the NHMP, for example, seismic evaluation of bridges and critical facilities, help guide our planning and decision making and are consistent with the priorities identified in the Oregon Resilience Plan to improve community resilience.

In June 2016, the City of Eugene, in conjunction with the City of Springfield and other community partners, participated in the regional FEMA-coordinated Cascadia Subduction Zone emergency exercise called Cascadia Rising 2016. The exercise addressed the likely consequences of a Cascadia Subduction Zone 9.0 earthquake off the coast of Oregon and followed over a year of preparation involving nearly 100 City employees and community partners. Eugene received State Homeland Security Grant funding for consulting services to assist with planning and evaluation of the exercise. Exercise objectives included:

Cascadia Rising 2016 emergency exercise

- Open an Emergency Operations Center;
- Establish a Joint Information Center;
- Develop a plan for long term sheltering, including food, water and shelter management;
- Develop a bridge assessment and transportation plan; and
- Test coordination with other Emergency Operations Centers and levels of government.

Eugene has an active Community Outreach Program which supports our resiliency strategy. In FY16, there were over 2,200 participants. Eugene has coordinated the Eugene-Springfield Area Community Emergency Response Team (CERT) volunteer program since 2003 and has trained over 1,500 emergency response volunteers. Eugene actively fosters stakeholder partnerships with EWEB, the City of Springfield, Lane County and many other governmental and non-profit organizations to further our community resilience goals. For example, Eugene supports EWEB's Water Emergency Preparedness Campaign and is a Resilient Lane County Emergency Preparedness partner.

Eugene received $396,000 from the state to fund seismic upgrades to three fire stations: Bethel, Danebo and University.

Moving Forward: Challenges and Priorities

To develop a resilient community, moving forward the City, government and community partners will need to:

- Identify funding for the mitigation actions identified in the NHMP, for example funding to assess and seismically enhance critical buildings, bridges and other critical infrastructure;
- Continue to improve operational readiness by developing plans that will enhance community resilience, including energy and fuel management plans and continuity of operations plans;
- Continue to invest in training employees involved in emergency management activities;
- Strengthen community resilience by encouraging personal preparedness through the Community Outreach Program.

FY18 Budget Allocations

Funds for Emergency Management are included in the Risk Fund. The FY18 Proposed Budget includes funding to bring to full-time a position to lead the City's Natural Hazards Mitigation and Continuity of Operations plans and processes. The FY18 capital budget includes funds to begin replacement of the West Irwin Pump Station, which was originally constructed in 1964, to both improve its functionality and make it seismically sound.

Homelessness and Role of City Government

The City of Eugene is engaged in a number of efforts to address homelessness in our community. These efforts seek to address the need for both permanent solutions and more short-term emergency shelter strategies; to balance livability of neighborhoods with a compassionate and humane response to the challenges that unhoused people face and the reality of our current housing and homelessness crisis; and they acknowledge that partnerships are key to the success of all efforts. Recognizing that people experiencing homelessness each have a unique set of circumstances, needs and challenges, the City and its partners know that there is no "one size fits all" solution, but that a variety of strategies and services are needed. The City of Eugene contributes a significant amount of resources to addressing homelessness in our community; in particular, the City:

- Contributes staff time and operational resources from every department, including responding to calls for service by the Police and Fire & EMS Departments, Public Works staff providing park clean-up, Library and Recreation staff providing services to unhoused community members at libraries and community centers, homelessness programs coordination by the Central Services staff, affordable housing and social services programs funded or operated by Planning and Development Department, and many others.
- Funds the Lane County Human Services Commission at $810,000 annually, a portion of which supports a wide variety of services for unhoused individuals in our community.
- Provides funding through the Community Development Block Grant Fund for capital improvements at social services facilities and social services for low-income persons and families.
- Provides $89,000 in annual funding to St. Vincent de Paul Society for the car camping program.

Policy

- The Eugene City Council passed a resolution in October 2015 declaring the urgency of the housing and homelessness crisis and the need for state assistance to address it. Council also passed a resolution in May 2016 to declare the City's commitment to the Housing First model as a key strategy for addressing homelessness.
- The Poverty and Homelessness Board (PHB) provides policy guidance to the Lane County Board of Commissioners to address homelessness across the region. The City is represented on the PHB to contribute to leadership, policies and planning. Among other goals outlined in its 5-year strategic plan, the PHB is currently working on creating 600 additional permanent supportive housing units by 2021.

Program and Initiatives

In September 2013, the City Council took action to create the Rest Stop Pilot Program, and recently Council passed an ordinance to remove the sunset date from the program. Rest stops offer shelter in Conestoga huts and tents on platforms for up to 20 unhoused people at each site. Sites are managed with rules and expectations. There are application and vetting processes for potential applicants. The structure of rest stops contributes to safety, personal health and growth of the residents, and stability and support for helping residents connect with needed services.

Operated by non-profits, the rest stops are transitional shelter that assist people with identifying and moving into permanent stable housing. The program is administered by staff in the City Manager's Office. With Budget Committee recommendation, Council approved $25,000 for the program on FY17 Supplemental Budget #1 and directed the City Manager to work with neighborhoods in a phased approach to establish new rest stop sites outside of Ward 7. FY17 Supplemental Budget #1 also included one-time funding of $75,000 to expand hours of operation at the Lindholm Center, which provides services to single homeless individuals, and $50,000 towards expanding the car camping program. City staff is working with neighborhoods and community members on additional outreach.

- The **Overnight Parking Program (OPP)**, run in partnership with St. Vincent de Paul, currently hosts over 80 people on 70 sites at 43 addresses, both public and private, in Eugene and Springfield. The OPP provides safe and legal places for unhoused people to sleep in their vehicles, tents, Conestoga huts or tiny homes on wheels.
- In 2015, the Eugene City Council passed an ordinance authorizing the **Dusk to Dawn** program, which allows overnight sleeping from 4:30 pm to 7:30 am at pre-approved locations. From November 1, 2016 through January 15, 2017, the Dusk to Dawn program served over 280 people at the Eugene Service Station and 23 individuals in the Safe Parking Program in the parking lot of Lane County Behavioral Health. The FY18 Adopted Budget includes $154,655 to continue this program for an additional year.
- SquareOne Villages continues to oversee **Opportunity Village** on Public Works property on N. Garfield Street. The site has the capacity to serve up to 35 people at one time in 29 temporary housing units and offers common bath, kitchen and gathering spaces. The non-profit also worked closely with Planning and Development department staff on the design of Emerald Village at N. Polk Street and Railroad.
- The City of Eugene is partnering with the 4J and Bethel School Districts and a number of community partners such as Looking Glass and Hosea Youth Services on the **15th Night Initiative** to address youth homelessness.

Moving Forward: Challenges and Priorities

- The number of households living in poverty is rising, and the number of affordable market rate housing units is shrinking. Over half of Eugene renters and a third of homeowners have a moderate or severe housing cost burden that places them at risk of homelessness.
- While Eugene continues to support development of affordable and special needs housing, development has not kept pace with the growth in need.
- Stabilizing our current rest stop program by locating a more permanent site for each existing rest stop is both a challenge and priority.
- Education and outreach around rest stops and other City and community efforts to combat homelessness are key to increasing both awareness and opportunities for partnerships and collaboration within the community.
- Unauthorized camping in City parks and public right-of-ways is having a taxing impact on the community, the unhoused, and the City. While interdepartmental teams continue to explore and implement strategies to increase public safety and help address the needs of the unhoused, finding workable solutions that meet the magnitude and urgency of the need is a continuing challenge.
- With the homeless population in Lane County totaling over 1,400, there is a need for more emergency safe shelter sites, and the FY18 Adopted Budget includes $1,000,000 for a homeless shelter.

We are working towards a community where all people are safe, valued, and welcome.

The City of Eugene contributes to Human Services Funding annually, both General Funds and Federal Community Development Block Grant (CDBG) funding. We provide funding for critical services for vulnerable people in our community including those experiencing poverty, hunger, homelessness, or physical or mental health crises. Services include housing, food, and crisis intervention. The budget allocations span multiple departments, based on department related partnerships with non-profit agencies.

Human Services Commission
LANE COUNTY • EUGENE • SPRINGFIELD

Human Services Commission (HSC)

General Fund Contribution
City of Eugene Planning and Development Department contracts with Lane County HSC for $810,000 with current ongoing base funding of $810,000. These funds are distributed by Lane County to non-profit partners through a Request for Proposal (RFP) process. Additional resources for expanded weekend hours at the Lindholm Center for single homeless individuals has been provided as part of the Supplemental Budget the past few years.

Additionally, in FY18, one-time funding was approved in the amount of $154,655 to provide Eugene's share of the cost for Dusk to Dawn winter warming site program.

General Fund Contributions	FY16	FY17	FY18 Adopted
Ongoing Base Funding	$610,000	$810,000	$810,000
One-Time Funding in Adopted Budget	$250,000		$154,655
Supplemental Budget		$125,000	
Total General Fund	**$860,000**	**$935,000**	**$964,655**

CDBG Portion
City of Eugene Planning and Development Department contracts with Lane County HSC to provide $350,000 annually of CDBG specific funding that is distributed to a range of services through an RFP process. Catholic Community Services, St. Vincent de Paul Lindholm Singles Access Center and Family Emergency Shelter, Relief Nursery, Food For Lane County Food Bank and Dinner Site, and Womenspace received these funds in the past.

Looking Glass Youth Shelter

City of Eugene Police Department provides $36,000 annually to the HSC that goes towards Looking Glass Station 7 to provide shelter services to prevent youth homelessness. Station 7 and its Rural Program component are in operation 24-hours-a-day to provide crisis intervention services for youth, ages 11-17, and their families.

Buckley House/Willamette Family Treatment Center

City of Eugene Police Department contracts with Willamette Family Treatment Center annually in the amount of $79,000 to provide sobering services.

Whitebird CAHOOTS
(Crisis Assistance Helping Out On the Streets) Vans

City of Eugene Police Department contracts with Whitebird Clinic to run a 24/7 mobile crisis intervention program that includes a medic and a crisis worker. Currently, a budget of over $900,000 and three vans are funded. Eugene Police owns and maintains the vans and contracts for the services provided.

St. Vincent de Paul – Overnight Parking Program

City of Eugene Planning and Development Department contracts with St. Vincent de Paul for $89,000 annually, which has been increased by $50,000 through the Supplemental Budget the past few years. These funds support the City's Overnight Parking Program by providing oversight and sanitation services to approximately 80 homeless vehicle campers in designated areas, as well as significant outreach and response to complaints around illegal on-street camping.

In 2015, the Parks and Open Space and Recreation Services divisions launched a process to establish a plan for the future of the Parks and Recreation System. The goals of the system plan are to address current challenges, plan for future population growth and trends and be responsive to community-identified needs. Two outcomes of this process include a 30-year vision for parks and recreation to benefit current and future generations and a 10-year implementation plan that identifies priorities and funding strategies.

Community Engagement

Through a combination of traditional and innovative public outreach tools, over 10,000 community members were actively engaged:

- Pop up events
- Newsletter mailed to 86,000 households
- Latino outreach
- Online surveys
- Statistically valid telephone surveys
- Community advisory group
- Neighborhood and stakeholder meetings
- Website/e-news

One of the results from this community engagement was a clearly defined set of four principles to guide decision making about services and priorities:

- Care for and make the most of what we have: Provide safe, clean and fun parks and recreation facilities, and enhance their value for the community to enjoy.
- Serve the entire community: Provide equitable and welcoming access to parks and recreation facilities, regardless of neighborhood, culture, ability or income.
- Create more connections: Build on Eugene's strong foundation of connected open spaces and trail networks by completing and making new connections to nature at the regional, city and neighborhood levels.
- Build better partnerships: Forge new relationships and reinvent old partnerships across all sectors to leverage resources and add value to Parks and Recreation services.

30-Year Vision for Parks and Recreation

The 30-year vision for parks and recreation in Eugene includes the following highlights:

- Renovate existing community centers, pools, parks and natural areas
- Build new parks, community centers and pools in underserved areas
- Enhance recreation along the Willamette River and other waterways
- Improve walking and biking opportunities in all neighborhoods
- Make parks safer

These highlights translate into 250 individual projects totaling approximately $350 million in investment. Projects have been prioritized based on triple bottom line considerations and criteria that supports the four principles.

10-Year Implementation Plan

The next step in this process is to identify how much of this vision to prioritize for implementation in the next 10 years. To that end, four scenarios have been developed to illustrate what can be achieved with varying levels of investment. A scenario overview and project details can be found at www.eugparksandrec.org.

These scenarios are not intended to represent the only options for moving forward, but to facilitate a conversation that results in the community's preferred scenario, which could be one of the four or something entirely different. The scenarios depict funding for both capital projects and operations and maintenance (O&M) resulting from a voter approved capital bond and/or operating levy. Other sources for O&M, such as a park utility fee, are also under consideration. Likewise, a variety of capital funding sources that include System Development Charge funds, donations, grants and partnerships are assumed and represented in the project cost estimates of the various scenarios.

Funding mechanism, funding amounts and timing of potential funding measures will be determined by City Council. These decisions, as well as plan adoption, are expected in 2017.

The City's transportation system includes over 525 miles of streets with a replacement value of over $500 million and is the City's largest capital asset. The goal of the pavement preservation program is to eliminate the backlog of streets needing total reconstruction over the next ten years and to prevent additional streets from falling into the reconstruction category of treatment. The annual funding needed to meet this goal is estimated at $14.6 million for the next ten years and $11 million each year thereafter.

Funding Sources

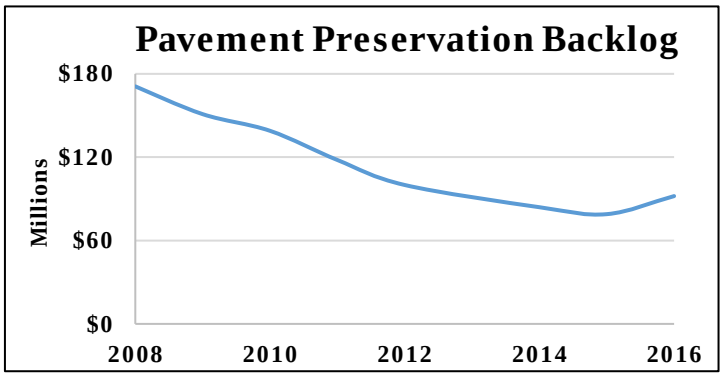
The Fiscal Year 2000 capital budget did not include any funding for capital preservation of the street system. At the time, the pavement preservation backlog was estimated at $53 million. To address the lack of funding for capital preservation of the transportation system, the City Council directed the Budget Committee Citizen Subcommittee to study the City's transportation funding issues and report back findings and recommendations to the Council. The Subcommittee concluded that significant additional funding from one or more new, City-controlled revenue sources was needed to preserve the community's investment in its transportation infrastructure.

Subsequently, Council and Eugene voters took action:

- In 2002, City Council passed a resolution prioritizing the use of the reimbursement component of transportation System Development Charges (SDCs) for pavement preservation. The FY18 budget includes $425,000 from this funding source for pavement preservation.
- In 2003, City Council adopted a $0.03 per gallon local fuel tax that was subsequently raised to $0.05. The FY18 budget includes $3.1 million from this funding source for pavement preservation.
- In 2005, City Council passed a motion prioritizing preservation of the existing transportation system for flexible federal funds available to the City through the federal Surface Transportation Program – Urban. While this funding source has funded several pavement preservation projects in the past, the FY18 budget does not include any funding from this source.
- In 2008 and 2012, Eugene voters approved street repair bond measures of $39 million and $43 million respectively. The FY18 budget includes $8.9 million from this funding source for pavement preservation.

Making Progress

Since 2002, with the funding sources identified above, the City has repaired over 600 streets, representing over 400 total lane miles. The street repairs have included slurry seals, pavement overlays and total street reconstructions. Prior to the 2008 bond measure, the preservation backlog had increased to $171 million and was projected to grow to $270 million by 2016. With additional funding, the pavement preservation backlog was estimated at $92 million at the end of 2016.



The City's Pavement Preservation Program continues to be a leader in promoting sustainability and greenhouse gas reduction using construction materials such as warm mix asphalt pavement and recycled asphalt pavement, design standards that focus on long life pavements, and construction techniques such as in-place road reclamation.

Complete Streets is focused on addressing the needs of all users of the transportation system. While the Pavement Preservation Program is focused on repairing streets, pedestrian, bicyclist and transit user needs have been incorporated in pavement preservation projects with other funding sources, including access ramps compliant with current standards, improved transit stops, median islands with rapid flashing beacons for pedestrian crossings and new bicycle lanes.

Vision Zero is focused on eliminating fatalities and serious injuries on the City's transportation system. Safety improving elements that have been incorporated into pavement preservation projects with alternative funding sources include count down and audible pedestrian signals, enhanced pedestrian crossings and buffered bike lanes.

Buffered bike lane

Information Resources

The City website has several pages related to pavement preservation, project information and program funding:

- Pavement Preservation Program
- Bond Measure to Fix Streets
- Annual Pavement Management Reports
- Information sheets for the current year's projects
- Meeting information, activities and agendas for the citizen Street Repair Review Panel

Moving Forward

Using the local gas tax, SDCs and the current street repair bond, Public Works is working on the timely maintenance of streets so surface deterioration does not result in road failure. Public Works has completed three years of the current five-year bond and will continue to work on finishing the 76 projects listed in the 2012 bond measure approved by Eugene voters.

City Council Goal of Safe Community

Safe Community has been one of the Eugene City Council's goals for a number of years. The Council defined this goal as "a community where all people are safe, valued and welcome." Through a community engagement process several years ago, the Council established several specific outcomes for this goal, which include the following:

- Decreased property crime;
- Greater sense of safety (especially downtown);
- Visible and accessible police presence; and
- Better police/community relations.

Community Justice System

Achieving the goal of Safe Community requires proactive, coordinated work of multiple stakeholders, including the Eugene Police Department (EPD), Eugene Municipal Court, City Prosecutor's Office, Lane County Circuit Court, Lane County and City of Springfield jails, and social services providers. In response to a number of challenges faced by the system, such as increased case backlog, lengthy case disposition times, high rates of property and behavioral crime recidivism, and insufficient alternatives to jail sanctions, an interdepartmental Community Justice Team was formed in 2015 comprised of City staff from the Eugene Police Department, Central Services Department, City Prosecutor's Office and the Municipal Court. With all parts of the system closely interrelated, a system-wide approach was needed to improve public safety outcomes, rather than simply addressing specific operational deficiencies within organizational silos.

Core System Objectives

The Community Justice Team has established the following objectives in order to increase effectiveness of the community justice system and to make it more responsive to the public safety challenges that are currently facing the Eugene community:

1. Implement community-based problem solving and restorative justice.
2. Reduce crime and recidivism to minimize repeat customers.
3. Provide individualized treatment for community members.
4. Ensure high system cooperation and compatibility.
5. Strive for quick and swift resolution of cases.
6. Involve, listen to and build trust in the community, including victims.
7. Work for system adaptability and ability to re-evaluate and adjust as needed.

Making Progress

Over the past two years, the Community Justice Team has taken a number of steps to achieve these objectives, including but not limited to the following:

- Eugene Municipal Court received a $200,000 grant to launch a two-year Community Court pilot program to reduce nonviolent crime in the downtown core by matching offenders with social services providers.
- The Eugene Police Department implemented a pilot Community Outreach Response Team (CORT) program to offer a non-jail alternative to help reduce behavioral crime in the downtown patrol area.

Community Court graduation

Community Outreach Response Team

- City Prosecutor's Office capacity has been increased via implementation of the new electronic case management system and providing funding for a limited duration city prosecutor position.
- Staff continue to assess and improve community justice system processes and practices on an ongoing basis, including caseflow analysis, case backlog review, analyses of jail bed utilization and other aspects of the system.

Going forward, key financial strategies to support the goals of the community justice system will include the following:

- Identify additional public safety strategies to address behavioral crime in the downtown core.
- Identify options for continuing the Community Outreach Response Team program in EPD.
- Maintain ongoing funding for the additional full-time deputy city prosecutor position.
- Continue to fund the Community Court program beyond the end of the two-year pilot phase.
- Conduct comprehensive analysis of the current system to identify additional opportunities for better resource utilization to improve public safety outcomes in the community.

FY18 Budget Investments in Safe Community

The FY18 Budget includes the following strategic investments that support the Safe Community goal:

- $250,000 in ongoing funding towards closing the Community Justice System funding gaps using new General Fund revenues from the City recreational marijuana tax;
- $500,000 in one-time General Fund appropriations and $50,000 in ongoing funding to support the downtown and parks safety and security initiative;
- $250,000 in one-time General Fund resources to be used to implement body worn cameras in the Eugene Police Department.

Several unmet public safety-related needs are also included in the Unfunded Needs Assessment, including an EPD court liaison position, increase in evidence control unit staffing, and ongoing funding for the CORT program. Several studies conducted over the years indicate that there are significant unmet resource needs in several parts of the Eugene Police Department, including Patrol, Investigations, Central Lane Communications, Data and Records Section and others.

Eugene has a long history of being a track town. In fact, the history is so rich that if asked to put a pin in a map for TrackTown, USA, most will quickly pin Eugene as that place. The legends of Steve Prefontaine and the soles of running shoes pressed in a waffle iron are not just Eugene legends, they are American legends. In 2021, we can celebrate that history while creating new heroes and legends when the World Track and Field Championships come to Eugene and historic Hayward Field.

In 2021, the World Championships will be the most viewed and celebrated sporting event in the world and it will be the very first time it has ever been held in the United States. The prior three events will have been hosted in Beijing, London and Doha. The event includes nine days of competition and will attract approximately 2,000 athletes from 214 countries. An estimated 3,000 media and broadcasters will attend and broadcast to more than six billion viewers in over 200 countries. Eugene has an opportunity to inspire the world and generate legacies and memories in every part of our community.

City Goals for 2021

- Build community – imagine, engage, partner, create and advance our community legacy together.
- Invest in ourselves – leverage and catalyze our longstanding hopes and visions for a safe, resilient, beautiful and prosperous city.
- Showcase Eugene – our people, places, ideas and solutions.
- Inspire the world – through experiences, demonstrations, stories, memories…what they see, what they do, what they hear, what they learn and what they remember.

Eugene's goal is to maximize results from existing plans and policies that support the event, engage the community and inspire the world. An example of a legacy project that works in support of the event and the world's experience in Eugene is the re-development of the riverfront into a world class, uniquely Eugene, urban riverfront experience.

Other adopted priorities include the implementation of the downtown urban renewal projects, improvements and advances in the regional transportation system along with priorities to provide affordable housing and economic prosperity for all community members.

In 2015, shortly after being selected as a host city, the City Council acknowledged the potential economic impact of the event and included it in a list of 13 economic initiatives for increased focus.

What's Happening Now?

Most of the actions to date have been around increasing organizational and community knowledge of the event, building partnerships and generating and organizing ideas for potential implementation. Many see this event and timeline as a significant opportunity to catalyze long standing community visions related to every aspect of livability.

TrackTown, the organization, is the clear lead on developing the plans and strategy of the event and have also recently initiated a series of meetings to engage partners in their work to establish their mission statement and strategic objectives. They have been actively seeking funding through the legislature and existing private and public partners to ensure the event is the world class experience they have envisioned and invited the world to attend.

Planning for the Future

The City Council placed $500,000 in a reserve for the 2021 Championships in the FY17 Budget, and City Council appropriated the dollars on Supplemental Budget #2 in June 2017. The City's Executive Team has developed a set of criteria to determine how those dollars would be recommended for spending to achieve the outcomes outlined above. Specifically, the team has asked staff to consider how we can create an awesome Eugene experience by developing and investing in a legacy of:

- Infrastructure,
- Service quality and capacity,
- Community and organizational culture, and
- Leadership and relationships.

The team has also expressed some urgency with the world's largest deadline approaching in four years by reminding staff that it all needs to be strategically orchestrated to be achieved by 2021.

Many legacy items are underway with existing funds and priority projects such as the downtown visioning work being completed by Project for Public Spaces and installation of high speed fiber. Other important projects will need to be initiated and funded in the next year to ensure implementation by 2021.

For More Information

For more information on the event and to sign up for regular newsletter updates visit: www.gotracktownusa.com/events/2021worldchampionships.

This page intentionally left blank.

FY18 | ADOPTED BUDGET SNAPSHOT

TOTAL CITY BUDGET

$677.2 MILLION

UP 8.6% from the FY17 Adopted Budget

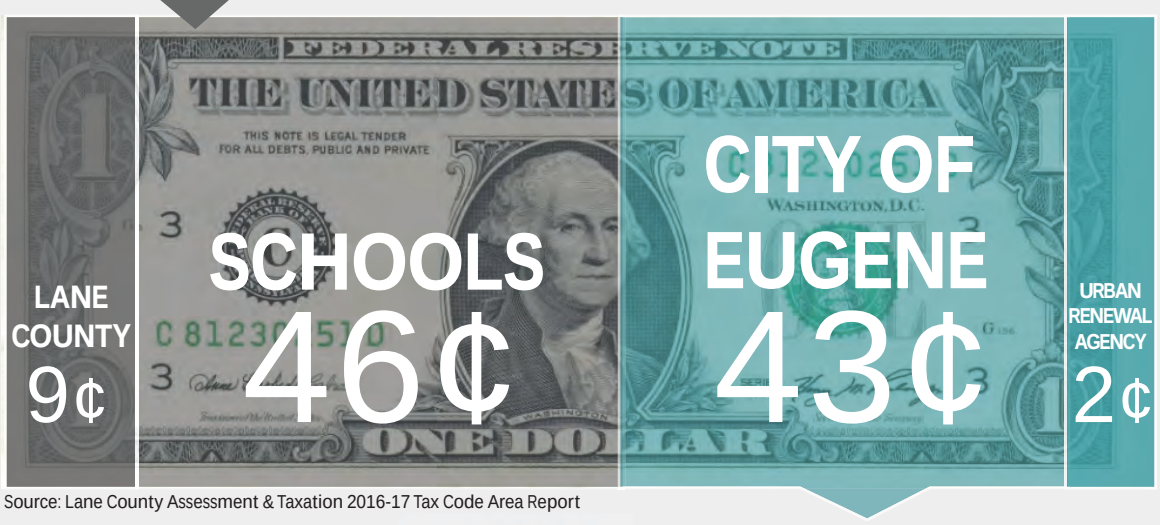
Bond Rating

Aa1

"The rating outlook is stable and reflects the expectation that the City will continue to manage its finances well, maintaining reserves at levels similar to historical results and debt at low levels. The City manages to its financial policies and has a history of stable financial performance."

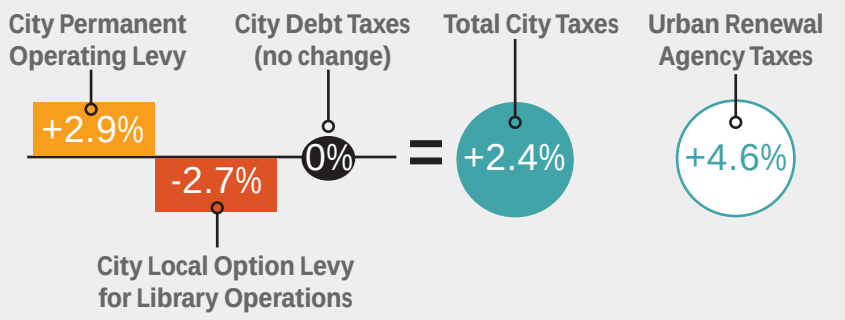
- Moody's Investors Service June 2, 2016

Where Does My Property Tax Dollar Go?



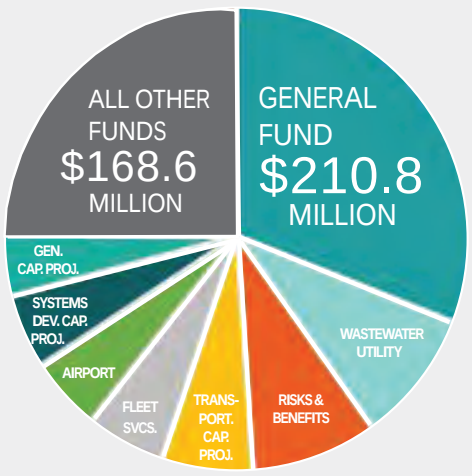
Source: Lane County Assessment & Taxation 2016-17 Tax Code Area Report

How is the City property tax bill changing in the FY18 budget?

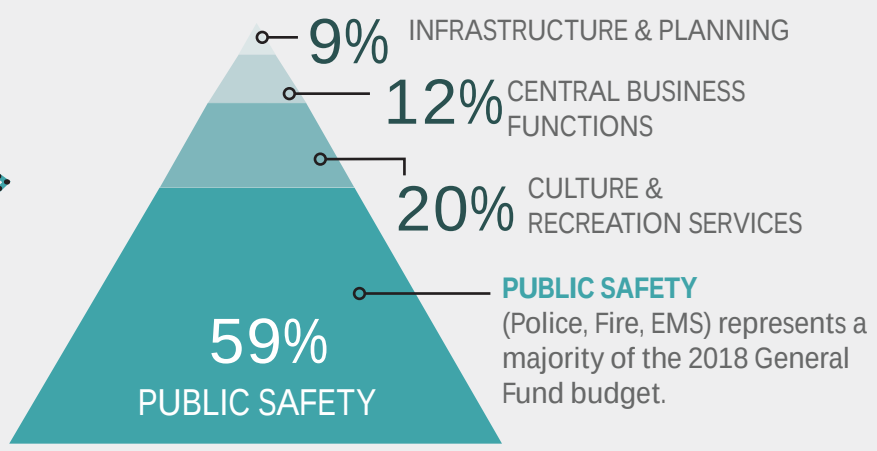


Why do we focus on the General Fund?

1. It is the **largest fund**.
2. It provides the only source of **discretionary funding** for the City.



How are we spending General Fund dollars?



Long-Term Financial Sustainability

Key Financial Policies

1. Focus on long-term impacts with six-year forecasts.
2. Maintain adequate reserves to provide financial flexibility.
3. Use one-time revenues for one-time expenses.

The General Fund is in **cautionary** status.

"Our proven approach of balancing the need to maintain community services, respect employees and live within our means has served us well the past seven years. These remain our guiding principles into FY18 and beyond."

- Jon Ruiz, City Manager

FINANCIAL GOALS

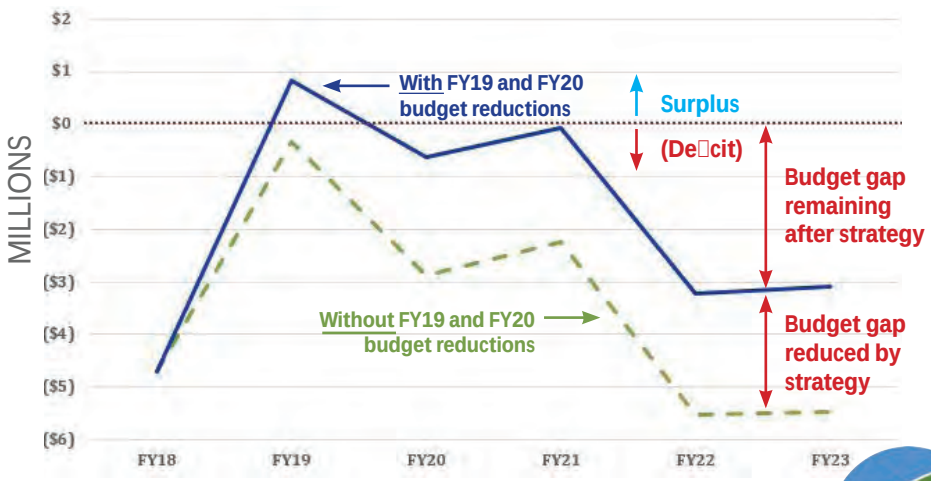
Do we have an adequate savings account?

The Reserve for Revenue Shortfall (RRSF) is the City's "savings account" for the General Fund. It is used to weather the cyclical nature of economic cycles and to provide a cushion for unexpected events.

*In FY14, the City faced a budget gap, and the Budget Committee and City Council chose to use the RRSF to fund services in lieu of cuts.
** The FY18 Budget RRSF is above the target level due to one-time funds from the Comcast legal settlement.

Are we living within our means?

The Surplus/(Deficit) shows if the City is living within its means, or put another way, if revenues are greater than expenditures. By implementing future budget strategies of $1M in ongoing reductions in FY19 and FY20, the budget gap is addressed over the short term, but still leaves a future gap to solve as we look beyond FY21.



Get Involved! www.eugene-or.gov/Budget

Eugene

This page intentionally left blank.

Budget Summary

Table of Contents

Adopted Budget (all funds) Summary 55

Capital Budget 61

Net Budget 63

Impact on Taxpayers 65

General Fund Summary 66

General Fund (Main Subfund) Reserves 69

Ten-Year Trends 70

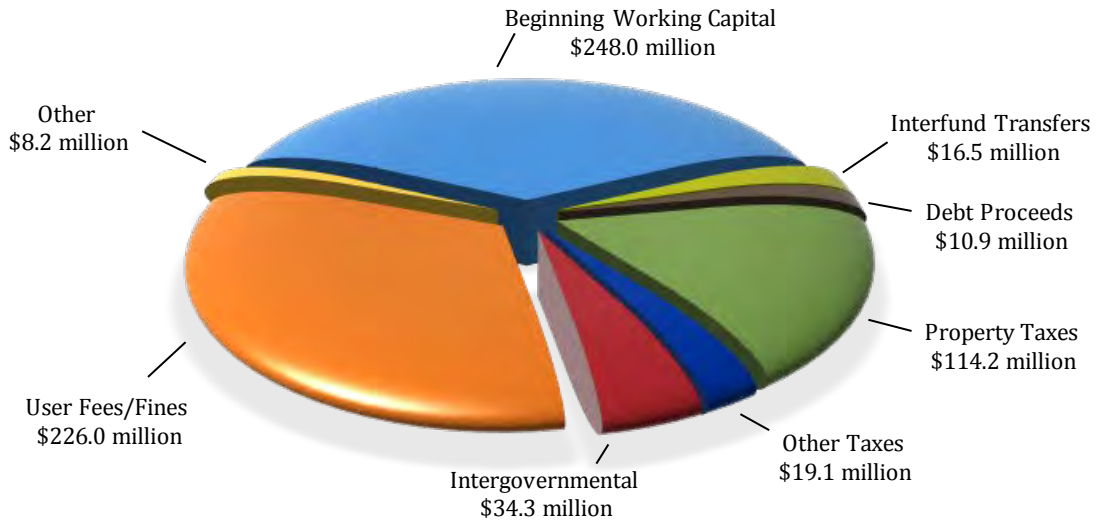
FTE Summary and Trends 72

This page intentionally left blank.

All Funds Summary

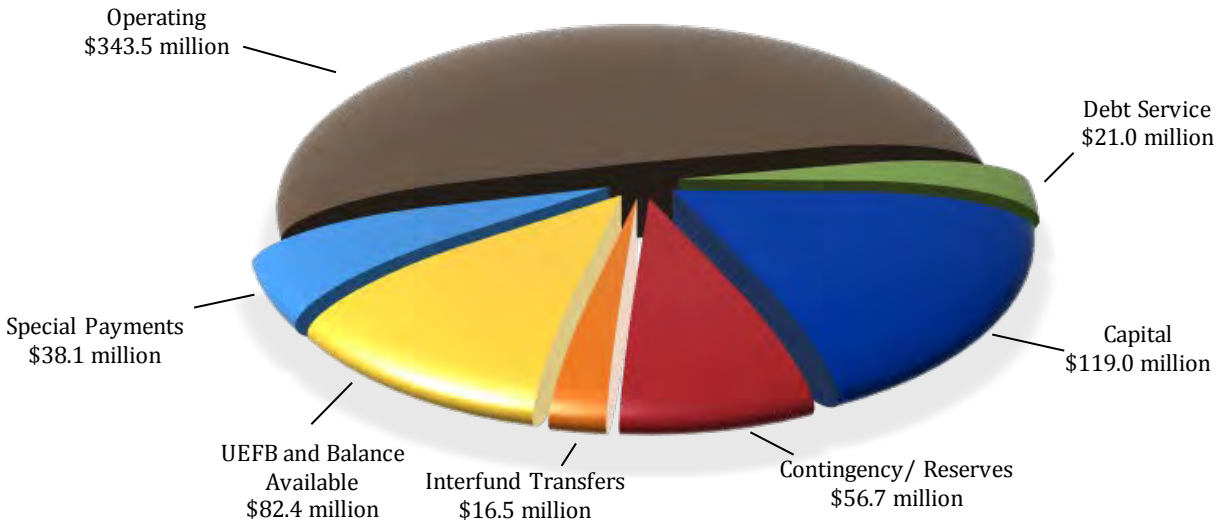
The total FY18 Adopted Budget for the City of Eugene is $677.2 million, an 8.6% increase from the FY17 Adopted Budget. When internal expenditures and transfers are omitted, the FY18 Adopted net budget is $573.6 million, an increase of 9.2% from the FY17 Adopted net budget.

Total Resources - $677.2 Million

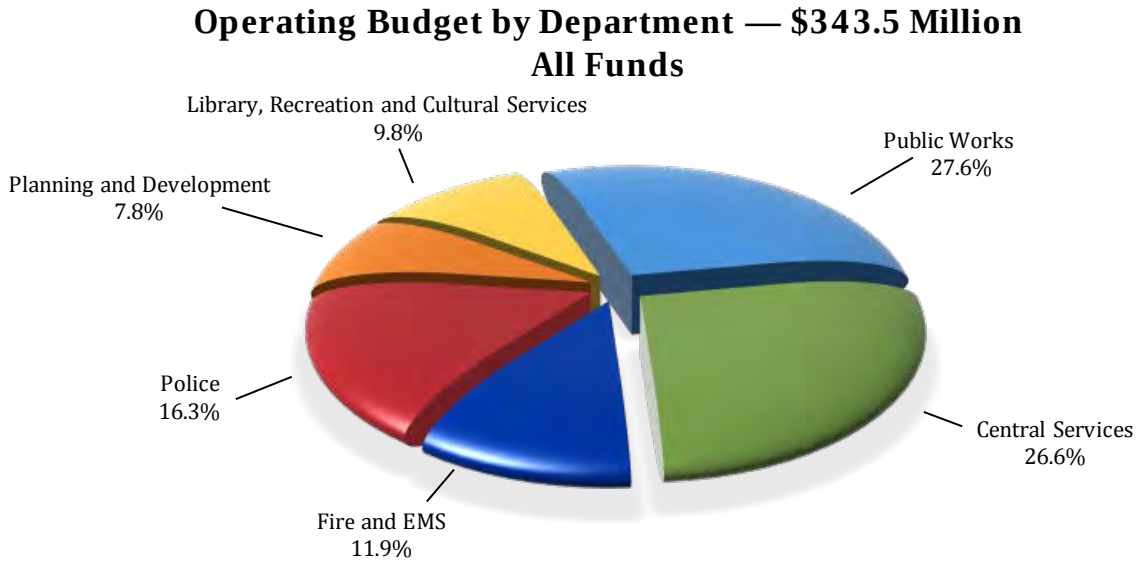


User fees and fines provide 52.7% of the operating revenues, followed by property tax receipts which provide 26.6% of operating revenues. The largest requirement is for the operating budget, at $343.5 million. The budget is balanced under Oregon Budget Law, meaning that resources (revenues plus carryover balances from prior years) equal requirements (expenditures plus balance available and reserves).

Total Requirements - $677.2 Million



The FY18 Adopted Operating Budget totals $343.5 million, with Public Works comprising the largest share at 27.6%:



The operating budget has three components: Personnel Services, Materials and Services, and Capital Outlay.

Personnel Services

Personnel Services, which is comprised primarily of wages and fringe benefits, is the largest share of the budget, accounting for 56.2% of operating expenses in the total City budget and 74.9% in the General Fund operating budget. Personnel Services is made up of wages and benefits.

Employee Wages

Budgeted wages are determined by contracts for represented employees and by the Executive Management Team for non-represented employees. Represented employees are budgeted to receive wage increases pursuant to their specific bargaining agreements. At the time of the FY18 Adopted Budget publication, only the International Association of Fire Fighters - Battalion Chiefs - Local 851 (IAFF-BC) was without a contract in place for FY18. The contract with IAFF-BC expired on June 30, 2017, and is currently in negotiation. The other bargaining units, including the American Federation of State, County, and Municipal Employees (AFSCME), the Eugene Police Employee Association (EPEA), the International Association of Fire Fighters (IAFF) and International Alliance of Theatrical Stage Employees (IATSE) have contracts in place covering FY18 cost of living adjustments (COLAs) as shown on the table on the following page.

Bargaining Unit	FY18 COLA
AFSCME (American Federation of State, County, and Municipal Employees)	Per contract, 2.0% COLA on 7/1/17
EPEA (Eugene Police Employee Association)	Per contract, 2.0% COLA on 7/1/17
IAFF (International Association of Fire Fighters)	Per contract, 3.0% COLA on 7/1/17
IATSE (International Alliance of Theatrical Stage Employees)	$0.70 per hour for regular performance rates
Non-Represented Employees	2.5% COLA on 7/1/17

Employee Retirement Expenses

Retirement plan expenses, at $32.3 million in FY18, are the second largest component of Personnel Services costs after wages. The FY18 increase in retirement costs for all funds is $4.3 million, which represents a 15.4% increase from the FY17 Adopted Budget level. Of this amount, $2.6 million is in the main subfund of the General Fund, and the remaining $1.7 million is in other funds. Retirement costs include pension program expenses, deferred compensation program expenses and debt service on the pension obligation bonds. The increase in FY18 retirement costs is primarily due to increases in Tier 1/Tier 2 Pension Program contribution rates and Oregon Public Service Retirement Plan (OPSRP) rates, which are set by the Oregon Public Employee Retirement System (PERS) Board, in addition to COLA increases for employee salaries. Retirement costs as a percentage of payroll are expected to continue to increase in FY20 and FY22, due primarily to continued amortization of past service costs, low investment returns and the Oregon Supreme Court PERS ruling issued in April 2015.

Oregon Public Employees Retirement Plan: The City is a participating employer in the Oregon Public Employee Retirement System (PERS). After six full months of employment, all employees of the City are required to participate in PERS. There are three components to the PERS program: Tier 1 and Tier 2 pension program, the OPSRP program and the IAP program. These components are described below.

T1/T2 Pension Programs: Employees hired before August 29, 2003 participate in the "Tier 1" and "Tier 2" pension programs (the "T1/T2 Pension Programs"). The benefits provided through the T1/T2 Pension Programs are based primarily on a defined benefit model and provide retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Different benefit structures apply to participants depending on their date of hire. Employer contributions fund the defined benefit program, and employee contributions fund individual retirement accounts under the separate defined contribution program.

OPSRP: The Oregon Public Service Retirement Plan is a successor plan for PERS, created by the Oregon Legislature in 2003. OPSRP is effective for all employees hired on or after August 29, 2003 unless membership was previously established in the T1/T2 Pension Programs. OPSRP is a defined benefit pension plan with a lower benefit level and fewer pension calculation methods that are established by state statutes. The OPSRP pension provides retirement and disability

benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Employer contributions fund the defined benefit program and employee contributions fund individual retirement accounts under the separate defined contribution program. Approximately 60% of the City's employees are currently in the OPSRP system.

Individual Account Program: In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for PERS. The Individual Account Program ("IAP") is a defined contribution pension plan for all PERS and OPSRP members. State statute requires that covered employees contribute 6 percent of their annual covered salary to the IAP plan effective January 1, 2004. Both T1/T2 and OPSRP employees receive an IAP account. Members retire from IAP when they retire from their T1/T2 or OPSRP pension program.

Employer Contribution Rates: The State legislature determines pension system benefit levels and the PERS Board sets employer contribution rates. These rates are adjusted every other year by PERS, leaving the City very little control over its retirement costs. Employer contribution rates are calculated as a percent of covered payroll. The rates are based on an actuarially determined calculation of the current and projected cost of benefits and the anticipated level of funding available. Contribution rates are subject to future adjustment based on factors such as the result of subsequent actuarial valuations, litigation, decisions by the Public Employees Retirement Board and changes in benefits resulting from legislative modifications.

Employee Contributions: Employees are required to contribute six percent of their annual salary to the IAP. Employers are allowed to pay the employees' contribution in addition to the required employers' contribution. The City has elected to make the employee contribution, except the City does not make the contribution for the employees represented by the IAFF and IAFF Battalion Chiefs unions.

Pension Obligation Bonds and Deferred Compensation Program: The FY18 Adopted Budget pension bond rate of 6.00% is the same as the FY17 rate. The City's pension obligation bonds were issued in FY02 to pay off the estimated unfunded PERS actuarial liability at that time. The City has a Deferred Compensation Program for AFSCME, EPEA and non-represented employees. The employer match rates are shown in the table below.

The City's Pension Rates: The FY18 PERS rates as a percentage of payroll will increase in FY18. The table on the following page shows the City's contribution rates for all retirement costs including Tier 1/Tier 2, OPSRP General Service employees, OPSRP for Police and Fire employees, the pension obligation bonds and the Deferred Compensation Program.

Retirement Cost	FY17 % of Payroll	FY18 % of Payroll
Employer Share		
Tiers 1 and 2	17.50%	21.40%
OPSRP General	10.05%	12.38%
OPSRP Police and Fire	14.16%	17.15%
Employee Share *	6.00%	6.00%
Pension Bond	6.00%	6.00%
Deferred Compensation Match		
AFSCME	2.00%	2.00%
EPEA	0.00%	1.00%
Non-Represented	3.00%	3.00%
Total Retirement Cost Range	**24.05% - 32.50%**	**26.38% - 36.40%**

*Paid by the City except for IAFF and IAFF Battalion Chief members, who pay the employee share of PERS/OPSRP costs.

Employee Health Care

Health benefits, budgeted at $29.6 million in FY18, are the third largest component of Personnel Services expenses after wages and retirement costs. The FY18 Adopted Budget for health benefits represents an increase of $2.1 million, or 7.8%, from the FY17 Adopted Budget. This increase is due to the increases in health insurance premiums attributable to rising costs in the healthcare market, as well as additional positions added in the FY18 budget. Total health plan costs as a percentage of wages has remained stable since FY13. One of the City's key long-term strategies to control future health care costs is improving and maintaining the health of its employees and their families. The City has been recognized for the last seven years as one of Oregon's healthiest employers by the Portland Business Journal for innovative worksite wellness initiatives.

City employees pay a portion of the cost of health insurance. The table below summarizes FY18 employee contributions towards health care coverage by employee group.

Employee Group	FY18 Employee Share of Health Insurance Premium
AFSCME (American Federation of State, County, and Municipal Employees)	8% of health insurance premium for the City Health Plan (PPO) and the City Managed Care Plan (POS), or 4% of the premium for the City Hybrid Plan (POS)
EPEA (Eugene Police Employees Association)	5% of health insurance premium up to contracted maximums
IAFF (International Association of Fire Fighters)	5% of health insurance premium
IAFF-BC* (International Association of Fire Fighters, Battalion Chiefs)	5% of health insurance premium
IATSE (International Alliance of Theatrical Stage Employees)	8% of health insurance premium for the City Health Plan (PPO) and the City Managed Care Plan (POS) or 4% of the premium for the City Hybrid Plan (POS)
Non-Represented Employees	8% of health insurance premium for the City Health Plan (PPO) and the City Managed Care Plan (POS), or 4% of the premium for the City Hybrid Plan (POS)

* IAFF-BC did not have a contract in place covering FY18 at the time of Budget adoption. The FY18 Employee Share of Health Insurance Premium for this group is based on current contract provisions.

Materials and Services Inflation

The inflation increase for Materials and Services is projected for FY18 at 2.5%. This increase is based on the State of Oregon forecast for the FY18 Consumer Price Index for All Urban Consumers (CPI-U). The total departmental Materials and Services budget for FY18 for all funds is $139.1 million. This is $5.6 million, or approximately 4.2%, more than the FY17 Adopted Budget. For the General Fund (all subfunds), departments were not granted an inflationary increase due to budget pressures. However, Materials and Services is projected to increase by $3.5 million or 9.9%. These increases are largely due to one-time funding items, rises in internal service fund rates, and increased professional and contractual services.

Capital Outlay

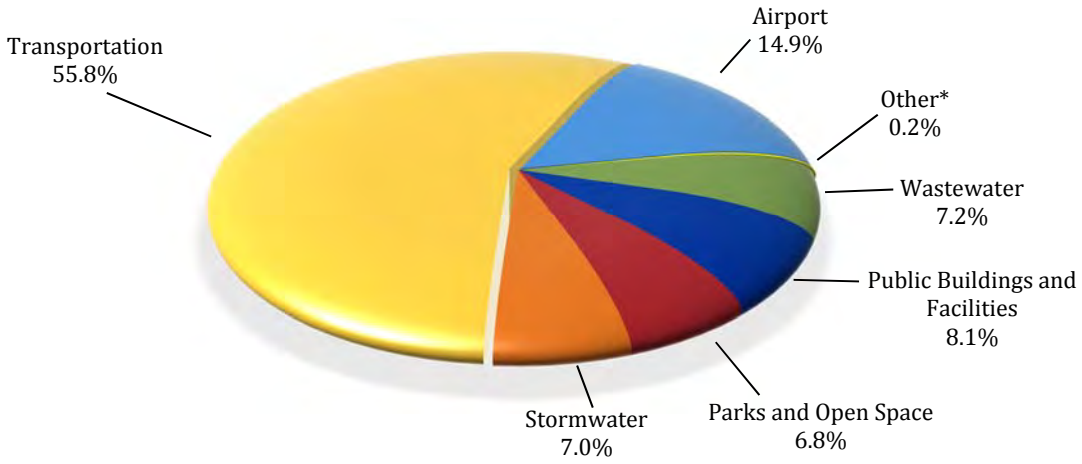
Capital Outlay is budgeted at $11.5 million for FY18, which is unchanged from the FY17 Adopted Budget. Capital Outlay is defined as budgeted departmental expenditures for materials and supplies with a useful life of more than one year and a cost greater than $5,000, such as specialized computer equipment.

Preparation of the Adopted Capital Budget is guided by the City's Capital Improvement Program (CIP). The CIP forecasts the City's capital needs over a six-year period based on long-range plans, goals, and policies, as well as projected availability of funding from various sources. The CIP is updated every two years and is reviewed by citizens, the Budget Committee, and the City Council. The FY18 Adopted Capital Budget is based on the first year of the FY18-23 CIP approved by the City Council on March 13, 2017.

The FY18 Adopted Budget for new capital projects is $44.0 million, an increase of approximately $2.6 million from the FY17 Adopted Budget, excluding prior year carryovers. The increase in the FY18 Capital Budget is primarily attributable to projects for the City's transportation system. Capital projects are typically budgeted in their entirety in their first year, and unspent balances are carried forward from year to year for those projects that require multiple years to complete. Capital spending can change dramatically from year to year due to the size of projects initiated, the length of time to complete the projects, and available resources, especially those from federal and state sources.

Capital projects are organized into six main project categories. Transportation and Airport categories comprise over 70% of the FY18 Adopted Capital Budget:

Capital Budget — $44.0 Million
All Funds



*Other refers to $108,472 for a housing development acquisition by the Planning and Development Department.

The total FY18 Adopted Capital Budget by category and some of the larger capital projects for FY18 are as follows:

- **Airport - $6.6 million**, including $3.1 million for access control upgrades, $2.0 million for the terminal building roof replacement, $550,000 for the Airport Master Plan update and $401,000 for Taxiway Alpha rehabilitation.

- **Parks and Open Space - $3.0 million**, including $1.0 million to develop Priority 1 Neighborhood Parks, $1.0 million for site renovations and rehabilitation and $750,000 for neighborhood and community parks acquisition.

- **Public Buildings and Facilities - $3.6 million**, including $1.9 million dedicated to the preservation of existing building systems, $499,000 for health, safety and welfare improvements, $375,000 for improvements to the Atrium Building, $254,000 for general site and facility improvements and $250,000 for parking structure upgrades and rehabilitation.

- **Stormwater - $3.1 million**, including $850,000 for stormwater rehabilitation activities, $550,000 for wetland mitigation bank projects, $500,000 for the drywell elimination program, $500,000 for Amazon Creek restoration and $400,000 for water quality improvements.

- **Transportation - $24.6 million**, including $8.9 million for street rehabilitation related to the 2012 street bonds, $5.8 million for the Ferry Street Bridge and viaduct repair, $3.8 million for the Pavement Preservation Program, $3.0 million for a 13th Avenue two-way protected bikeway and $2.1 million for River Road at Irving Road safety improvements.

- **Wastewater - $3.2 million**, including $1.5 million for rehabilitation of the wastewater system and $1.0 million for the West Irwin Pump Station rehabilitation.

The City of Eugene's FY18 Adopted net budget is $573.6 million, an increase of 9.2% over the FY17 Adopted net budget. The net budget is a more realistic picture of City finances because it subtracts internal charges, transfers and loans, which are budgeted twice; once in the paying fund and also in the receiving fund.

For example, if a department budgets for the purchase of a vehicle, it is included in the department's budget as a payment to an internal service fund. That internal service fund actually purchases the vehicle and records the cost of the purchase in its operations, so the cost of the vehicle is budgeted twice. This is standard accounting practice for local governments. The net budget removes the amount budgeted in the internal service fund for that vehicle and similar transactions. It also removes transfers and loans from one fund to another in the Non-Departmental portion of the budget.

The budget is divided into two categories: Department (Department Operating Budgets, including internal charges) and Non-Departmental (Debt Service, Capital Budget, Special Payments, Contingency/Reserves, Interfund Transfers, and UEFB/Balance Available).

The total budget includes all expenditures in the Department Operating and Non-Departmental accounts. The total budget summary is prepared in accordance with Oregon Local Budget Law (ORS 294) and accounting requirements.

	FY16 Actual	FY17 Adopted Budget	FY17 Budget* 12/31/2016	FY18 Adopted Budget	% Change FY17 Adopted to FY18 Adopted
Total Budget	**$396,550,485**	**$623,562,833**	**$651,944,471**	**$677,240,248**	**8.6%**
Less Int. Expenditures/Trans./Loans	(79,739,652)	(98,172,805)	(100,239,630)	(103,644,969)	5.6%
Net Budget	**316,810,833**	**525,390,028**	**551,704,841**	**573,595,279**	**9.2%**
Resources					
Beginning Working Capital	180,417,778	214,729,879	210,327,225	247,968,340	15.5%
Revenues					
Property Taxes	106,660,431	111,941,486	111,941,486	114,175,331	2.0%
Other Taxes	18,187,405	18,461,000	18,461,000	19,159,000	3.8%
Licenses/Permits	33,456,545	15,718,200	15,718,200	17,161,508	9.2%
Intergovernmental	26,015,962	31,122,665	49,522,276	34,260,585	10.1%
Charges for Services/Rental	187,179,819	197,010,973	201,817,423	205,481,157	4.3%
Fines/Forfeitures	3,921,380	3,592,250	3,592,250	3,421,100	-4.8%
Miscellaneous	5,008,206	4,516,577	5,596,577	5,001,415	10.7%
Debt Proceeds	20,212,896	8,601,040	16,049,271	10,900,000	26.7%
Interfund Transfers/Loans	17,367,271	14,968,703	16,018,703	16,466,162	10.0%
Principal on Notes/Assessments	2,161,751	2,900,060	2,900,060	3,245,650	11.9%
Total Revenue	**420,171,666**	**408,832,954**	**441,617,246**	**429,271,908**	**5.0%**
Less Internal Expenditures	(62,372,381)	(83,204,102)	(84,220,927)	(87,178,807)	4.8%
Less Interfund Transfers/Loans	(17,367,271)	(14,968,703)	(16,018,703)	(16,466,162)	10.0%
Net Revenues	**340,432,014**	**310,660,149**	**341,377,616**	**325,626,939**	**4.8%**
Net Resources	**520,849,792**	**525,390,028**	**551,704,841**	**573,595,279**	**9.2%**
Requirements					
Department					
Department Operating	282,292,670	327,925,206	339,550,831	343,547,656	4.8%
Less Internal Expenditures	(62,372,381)	(83,204,102)	(84,220,927)	(87,178,807)	4.8%
Net Department Operating**	**219,920,289**	**244,721,104**	**255,329,904**	**256,368,849**	**4.8%**
Non-Departmental					
Capital	38,229,855	103,235,666	101,451,770	118,958,345	15.2%
Debt Service	30,265,560	20,635,386	20,727,529	20,997,339	1.8%
Interfund Transfers	17,302,271	14,903,703	15,953,703	16,466,162	10.5%
Special Payments	28,460,129	38,000,121	37,104,541	38,128,060	0.3%
Contingency/Reserves	0	43,491,175	55,436,819	56,702,917	30.4%
UEFB/Balance Available	0	75,371,576	81,719,278	82,439,769	9.4%
Total Non-Departmental	**114,257,815**	**295,637,627**	**312,393,640**	**333,692,592**	**12.9%**
Less Interfund Transfers and Loans	(17,367,271)	(14,968,703)	(16,018,703)	(16,466,162)	10.0%
Net Non-Departmental	**96,890,544**	**280,668,924**	**296,374,937**	**317,226,430**	**13.0%**
Net Requirements	**$316,810,833**	**$525,390,028**	**$551,704,841**	**$573,595,279**	**9.2%**

* Includes changes from December 2016 Supplemental Budget.

** Net Department Operating Detail:

Central Services	$25,274,363	$27,077,212	$31,190,195	$29,465,014	8.8%
Fire and EMS Department	36,777,642	37,257,694	38,119,566	40,832,663	9.6%
Library, Recreation and Cultural Svcs.	27,228,276	31,754,081	33,851,720	33,560,477	5.7%
Planning and Development	17,827,891	23,485,321	24,876,706	26,338,599	12.1%
Police Department	53,032,188	54,297,308	56,205,544	56,071,801	3.3%
Public Works	59,779,929	70,849,488	71,086,173	70,100,295	-1.1%
Net Department Operating	$219,920,289	$244,721,104	$255,329,904	$256,368,849	4.8%

Permanent Tax Rate – The City of Eugene levies its permanent tax rate of $7.0058 per $1,000 of taxable assessed value; although the effective tax rate paid in FY18 is expected to be about $6.87 per $1,000 of assessed value due to the impact of urban renewal tax increment calculations. In addition, voters have approved other special property tax levies as described below.

Local Option Levy – In November 2015, voters approved a five-year local option property tax levy for Library Operations, in the amount of $2.7 million annually, to expand hours and services from FY17 through FY21. The estimated levy tax rate in FY18 is $0.18 per $1,000 of assessed value.

Debt Levies – Voters have authorized the following General Obligation bonds that are repaid with property taxes:

- In November 2012, a five-year street repair bond issue in the amount of $43 million was approved to fix 76 streets and provide funding for bicycle and pedestrian projects.
- In November 2006, $27.5 million was approved for parks, athletic fields and open space preservation.
- In May 2002, $8.7 million was approved for construction of a downtown fire station located at 13th Avenue and Willamette Street.
- In November 1998, $25.3 million was approved for parks and open space projects.

The estimated tax rate to pay this debt in FY18 is $0.94 per $1,000 of taxable assessed value, slightly lower than the debt tax rate of $0.97 in FY17.

Total Taxes – The estimated total taxes for the City of Eugene and the Eugene Urban Renewal Agency for a typical home, which include voter-approved levies and the Urban Renewal Districts, are expected to increase by $42 in FY18. This increase is due to projected growth in the assessed taxable value of a typical Eugene home.

City and Urban Renewal Taxes for a Typical Eugene Home

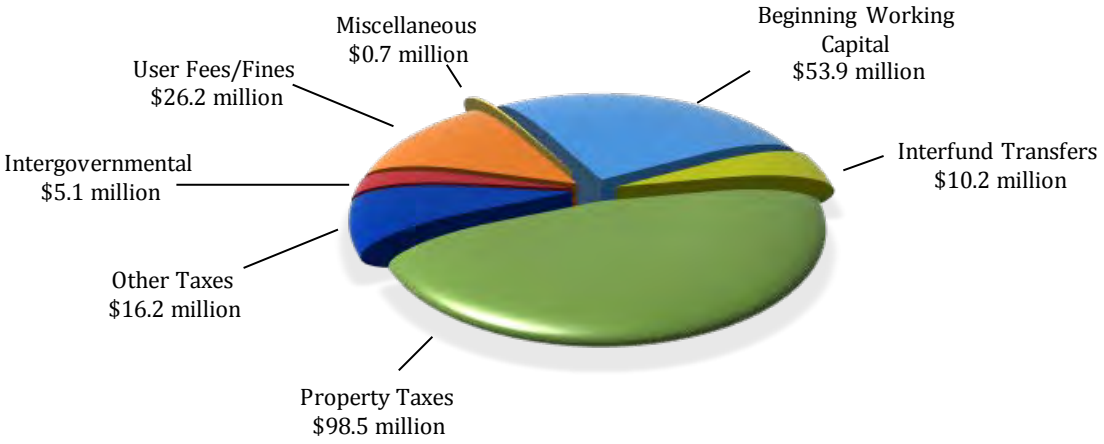
	FY17	FY18 Estimate
City Permanent Operating Levy	$1,346	$1,386
City Local Option Levy for Library Operations (FY17-21)	37	36
City Debt Taxes	189	189
Total City Taxes	1,572	1,611
Urban Renewal Agency Taxes	64	67
Total Taxes	$1,636	$1,678
Assessed taxable value of a typical Eugene home*	$195,913	$201,790

** FY17 value provided by Lane County Assessment & Taxation; assumed increase of 3% for FY18.*

The tax bill includes the Downtown and Riverfront Urban Renewal Districts. These are not added costs to taxpayers, but represent a redistribution of taxes from other overlapping taxing districts.

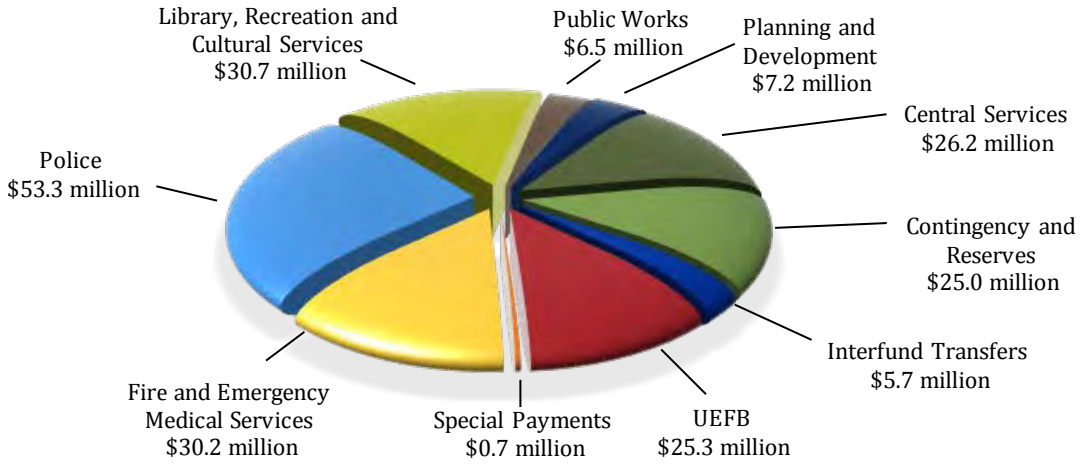
The General Fund is comprised of three subfunds: the Main subfund ($199.5 million), the Cultural Services subfund ($10.1 million), and the Equipment Replacement subfund ($1.2 million). Property taxes continue to remain the largest revenue source in the General Fund, representing 46.7% of total General Fund resources, and 62.8% of the total General Fund operating revenue sources (excluding carryover balance):

Total General Fund Resources — $210.8 Million
All Subfunds



General Fund resources are up 13.1% from the FY17 Adopted Budget. Beginning Working Capital is up by 45.9%, and property taxes are up by 2.3%. The total FY18 Adopted General Fund Budget of $210.8 million is $24.4 million higher than the FY17 Adopted Budget.

Total General Fund Requirements — $210.8 Million
All Subfunds



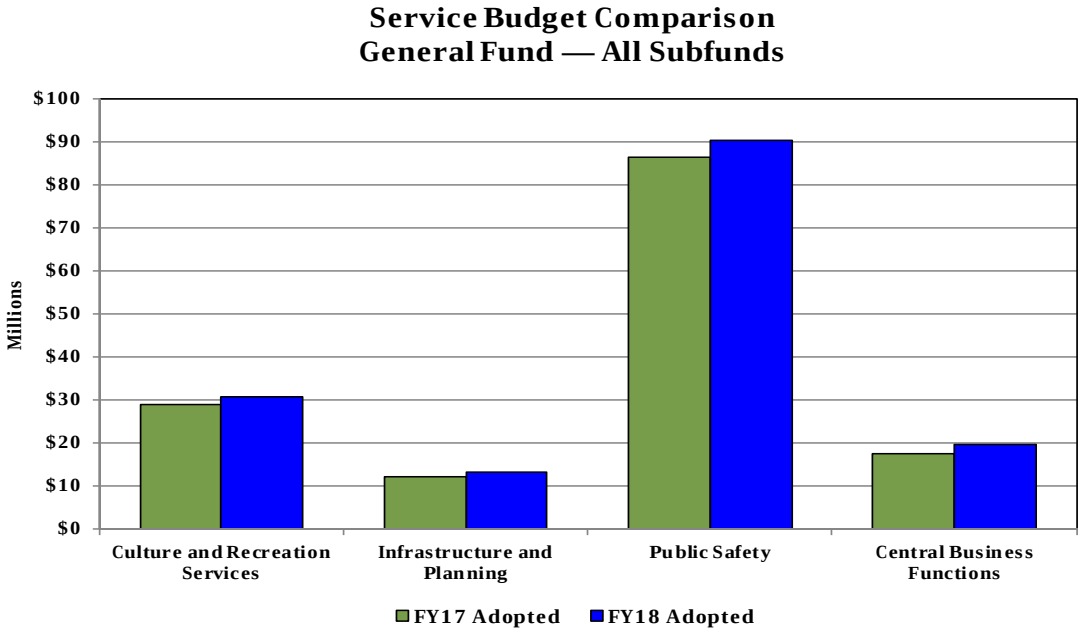
The main reason for the large General Fund budget increase in FY18 is that more funds carried over from the prior fiscal year than typically occurs, including reserves (See General Fund Reserves section for more explanation). The FY18 Adopted Budget includes a Reserve for Revenue Shortfall budgeted at $18.6 million and a Reserve for Property Tax Appeals budgeted at $0.5 million. The Reserve for Revenue Shortfall of $18.6 million represents approximately 12.2% of the General Fund (Main subfund) operating budget, which is above the target for this reserve of 8% of expenditures.

The FY18 Adopted General Fund department operating budget is $154.1 million, which is approximately $9.1 million more than the FY17 Adopted Budget. The increase is due to inflationary budget increases such as cost of living adjustments for wages and salaries, increases in retirement costs and health benefit premiums, as well as $3.6 million for additional ongoing and limited duration costs. The FY18 General Fund budget represents a continued effort to achieve a stable and sustainable budget that funds quality public services while maintaining a prudent reserve. Many of the ongoing and limited duration budgetary changes to General Fund department operating expenditures are revenue-backed, including funding for Downtown Urban Renewal Agency staffing and financial management support ($357,000), criminal justice system funding ($250,000), land use planning ($100,000), Police overtime ($200,000), park safety and security ($50,000), and the Veterans Affairs Clinic SDC repayment ($135,000).

Additional ongoing General Fund spending in the FY18 budget also includes funding for the Assistant City Manager and Planning and Development Executive Director positions ($226,000), which were previously combined as a cost saving measure, as well as funding for a Community Engagement Specialist in the Police Auditor's Office ($75,000) and ongoing funding for a budget transparency solution ($20,000).

Limited duration funding changes in FY18 include funding for downtown and urban parks improvements ($500,000), police body worn cameras ($250,000), Envision Eugene legal services ($181,000), Greenhill contract increase for the operation of the First Avenue Animal Shelter ($100,000), an additional contribution to the Human Services Commission for the Dusk to Dawn winter warming site program ($154,655), a future homeless shelter in partnership with interjurisdictional partners ($1,000,000) and one-time costs for a budget transparency solution ($20,000) plus one Basic Life Support (BLS) and one Advanced Life Support (ALS) ambulance.

The services provided by the City rely heavily on employees such as firefighters, police officers, librarians and planners. As a result, personnel services costs comprise 74.9% of the FY18 Adopted operating budget for the General Fund.



The largest increase in the General Fund is in Public Safety Services with a $3.9 million increase. In addition to the General Fund public safety operating budget, the General Fund is helping to support the Ambulance Transport Fund in FY18 through a $1,000,000 Interfund Transfer from the Reserve for Revenue Shortfall for one 12-hour Basic Life Support (BLS) ambulance unit and one 24-hour Advanced Life Support (ALS) unit beginning in January 2018. In total, the ambulance system in FY18 will expand by two 12-hour BLS units and one 24-hour ALS unit. The largest use of General Fund dollars is for the Police Department, which accounts for $53.3 million, followed by the Library, Recreation and Cultural Services Department at $30.7 million. The Fire and Emergency Medical Services Department is the third largest recipient of General Fund dollars at $30.2 million. The two public safety departments represent 54.2% of the total General Fund operating budget.

General Fund Operating Budget Summary by Department
All Subfunds

Department	FY17 Adopted Budget	FY18 Adopted Budget	FY17-FY18 Change
Central Services*	$23,837,327	$26,213,689	10.0%
Fire and Emergency Medical Services	28,595,704	30,238,972	5.7%
Library, Recreation and Cultural Services	28,980,020	30,731,736	6.0%
Planning and Development**	6,344,533	7,203,900	13.5%
Police	51,252,004	53,279,325	4.0%
Public Works	5,975,207	6,463,030	8.2%
Total	**$144,984,795**	**$154,130,652**	**6.3%**

*The FY18 Adopted Budget for Central Services includes $1 million for a future homeless shelter option. Without this addition, the Central Services General Fund Operating Budget increased by 5.8%.
**The Planning and Development FY18 Adopted Budget includes additional FTE, partially backed by additional fees and Urban Renewal Agency funds. For additional information, see the associated Department Budget Changes within the Department View.

General Fund (Main Subfund) reserves provide a way for the City to plan for financial flexibility to handle unexpected events and to pay for regular operations until property taxes are received. Maintenance of adequate reserve levels is a critical factor in maintaining the City's "Aa1" bond rating from Moody's Investors Service. A high credit rating translates into lower borrowing costs on street bonds and other borrowings which in turn saves taxpayer dollars.

For the FY18 Adopted Budget, General Fund reserves are projected to increase by $13.4 million, or 42.6%, from FY17 Adopted Budget levels (excluding reserve for encumbrance). The projected increase in FY18 budget reserves is primarily due to the City receiving a one-time payment of $18.75 million from Comcast due to a legal settlement. The majority was placed in the Reserve for Revenue Shortfall as part of the Council's action on Supplemental Budget #1 in December of 2017.

The FY18 Adopted Budget reserves have five components. The first is the Unappropriated Ending Fund Balance (UEFB), which equals $25.3 million, or nearly two months of expenditures. This reserve enables the City to pay bills and make payroll payments between the start of the fiscal year in July until the majority of property tax revenue is received in November. The UEFB allows the City to operate during this time without borrowing money. By utilizing this reserve, the City does not have to pay borrowing costs to provide services prior to property tax collection, and is also able to earn interest on reserve balances.

The second reserve is the Reserve for Revenue Shortfall (RRSF), which is set at $18.6 million in the FY18 Budget, or about 12.2% of expenditures. The target for this reserve is 8% of General Fund expenditures. The third reserve, the Council Contingency reserve, is set at $12,000 in FY18. This reserve funds unanticipated needs which can include items such as election costs for City measures. The fourth reserve, referred to as Other, has two parts. One part is designed to buffer potential impacts from large property tax appeals, and is set at $500,000 in FY18. The second part is $500,000 that was set aside by Council in preparation for the 2021 World Championships. Finally, the fifth reserve is the Reserve for Encumbrance, which is set at $2.2 million for contracts that are in progress but were not expected to be completed by June 30, 2017.

Altogether, these reserves total three month and one-half months or 28.8% of General Fund expenditures. To put this in perspective, three months of expenditures is on the low end of what financial experts recommend as a best practice for families to keep in their emergency savings account.

Adopted Budget	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**
UEFB	$21,670,000	$21,710,000	$23,040,000	$23,930,000	$25,330,000
RRSF	4,895,575	6,134,237	9,451,371	6,530,703	18,564,586
Council Contingency	47,000	47,000	32,000	32,000	12,000
Other	1,000,000	1,000,000	695,000	1,000,000	1,000,000
Encumbrance	1,556,669	1,714,021	2,723,809	2,269,491	2,184,473
Total	$29,169,244	$30,605,258	$35,942,180	$33,762,194	$47,091,059
As a % of Expenditures					
UEFB	16.9%	16.9%	17.0%	16.7%	16.6%
RRSF	3.8%	4.8%	7.0%	4.5%	12.2%

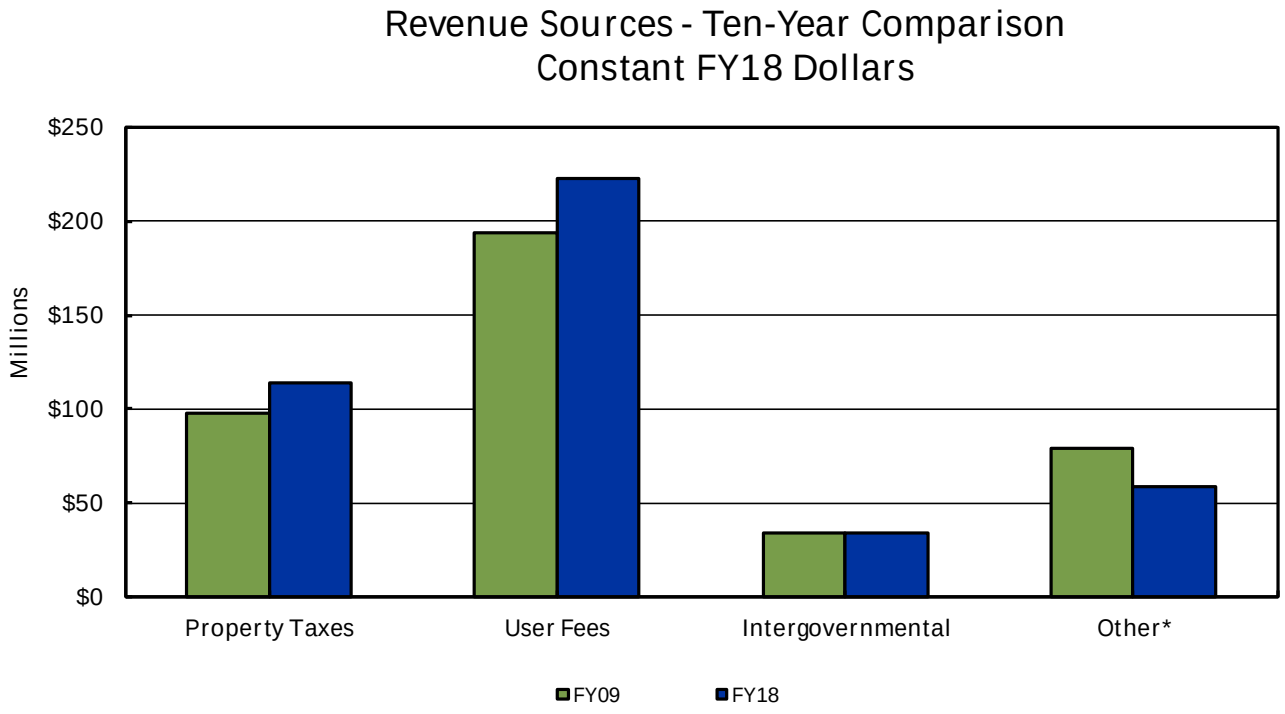
General Trends

The charts below present financial trends over the last ten years. Dollar figures are presented in FY18 constant dollars - that is, the FY09 dollar amounts have been increased by the rate of inflation to make the comparisons more meaningful.

Ten-Year Comparison	FY09 Actual	FY18 Adopted	Change FY09-FY18
Full-Time Equivalent (FTE) Positions	1,550.13	1,487.79	-4.0%
Population	154,620	168,331	8.9%
Positions/1,000 Population	10.0	8.8	-12.0%
Assessed Value, constant FY18 $*	$12,710,935,277	$14,607,000,000	14.9%
Dept. Operating Budget, constant FY18 $*	$303,983,599	$343,547,656	13.0%
Property Tax as % of Current Revenue	24.1%	26.6%	10.4%

** CPI-U adjustment is based on the State of Oregon Economic and Revenue Forecast released May 2017.*

User fees are the fastest growing source of revenues for the entire budget. Fees charged by special revenue and enterprise funds continue to rise to pay for the cost of operations. However, the increase in General Fund user fees has been significantly slower.



** Other includes other taxes, fines and forfeits, interest, interfund transfers, and debt proceeds.*

City and Urban Renewal Tax Trends

The ten-year history in the chart below shows the change in property taxes over time on a typical home in the City of Eugene. For comparison purposes, the taxable assessed value for a typical home, as reported by Lane County Assessment & Taxation, is used. Total City and Urban Renewal property taxes for the typical Eugene home, assuming no significant improvements or other changes, are expected to increase by $42 in FY18.

A $2.7 million annual library local option levy and a $27.5 million bond measure for parks, athletic fields, and open space preservation were approved by voters in November 2006. The library levy approved in 2006 subsequently expired in FY11. In November 2008, voters approved a $35.9 million street bond which started in FY10 and ended in FY14. In November 2012, voters approved a new five-year, $43 million General Obligation bond to fix streets and FY15 was the first year this tax was levied. In November 2015, voters approved a new five-year library levy, in the amount of $2.7 million annually, to expand library hours and services from FY17 through FY21.

City and Urban Renewal Taxes for a Typical Eugene Home

	Assessed Value*	City Operating Taxes	City Bonded Debt Taxes	Total City Taxes	URA Taxes	Total Taxes	Constant FY18 $**
FY09	$153,405	$1,096	$90	$1,186	$38	$1,224	$1,415
FY10	158,447	1,131	187	1,318	39	1,357	1,554
FY11	163,303	1,164	195	1,359	41	1,400	1,572
FY12	168,546	1,163	192	1,355	42	1,397	1,524
FY13	172,965	1,194	194	1,388	45	1,433	1,537
FY14	177,522	1,224	197	1,421	48	1,469	1,551
FY15	183,945	1,268	201	1,469	50	1,519	1,593
FY16	189,821	1,306	206	1,512	55	1,567	1,632
FY17	195,913	1,383	189	1,572	64	1,636	1,670
FY18 Est.	201,790	1,422	189	1,611	67	1,678	1,678

** Historical values provided by Lane County Assessment & Taxation; assumed increase of 3% for FY18.*
*** CPI-U adjustment is based on the State of Oregon Economic and Revenue Forecast released May 2017.*

With personnel services expenditures comprising 56% of the City's total operating budget and nearly 75% of the General Fund operating budget, reducing the organizational footprint has been one of the main strategies for realizing ongoing savings and achieving a stable budget.

Between FY09 and FY15, the City reduced its organizational footprint by over 100 Full Time Equivalent (FTE) positions through a variety of approaches, including elimination of vacancies, voluntary severances, streamlining operations, service level reductions and changes in service delivery models. Even as the population and corresponding demand for municipal services grew by 4.0% from FY09 to FY15, the City's position count was reduced by 7.1% over this period.

Since FY15, positions have been added each year to meet increased service demands in various areas. The largest increase was for the Library Levy, which was approved by voters in November 2015. The levy added 18.40 new FTE in FY17, and an increase in Hult Center performances also led to an additional 4.88 FTE in FY17.

The FY18 Adopted Budget includes 13.80 additional FTE as compared to the FY17 Budget as of 12/31/2016. However, 1.00 of the additional FTE reflected in the FY18 Adopted Budget was added in FY17, after the development of the FY18 Proposed Budget. The additional FTE in FY18 by department include the following:

Central Services, 1.8 FTE

- 0.8 FTE Police Auditor's Office Community Engagement Specialist
- 0.5 FTE Assistant City Manager position increased to full time
- 0.5 FTE Emergency Management Analyst in Risk Services

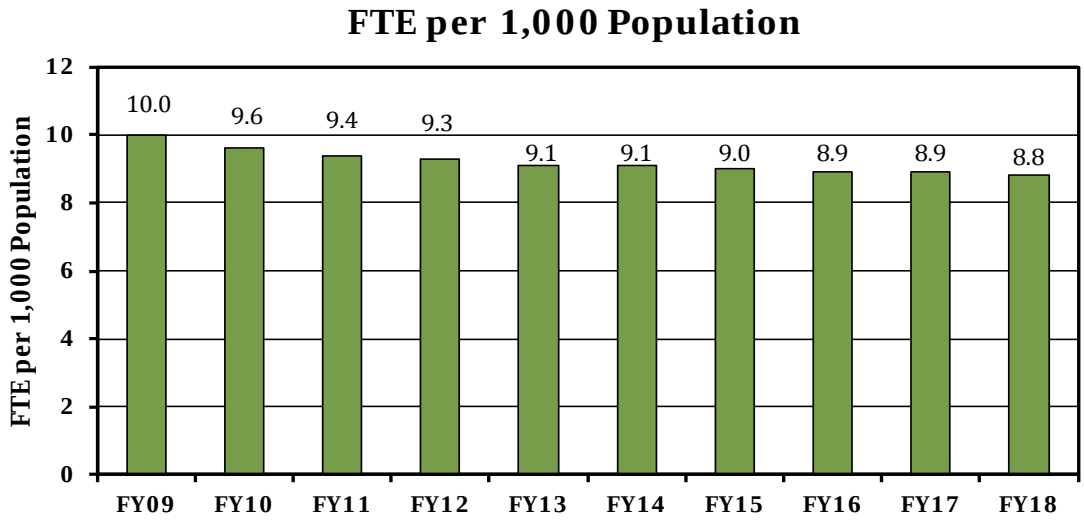
Planning and Development, 8.0 FTE

- 1.0 FTE Associate Planner
- 1.0 FTE Structural Engineer Plans Reviewer
- 0.5 FTE Executive Director position increased to full time
- 1.0 FTE Plumbing Inspector
- 0.5 FTE Business Intelligence Analyst for Parking Services
- 3.0 FTE Downtown and Riverfront Urban Renewal project management
- 1.0 FTE Business Liaison

Public Works, 4.0 FTE

- 1.0 FTE Airport Worker
- 1.0 FTE Utility Locate Technical Specialist
- 1.0 FTE Utility Administration Program Coordinator position
- 1.0 FTE Facility Maintenance Worker (Added in FY17)

Despite a projected increase in the number of FTE in FY18, the ratio of FTE per 1,000 population is expected to decline as the city's population continues to grow. Over the past 10 years, the ratio of City FTEs per 1,000 population has declined from a high point of 10.0 in FY09 to 8.8 in the FY18 Adopted Budget.



The following table shows population changes, General Fund, Non-General Fund and total FTE changes, FTE per 1,000 population, as well as a brief description of major staffing changes over the last 10 years.

Year*	Eugene Pop.	General Fund FTE	Non-GF FTE	Total FTE	FTE per 1,000 Pop.	Major Staffing Changes
FY08	153,690	898.42	650.71	1,549.13	10.1	Library and Youth programing staff addition.
FY09	154,620	901.42	648.71	1,550.13	10.0	No major changes.
FY10	157,100	883.17	627.36	1,510.53	9.6	FY10 organizational footprint reductions.
FY11	156,295	871.62	595.41	1,467.03	9.4	FY11 footprint reductions, Fire Services merger, and downtown safety.
FY12	157,010	871.57	586.46	1,458.03	9.3	Mid-year deauthorizations.
FY13	158,335	855.82	591.06	1,446.88	9.1	Library, Court and Parks reductions; eliminate vacant positions.
FY14	159,580	852.15	597.06	1,449.21	9.1	Airport Fund added 3.0 FTE mid-year.
FY15	160,775	837.05	603.06	1,440.11	9.0	Civic Leadership and Community Engagement Services, Parks Maintenance and Downtown Library reductions.
FY16	163,400	839.30	607.06	1,446.36	8.9	Targeted increases in Central Services, Fire and EMS, Planning and Development, and Public Works.
FY17 12/31/16	165,885	844.38	629.61	1,473.99	8.9	Increase primarily due to the Library Levy and Cultural Services. Limited increases in Airport, Construction Permits, Community Development and Risk.
FY18 Adopted	168,331	850.18	637.61	1,487.79	8.8	Increase of 8.0 FTE in Planning and Development, 4.0 FTE in Public Works and 1.8 FTE in Central Services.

* Unless otherwise noted, FTE figure shown is the authorized FTE at the end of each fiscal year.

Over the last five years, new positions have been added in areas identified as high priority by the City Council and the voters, and to meet the needs of the community. For example, revenue-supported positions have been added in the Planning and Development Department over the previous three fiscal years as the economy continues to grow and service demands increase.

The following summary provides a breakdown of FTE changes by department over the past five years:

Department	FY14 Actual	FY15 Actual	FY16 Actual	FY17 12/31/16	FY18 Adopted	Change FY14-FY18
Central Services	220.00	217.50	218.75	220.75	222.55	1.2%
Fire and Emergency Medical Services	205.00	205.00	206.00	206.00	206.00	0.5%
Library, Recreation and Cultural Services	177.25	172.80	172.80	196.08	196.08	10.6%
Planning and Development	97.55	95.40	98.40	99.65	107.65	10.4%
Police	327.16	328.16	328.16	328.16	328.16	0.3%
Public Works	422.25	421.25	422.25	423.35	427.35	1.2%
Total	**1,449.21**	**1,440.11**	**1,446.36**	**1,473.99**	**1,487.79**	**2.7%**

FTE by Service Area

The City of Eugene works continually to respond to the evolving needs and growth of the community. Despite increases over the last five fiscal years, the long-term impacts of the last recession are still apparent when comparing full-time positions in the FY18 Adopted Budget to the FY09 Adopted Budget. This ten-year snapshot shows that the City has fewer FTE in each of the four service areas in large part due to the last economic downturn.

Service Area	FY09 Adopted	FY18 Adopted	Change FY09-FY18
Central Business Functions	172.25	167.25	-2.9%
Culture and Recreation	201.10	196.83	-2.1%
Infrastructure and Planning	615.81	576.36	-6.4%
Public Safety	560.97	547.35	-2.4%
Total	**1,550.13**	**1,487.79**	-4.0%

Some of the changes that have occurred during this period include:

- Central Business Functions staffing decreased due to efficiency gains through leveraging technology, and as a result of organizational footprint reductions and streamlined operations.
- Culture and Recreation staffing decreased from a high point of 201.10 in FY09 due to reductions of library hours at all three branches, as well as organizational footprint reductions and streamlined operations. However, with the passage of the Library Local Option Levy in November 2015 as well as the addition of 40 events at the Hult Center, 23.28 FTE were added in FY17, bringing total Culture and Recreation FTE closer to FY09 levels.
- Infrastructure and Planning staffing has decreased over the years, primarily as a result of eliminating positions in Facilities, Building and Permit Services, Engineering and Parks and Open Spaces as part of the organizational footprint reductions and response to economic

conditions. Positions have been added in each of the last four fiscal years in response to the improved economy and increased service needs.

- Public Safety staffing has decreased due to elimination of vacant positions in the Fire and Emergency Medical Services Department and decreases in administrative positions. These decreases have been partially offset by increases in police officer staffing.

Overall, the FY18 Adopted Budget reflects an increase of 13.80 FTE from 1,473.99 FTE in the FY17 Budget as of 12/31/2016.

FTE by Department and Fund

FUND	Central Services	Fire and EMS	Library, Rec. and Cultural Svcs.	Planning and Development	Police	Public Works	Total
Ambulance Transport		30.08					30.08
Community Development				7.79			7.79
Construction and Rental Housing		2.00		46.35		4.00	52.35
Facilities Services	54.00			0.30			54.30
Fleet Services						29.20	29.20
General	123.66	168.66	177.68	33.26	310.30	36.62	850.18
Information Systems and Services	23.00						23.00
Library Local Option Levy			18.40				18.40
Municipal Airport		5.26			3.00	39.91	48.17
Parking Services	3.55			15.00			18.55
Professional Services						42.29	42.29
Public Safety Communications					14.86		14.86
Risk and Benefits	15.43						15.43
Road						61.26	61.26
Solid Waste and Recycling				4.45			4.45
Special Assessment Management	1.00						1.00
Stormwater Utility						86.63	86.63
Systems Development Capital Projects				0.50		2.00	2.50
Telecom Registration/Licensing	1.91						1.91
Wastewater Utility						125.44	125.44
Total	222.55	206.00	196.08	107.65	328.16	427.35	1,487.79

City Overview

Table of Contents

Economy 79

City Government 84

Eugene Mayor, City Council and Ward Map 85

City Council Vision and Goals 86

Citizen Involvement 88

Organizational Chart 89

City Services 90

Budget Process 91

Fiscal Year 2018 Budget Cycle 94

Budgeting Principles 95

Financial Management Goals and Policies 96

This page intentionally left blank.

Introduction

Eugene is located in the southern Willamette Valley of western Oregon, in close proximity to the Pacific Ocean and the Cascade Mountain Range. Citizens and visitors enjoy a mild climate, extensive outdoor recreation and fitness opportunities, and diverse and dynamic cultural offerings. Incorporated in 1862, Eugene has grown to cover approximately 44 square miles. It is the largest city in Lane County and is the second largest city in Oregon, with a population of 165,885.

The Union Pacific Railroad line between Portland and New Orleans by way of Los Angeles serves the area. Amtrak stops in Eugene on its twice daily passenger run. Intra-city public bus service is provided by Lane Transit District. The Eugene Airport, operated by the City of Eugene, is the largest airport between Portland and San Francisco. Nonstop air service is provided by five airlines. Destinations include Portland, Seattle, San Jose, San Francisco, Oakland, Los Angeles, Denver, Salt Lake City, Las Vegas, and Phoenix.

Eugene's Economy

The City of Eugene is at the heart of a metropolitan area that encompasses the adjacent city of Springfield with a population of 60,140, adjacent unincorporated urbanized areas and nearby small cities including Coburg, Creswell, Veneta and Cottage Grove, all within commuting distance. The Eugene-Springfield area has a highly integrated economy, and the U.S. Census has designated all of Lane County as the Eugene-Springfield Metropolitan Statistical Area (MSA).

The two pillars that have historically provided relative stability in Eugene's economy are the large public sector employment base and population in-migration. In-migration has bolstered the area's population growth over the past decade. The University of Oregon (UO), available health care, and abundant outdoor recreation amenities make Lane County a favorable place to live. California has been the largest source of new residents to the area due to Eugene's proximity, natural and cultural amenities, and relatively lower cost of living.

Federal, state and county government agencies are centered in Eugene, as well as the University of Oregon. In the fall term of the 2016-17 academic year, 23,634 students were enrolled at UO. Among University faculty members and alumni, there are two Nobel Prize recipients, 14 Pulitzer Prize winners, two Medal of Science recipients, 19 Rhodes scholars, 58 Guggenheim fellows, and 212 Fulbright scholars. The University of Oregon was also ranked within the top 2% of U.S. research universities by the Carnegie Foundation in 2010. In fiscal year 2015, the University generated $117 million in sponsored research activity and $9 million in licensing revenue, putting UO among top performers nationally for research institutions. The University is also a major contributor to Oregon's economy, generating economic activity estimated at more than $2.3 billion. Northwest Christian University and Lane Community College are also located in Eugene.

Eugene's economy typically follows the trends of the state and national economies. The unemployment rate for the Eugene-Springfield MSA rose sharply as a result of the Great Recession, from an average annual rate of 6.7% in 2008 to a high of 12.3% in 2009. This was partly due to job losses in the metropolitan area in recreational vehicle manufacturing, wood products, and high-tech manufacturing. Since the end of the recession the local economy has steadily improved and by May, 2017, Eugene-Springfield's annual unemployment rate dropped to 3.8%. This is the lowest unemployment rate since comparable rates began in 1990. After seven years of job growth, the Eugene-Springfield area has finally regained all of the jobs lost during the last recession.

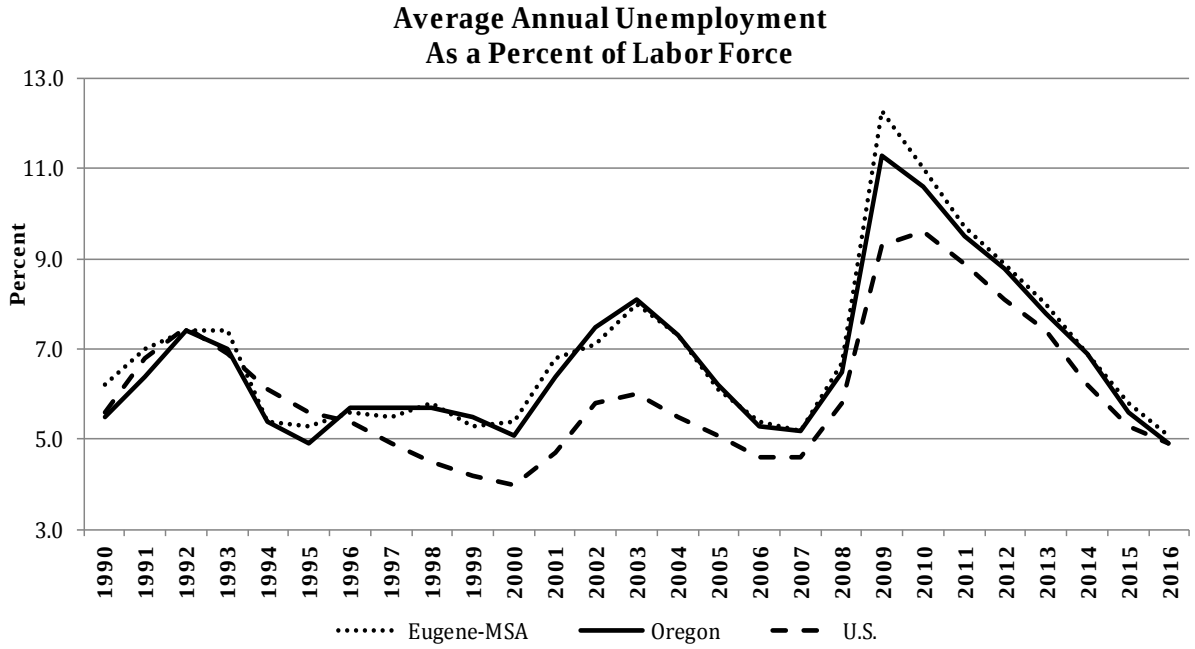
Eugene's economy continues to grow with projects related to the University of Oregon, an expansion in health care services, the food and beverage sector, hospitality and events, as well as the city's burgeoning tech sector. With an initial $500 million funding commitment, the University of Oregon launched the $1 billion Phil and Penny Knight Campus for Accelerating Scientific Impact. The new campus will be designed to foster collaboration between the next generation of scientists, industry and scientific entrepreneurs to improve the quality of life for Oregonians, the nation and the world. Upon completion, the Knight Campus is expected to consist of three new 70,000-square-foot buildings adjacent to UO's current science complex. The buildings are planned to house cutting-edge labs, research facilities, prototyping tools, imaging facilities, human subject interaction space and an innovation hub.

The University District campus is home to the Center for Medical Education and Research, a partnership among the University of Oregon, Oregon Health Sciences University and Sacred Heart to train new physicians. The campus employs more than 1,250 people and serves to strengthen the city's health care sector. With the federal Affordable Care Act of 2010 now fully implemented, the number of uninsured Oregonians has dropped, providing greater payment stability to hospitals, clinics and the city's economy.

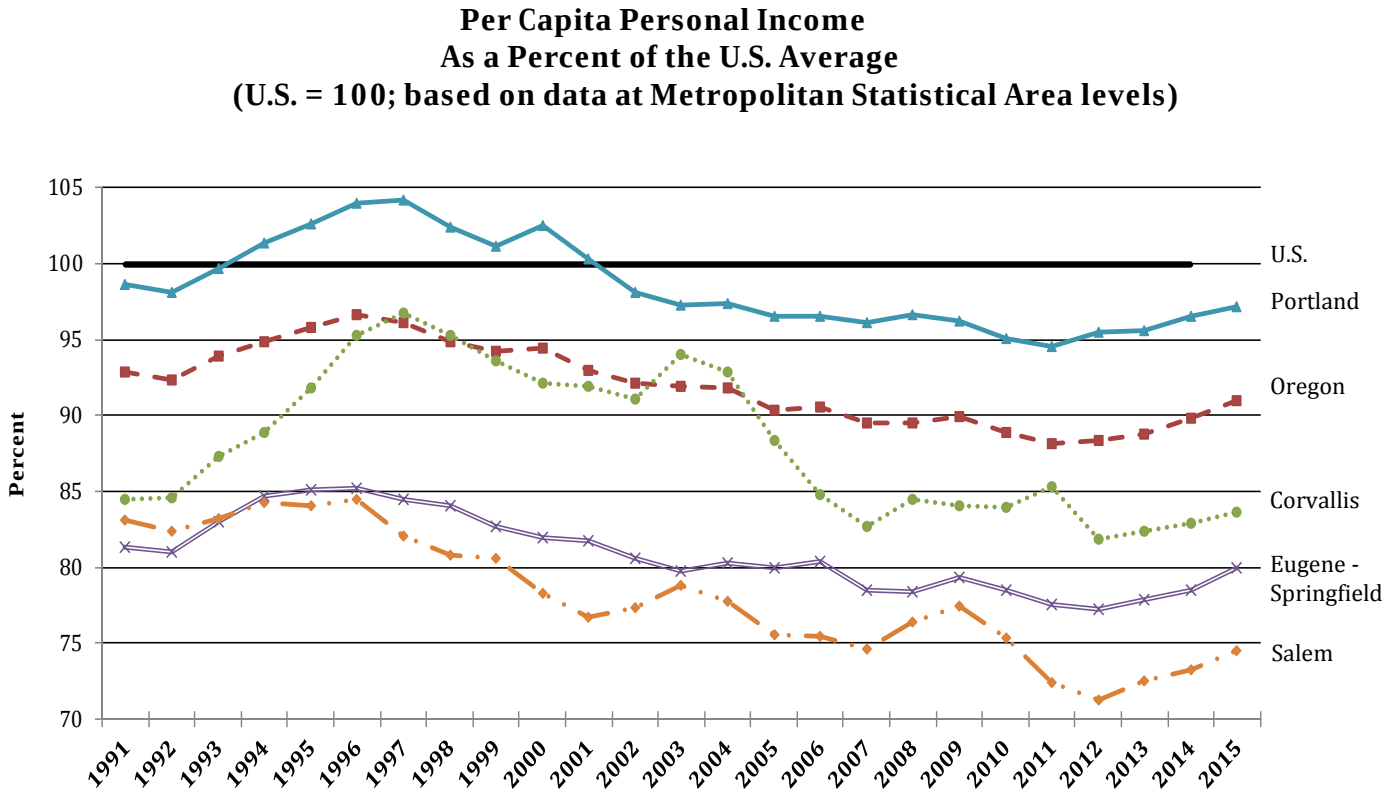
In March 2017, Eugene was designated as the next "Gigabit City" by the Mozilla Foundation, a nationally recognized technology nonprofit. The designation comes as the City and its partners continue constructing a publicly owned, open access, high-speed fiber optic network in the downtown core. Eugnet is the municipally owned fiber network that will provide gigabit internet speeds at affordable prices for businesses and building tenants in the downtown. Eugnet is a partnership between the City of Eugene, the Eugene Water and Electric Board (EWEB), the Lane Council of Governments (LCOG) and the Technology Association of Oregon (TAO). In May 2017, the City, along with EWEB and LCOG, was awarded a $1.9 million grant from the U.S. Department of Commerce to support the network's buildout, which is projected to be completed by the end of 2018. It is anticipated that the new network will put Eugene at a competitive advantage for attracting new technology-oriented businesses, and retaining and growing technology firms already established in the downtown area.

Eugene has also been selected to host the 2021 World Championships, marking the first time this prestigious track and field event has been held in the United States. This will be the largest sporting event in the world in 2021, and it is anticipated that the lodging and hospitality industries will continue to grow leading up to the event. Growth in the technology, food and beverage, hospitality, health care and higher education sectors is helping the city evolve and grow from its traditional lumber and manufacturing based economy.

Economic and Demographic Tables



Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics
Local data is shown at the Eugene-Springfield Metropolitan Statistical Area (MSA) level.



Source: U.S. Bureau of Labor Statistics, Regional Economic Accounts. Consistent with chart above, local data is shown at the Metropolitan Statistical Area (MSA) level. 2016 data not available at time of printing.

Lane County: Eugene-Springfield MSA
Employment Distribution by Industry

Calendar Year	2007		2016		2007-2016
	Average Annual	% of Total Employment	Average Annual	% of Total Employment	Average Annual Rate of Change
Manufacturing					
Wood Products Manufacturing	4,500	2.9%	3,300	2.1%	-2.7%
Transportation Equipment Manufacturing	4,100	2.6%	500	0.3%	-8.8%
Other Goods	11,200	7.1%	9,800	6.3%	-1.3%
Total Manufacturing	**19,800**	**13%**	**13,600**	**9%**	-3.1%
Non-Manufacturing					
Mining and Logging	1,000	0.6%	900	0.6%	-1.0%
Construction	8,200	5.2%	6,500	4.1%	-2.1%
Wholesale Trade	6,200	3.9%	6,300	4.0%	0.2%
Retail Trade	19,900	12.7%	20,400	13.0%	0.3%
Transportation, Warehousing and Utilities	3,200	2.0%	3,400	2.2%	0.6%
Information	4,000	2.5%	3,000	1.9%	-2.5%
Financial Activities	8,400	5.3%	7,700	4.9%	-0.8%
Professional and Business Services	16,300	10.4%	17,600	11.2%	0.8%
Educational and Health Services	20,700	13.2%	24,900	15.9%	2.0%
Leisure and Hospitality	14,900	9.5%	16,900	10.8%	1.3%
Government	29,500	18.8%	30,400	19.4%	0.3%
Other Services	5,200	3.3%	5,300	3.4%	0.2%
Total Non-Manufacturing	**137,400**	**87%**	**143,200**	**91%**	0.4%
Total Non-Farm Employment	**157,200**	**100%**	**156,800**	**100%**	-0.03%

Source: Oregon Employment Department. Figures may not add due to rounding.

Demographic Statistics

Fiscal Year	Population	Area (square miles)	Average density (persons/square mile)
1960	50,977	14.5	3,516
1970	76,346	26.3	2,903
1980	106,486	32.0	3,328
1990	112,733	38.2	2,951
2000	137,893	41.4	3,331
2005	144,640	41.5	3,485
2006	146,160	41.5	3,522
2007	148,595	41.5	3,581
2008	153,690	42.0	3,659
2009	154,620	43.8	3,530
2010	157,100	43.8	3,587
2011	156,295	43.8	3,568
2012	157,010	43.9	3,577
2013	158,335	44.0	3,599
2014	159,580	44.1	3,619
2015	160,775	44.2	3,637
2016	163,400	44.2	3,697
2017	165,885	44.3	3,745

Source: Population Research Center at Portland State University, City of Eugene

Ten Principal Taxpayers - City of Eugene
Tax Year 2016 (Fiscal Year 2017)

Taxpayer	Type of Business	Tax Amount*	Assessed Valuation	% of City Assessed Valuation
Comcast Corporation	Telecommunications	$2,434,708	$141,560,200	0.99%
Valley River Center	Retail	2,032,730	119,143,358	0.83%
Verizon Communications	Telecommunications	1,295,358	78,124,000	0.54%
Shepard Investment Group LLC	Real Estate	1,103,707	61,896,226	0.43%
McKay Investment Co. LLC	Retail	983,624	56,633,282	0.39%
CenturyLink	Telecommunications	835,866	49,755,100	0.35%
Chase Village LLC	Real Estate	745,706	39,874,899	0.28%
ACC OP LLC Garden Avenue	Real Estate	668,711	35,621,269	0.25%
Northwest Natural Gas Co.	Utility	642,376	38,350,800	0.27%
Oregon VA1C LLC	Health Care	600,925	33,165,379	0.23%
Total		**$11,343,710**	**$654,124,513**	**4.56%**

Source: Lane County Assessment & Taxation, Top Ten Taxpayers for Tax Year 2016.
** Includes taxes for all taxing jurisdictions for properties located within Eugene city limits.*

Miscellaneous Statistical Data

Miscellaneous Facts and Figures

Police:	
Number of full-time budgeted employees (police officers and support staff)	328.16
Number of patrol vehicles	67
Fire and Emergency Medical Services:	
Number of full-time budgeted employees (firefighters, EMTs, support staff)	206.0
Number of fire engines/trucks	26
Number of fire stations	11
Number of ambulances	12
Public Works:	
Miles of streets owned/maintained by City	547
Miles of alleys	43
Miles of sidewalks	767
Miles of enclosed stormwater lines & major channels	601
Miles of local and regional wastewater lines	842
Parks and Recreation:	
Community parks	16
Neighborhood parks	46
Park acres (developed and natural)	4,800
Playgrounds	52
Amphitheater	1
Performing arts center	1
Community garden plots	346
Libraries	3
Parks and Recreation (cont.):	
9-hole golf course	1
Indoor/outdoor pool	3
Athletic fields (maintained by City)	47
Historic districts	2
Historic properties (National Register)	68
Jogging, hiking and mountain biking trails (miles)	48
Bikes lanes on streets (miles)	158
Bike paths (off-street miles)	42
Community gardens	6
Skateparks	6
Tennis Courts	23
Education:	
Number of public school programs:	
Elementary	24
Middle	13
High School	10
University	2
Community College	1
Grades K-12	
Number of students	21,700

Source: City of Eugene, School District No. 4J and No. 52

City Government Organization

The City of Eugene, incorporated in 1862, is a home rule charter city. This charter is the basic law under which the City operates. Amendments to the charter can only be made by a vote of the people and can be placed on the ballot by the Council or by the voters through an initiative process.

Ordinances enacted by the City Council also govern the City. The Council can change an ordinance at any time, or the voters of Eugene can initiate an ordinance change. City ordinances become effective 30 days after they are passed by the Council and approved by the Mayor. Emergency measures needed for the health, peace and safety of the city are effective immediately following a favorable vote by two-thirds of the Council.

The Mayor is the formal representative of the City of Eugene and is elected to a four-year term by the voters at large on a non-partisan ballot. The Mayor presides over Council meetings and does not vote, except in the case of a tie. The Mayor can veto any Council decision, but a two-thirds vote of the Council can override the veto.

The City Council is composed of eight councilors elected to four-year terms on a non-partisan ballot. One councilor is elected from each of the eight wards in the city, with one-half of the Council elected every two years. New wards may be created, or the boundaries of wards may be changed by Council action. The Council's authority extends over all the City's powers and sets the policies by which the City serves its citizens. The Council takes official action at regular Council meetings, which are open to the public. The Mayor may call a special meeting, provided that the public is given 24-hour notice.

Under a Council-Manager form of government, the Council is responsible for selecting a City Manager. The City Manager is responsible for the business, financial, and property transactions of the City, as well as preparation of the annual budget, appointment and supervision of personnel, enforcement of City ordinances, and the organization and general management of City departments. As chief administrator, the City Manager has no vote in the Council, but may take part in discussions of matters coming before the legislative body.

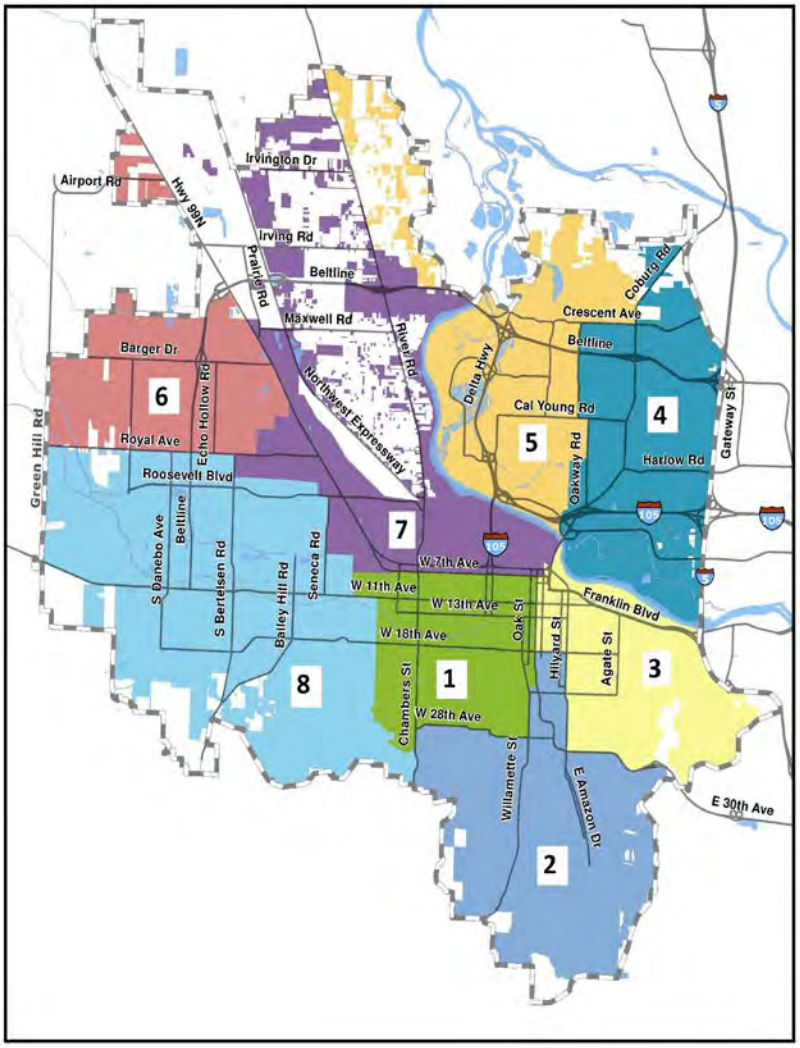
Eugene Mayor, City Council and Ward Map

Emily Semple
Term: 01/2017 - 01/2021
Ward 1

Lucy Vinis
Term: 01/2017 - 01/2021
Mayor

Betty Taylor
Term: 01/2017 - 01/2021
Ward 2

Alan Zelenka
Term: 01/2015 - 01/2019
Ward 3



Jennifer Yeh
Term: 07/2017 - 01/2019
Ward 4

Mike Clark
Term: 01/2015 - 01/2019
Ward 5

Greg Evans
Term: 01/2015 - 01/2019
Ward 6

Claire Syrett
Term: 01/2017 - 01/2021
Ward 7

Chris Pryor
Term: 01/2017 - 01/2021
Ward 8

The City Council adopts goals that provide major policy direction for budget allocations and service delivery. The City Council adopted the following vision and goals in spring 2010.

VISION

Value all people, encouraging respect and appreciation for diversity, equity, justice, and social well-being. We recognize and appreciate our differences and embrace our common humanity as the source of our strength;

Be responsible stewards of our physical assets and natural resources. We will sustain our clean air and water, beautiful parks and open spaces, livable and safe neighborhoods, and foster a vibrant downtown, including a stable infrastructure;

Encourage a strong, sustainable and vibrant economy, fully utilizing our educational and cultural assets, so that every person has an opportunity to achieve financial security.

GOALS AND OUTCOMES

Safe Community

A community where all people are safe, valued and welcome.

- **Decreased property crime**
- **Greater sense of safety (especially downtown)**
- **Visible and accessible police presence**
- **Better police/community relations**

Sustainable Development

A community that meets its present environmental, economic and social needs without compromising the ability of future generations to meet their own needs.

- **Increased downtown development**
- **Strategic job creation/decreased unemployment**
- **Support for small and local business**
- **Decision-making that weighs economic, social equity and environmental (triple bottom line) effects**

Accessible and Thriving Culture and Recreation

A community where arts and outdoors are integral to our social and economic well-being and are available to all.

- **Accessible to all incomes**
- **Preserve strength in arts and outdoors**
- **Invest in arts and culture as an economic engine**

Effective, Accountable Municipal Government

A government that works openly, collaboratively, and fairly with the community to achieve measurable and positive outcomes and provide effective, efficient services.

- **Transparent and interactive community**
- **Public engagement that involves the community broadly**
- **Stronger partnership between government entities**

Fair, Stable and Adequate Financial Resources

A government whose ongoing financial resources are based on a fair and equitable system of revenues and are adequate to maintain and deliver municipal services.

- **A long-term sustainable budget**
- **New or expanded revenue sources**
- **Accessible and transparent financial information**

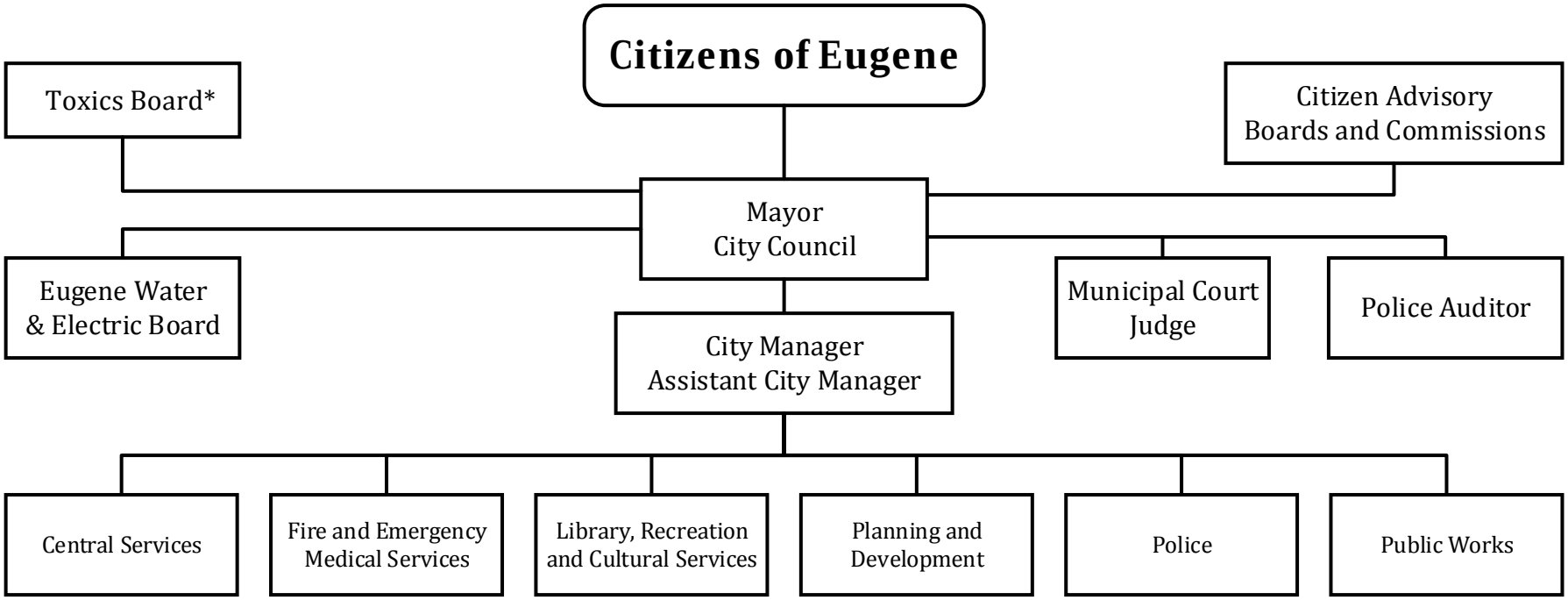
The citizens of Eugene are the most important part of the City organization. Councilors are elected by the citizens to represent their interests on the Council, and City services are directed to meet their needs. Public hearings are routinely held so that citizens can contribute to the planning and budgeting process of the City.

Another way for citizens to have input in how the City is governed is through the City's advisory groups. The City of Eugene uses three types of advisory groups. The first type of advisory group is the standing committee. The Mayor and City Council appoint citizens to serve on six standing committees: the Budget Committee, the Human Rights Commission, the Planning Commission, the Police Commission, the Civilian Review Board, and the Sustainability Commission. These committees make recommendations to the City Council on policy issues and advise City staff on certain operational matters.

The second type of advisory group is the ad hoc committee. The City Council appoints ad hoc committees to study and make recommendations on specific issues. These committees disband when the assigned task is completed.

The City's third type of advisory group is the departmental advisory committee. These groups are formed on an as-needed basis to develop recommendations for City staff. Members of these groups are appointed by City staff, work on one issue and meet for a limited period of time.

To ensure a wide range of viewpoints on departmental advisory committees, members are selected from three pools. The special interest pool is made up of people with technical expertise or other previous involvement on the issue. The neighborhood pool is comprised of representatives from Eugene's neighborhood organizations. The voter pool is a randomly generated list of registered voters who have expressed a willingness to serve on advisory committees.



This department provides support for the City Manager and elected officials; legal services; information services; neighborhood services; facility planning, construction oversight and maintenance and preservation of public buildings; management of City finances; human resources, risk services and emergency management. The City Prosecutor's Office and Municipal Court services are also provided within Central Services.

This department provides fire and emergency medical services to Eugene and the adjacent districts that contract for services. The department also responds to regional hazardous materials incidents.

The mission of this department is to broaden community access to lifelong learning, recreation and cultural experiences. The facilities managed by this department include the Hult Center for Performing Arts, the Eugene Public Library, community centers, senior centers and swimming pools.

By focusing on planning, development and building safety activities, this department aids the City Council in setting the course for social, economic and physical development in Eugene. Specific services include long-range planning, land use application processing, permit services, building code enforcement and community development.

This department provides emergency and incident response to calls to protect the lives, rights and property of citizens. The department also provides proactive problem management and community services which promote a safer community and prevent crime.

Among the services and programs managed by the Public Works Department are the Wastewater Treatment Plant; the Eugene Airport; streets, sidewalks, street trees, bike paths, traffic lights and street lights; engineering services; and the construction and maintenance of parks and sewers.

*The Toxics Board was created to oversee the Eugene Toxics Right-to-Know Program in1996 by an amendment to the Eugene Charter. This public information program is overseen by a seven-member volunteer citizen board appointed by the Eugene City Council. The program operates with only one paid staff position and is fully funded by fees assessed to local businesses that are hazardous substance users.

Services in the Budget Document

The City of Eugene provides a wide range of services to its citizens. This budget document provides two views of the Operating Budget: the department view and the service view.

Department View
The department view presents the budget for each department and division and includes organization charts and a description of department functions. The City is comprised of six departments: Central Services; Fire and Emergency Medical Services; Library, Recreation and Cultural Services; Planning and Development; Police; and Public Works. The department view answers such questions as: "How is the City organized to deliver services? What appropriation is budgeted for each major organizational unit?"

Service View
The service view presents the operating budget for the City's 44 service categories. In the budget, these services have been grouped into the following broad service areas:

- **Public Safety Services** include fire prevention and firefighting, emergency medical services, 9-1-1 call taking and dispatch services, police patrol and investigation services, municipal court, and animal control services. The City also provides social services through partnerships with other public and private non-profit agencies.
- **Infrastructure and Planning Services** include acquisition, development and maintenance of streets, sewers, parks, buildings, parking lots and structures. These services also include land use planning, issuance of building permits, administration of the Community Development Block Grant and Urban Renewal Agency, and operation of the airport.
- **Culture and Recreation Services** include the Eugene Public Library, recreational services, and operation of the Hult Center for the Performing Arts and Cuthbert Amphitheater.
- **Central Business Functions** include civic leadership and collaboration services, community engagement services, human resources, financial services, fleet services, legal services, information technology, and other business management services. Although these services are primarily internal to the organization, they enable the City to provide services to the community in an efficient manner.

Local Budget Law

The framework for municipal budgeting is established by Oregon's Local Budget Law as set forth in Chapter 294 of the Oregon Revised Statutes. This law has two major objectives:

- To provide standard procedures for preparing, presenting, adopting and administering local government budgets; and
- To ensure citizen involvement in the preparation of the budget by providing public exposure to the budget and opportunities for public comment before its final adoption.

Budgeting in Oregon is a joint effort between the people affected by the budget and the appointed and elected officials responsible for providing the services. Elected or appointed officials determine the allocation of resources to the service system. The budget process encourages citizens to provide comments about proposed programs and fiscal policies. The State of Oregon Department of Revenue verifies that local government budgets are prepared according to the Oregon Local Budget Law.

To give the public ample opportunity to participate in the budgeting process, Local Budget Law requires that a budget officer be appointed and a Budget Committee be formed. The budget officer, who is the City Manager, draws together necessary information and prepares the first draft of the budget. The Budget Committee then reviews and revises the proposed budget before making a recommendation to the City Council. Notices are published, budgets are made available for review, and at least two public hearings are held – one before the Budget Committee and one before the City Council. These requirements encourage public participation in the budget-making process and provide public exposure to budgeted programs and fiscal policies before the governing body of the municipal corporation adopts the budget.

Citizen involvement in the budget cycle varies from one community to the next. Each local government prepares a budget that clearly outlines its fiscal policies and is satisfactory to the voters of the jurisdiction.

In addition to governing the budget process, Oregon law limits the taxing authority of municipalities. While fees and charges for services provide revenue for local government, the primary source of revenue in the City's General Fund is property taxes. When determining the level of services deemed essential, the Budget Committee also determines the amount of property taxes that needs to be levied to meet expenditures.

Oregon Administrative Rules, implementing Chapter 294 of the Oregon Revised Statutes, require jurisdictions within Oregon to propose and adopt balanced budgets. According to the State of Oregon definition (OAR 150-294.388), a balanced budget is an estimate of expenditures and resources whereby total resources in a fund equal the total expenditures and requirements for that fund, and the total of all resources equal the total of all expenditures and all requirements for all funds of the jurisdiction.

City of Eugene Budget Process

There are four distinct phases in the City's budget cycle:

- The **preparation** stage, when the City Manager develops strategies for the upcoming budget, and City staff balances projected revenues and expenses and develops the City Manager's proposed budget;

- The **review and approval** stage, when the Budget Committee reviews the City Manager's proposed budget, holds a public hearing, formulates and forwards its budget recommendation to the City Council, which adopts the annual budget for the next fiscal year;

- The **implementation** stage, when services and policies financed by the approved budget are carried out; and

- The **evaluation** stage, when audits are conducted, and annual financial reports are produced.

The process involves a coordinated effort between the City Council, the Budget Committee, the City Manager, the Finance Division, and department staff. The entire process covers a period of more than two years.

Adjusting the Adopted Budget

Local Budget Law outlines a supplemental budget process whereby changes can be incorporated into the approved budget. Supplemental budgets typically require a public hearing prior to City Council approval.

Examples of adjustments to the budget might include any of the following:

- Unanticipated expenditures;
- Adjustments resulting from the year-end audit;
- Grants received for specific programs or services; or
- Reprogramming existing appropriations to different purposes or to continued programs that were not completed during the prior year.

Prior to a supplemental budget, the City Council receives a briefing memo on the proposed amendments to the budget. Council then holds a public hearing and accepts testimony from those wishing to speak. At the meeting, Council has the opportunity to ask questions.

Following testimony and any further discussion, the City Council takes action on the supplemental budget. Once it has been approved, the legal levels of appropriation for the fiscal year are changed.

Evaluation

The City prepares a Comprehensive Annual Financial Report (CAFR) after the close of each fiscal year. The CAFR includes, among other things, a comparison of the budget and the actual results for the just-ended fiscal year and a statement about the ending balance for each fund. The purpose of

the CAFR is to provide citizens, investors, grantor agencies, and other interested parties with reliable financial information about the City on a standardized basis.

The City is required to contract with an authorized accounting firm for the audit of its accounts and fiscal affairs under Oregon laws (ORS 297.425). The auditors conduct the audit of the City's basic financial statements in accordance with the Generally Accepted Auditing Standards and the Minimum Standards for Audits of Oregon Municipal Corporations. The main purpose of the audit is to ensure that there is reasonable assurance about whether the basic financial statements prepared by City staff are free of material misstatement and whether the City complied with the laws and regulations pertaining to federally funded programs. In addition to state and federal requirements, the City has a contractual obligation in connection with its debt issuances requiring the City to issue annual audited financial statements.

The City contracted with the firm of Isler CPA for the audit of the City of Eugene's financial statements for the fiscal year ended June 30, 2016. Isler CPA issued an unqualified opinion ("clean opinion") on the basic financial statements. A clean opinion is an important indicator of sound financial management and creditworthiness to the citizens, other governmental jurisdictions (state and federal), credit rating agencies, investment bankers, bond holders, and other private sector entities. In addition, two reports that specifically address compliance with federal laws, regulations, contracts and grants, indicated that the auditors found no material instances of the City's noncompliance with these requirements, nor were there any findings or questioned costs noted in relation to Federal awards made to the City.

September - December 2016

- Citizen members of the Budget Committee conduct service profile reviews for ten City services.
- FY16 financial audit is completed.
- Staff prepares the FY17 Supplemental Budget (SB) #1 which amends the FY17 Budget for unanticipated revenues and expenditures and audited beginning working capital.
- ⓘ FY17 SB1 advertisement, public hearing and Council action for adoption.

January - Mid-April 2017

- City staff prepares the FY18 Proposed Budget.
- ⓘ Budget Committee hosts a workshop and two additional meetings that include public comment opportunities.
- ⓘ Budget Committee and City Council conduct public hearings on the FY18-23 Capital Improvement Program (CIP) and review and adopt the CIP which becomes the basis for the FY18 Capital Budget.

Mid-April 2017 - May 2017

- City Manager presents the FY18 Proposed Budget which includes a $1 million reduction to contribute to the closing of an anticipated $3 million budget gap in the General Fund.
- ⓘ Budget Committee conducts two public comment opportunities and one public hearing.
- Budget Committee votes to recommend to the City Council the FY18 Proposed Budget with several additions.

June 2017

- Summary of the FY18 budget as recommended by the Budget Committee is published per Oregon Local Budget Law.
- ⓘ City Council conducts a public hearing and adopts the FY18 budget for the City of Eugene, including approval to receive State Revenue Sharing with several changes.
- ⓘ Supplemental Budget (SB) #2 amending the FY17 budget for unanticipated revenues and expenditures is advertised and presented to the City Council for approval.
- ⓘ City Council conducts a public hearing and adopts Supplemental Budget #2.
- Fiscal year ends on June 30.

July 2017

- New fiscal year begins July 1.
- FY18 tax levies are certified and sent to the Lane County Assessor by July 15.
- FY17 financial audit begins.

ⓘ Indicates opportunities for public input

Basis of Budgeting

A legally adopted budget is required by state law for all City funds. The legal level of budgetary control within each fund is at the following levels: current departmental requirements, debt service, capital projects, interfund transfers, special payments, interfund loans and intergovernmental expenditures. Expenditures cannot legally exceed appropriations at these control levels. Council may amend the budget by adopting supplemental budgetary appropriations during the course of the year.

All funds are budgeted using the modified accrual basis of accounting. Modified accrual accounting recognizes revenues when they become measurable and available. Measurable means that the dollar value of the revenues is known. Available means that it is collectible within the current period or soon enough after the end of the current period to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgements, are recorded only when the payment is due.

Accounting Basis

The basis of accounting refers to when revenues and expenditures or expenses are recorded in the accounts and reported in the financial statements. The City's Comprehensive Annual Financial Report (CAFR) shows the status of the City's finances in conformance with Generally Accepted Accounting Principles (GAAP). In most cases, this conforms to the way the City prepares its budget. Exceptions are as follows:

- Compensated absences liabilities that are expected to be liquidated with available resources are accrued as earned by employees (GAAP), as opposed to being expended when paid (Budget Basis).
- Principal payments on long-term debt within the Enterprise Funds are applied to the outstanding liability on a GAAP basis, as opposed to being expended on a Budget Basis.
- Capital outlays within the Proprietary Funds are recorded as assets on a GAAP basis and expended on a Budget Basis.

Encumbrance Accounting

Encumbrance accounting is employed for administrative control in all funds. Encumbrances are established for the estimated purchase amounts prior to the release of purchase orders to vendors and for construction contracts upon bid award. Purchase orders which would result in budgetary over-expenditures are not released until budgetary authority has been arranged, as appropriate. Encumbrances outstanding at year end do not constitute expenditures or liabilities. Such encumbrances are cancelled and, if appropriate, are then re-encumbered against the new year's budget, based on allowable appropriations.

Financial Management

It is the responsibility of City staff, in particular the Finance Division, to monitor the City's financial status. Revenues and expenditures are monitored continually to determine whether resources are materializing as projected and to ensure that expenditures do not exceed allowable limits. Supplemental budgets are designed to facilitate the review and adjustment process necessary to ensure expenditures do not exceed legal spending limits.

City staff takes an active role in investing available cash balances. The City has an investment policy that is designed to ensure that the public's monies are invested in a manner that is safe, secure and available when they are needed yet, at the same time, are also yielding market rates of return.

Debt Management

The City issues both short-term and long-term debt. Short-term notes or a line of credit are issued for construction-period financing for some capital improvements. The notes are repaid from the sale of long-term bonds or from property tax levies for general obligation bonds. The City does not borrow on a short-term basis to support on-going operations. The Non-Departmental Debt Service Section and the Financial Summaries Section provide further details regarding the City's outstanding debt.

Policy Direction

The Financial Management Goals and Policies for the City of Eugene provide the framework and direction for financial planning and decision making by the City Council, City Boards, Commissions and Committees, and City staff. They are designed to ensure the financial integrity of the City and a service delivery system that addresses the needs and desires of Eugene's citizens and policies are periodically updated to reflect changes in Council policy, legal and professional requirements, and changes in accepted industry practices. The City Council adopted the Financial Management Goals and Policies on April 8, 1996. Minor edits have occurred since initial adoption. These include approval of the Debt Issuance Guidelines on May 14, 2007, and the Unappropriated Ending Fund Balance Policy (B.7.) in July, 2007.

Prudent management of Eugene's financial resources allows for the continued ability to provide municipal services, both operating services and infrastructure maintenance and enhancement. The management of municipal resources is complex. Competent financial management is needed to make effective and efficient use of City resources and ensure the security of City assets. An important process for assuring that financial management is both consistent and rational is through the adoption of financial management goals and policies.

NOTE: If the City Council chooses to deviate from any policy, it will propose at one meeting and adopt at a subsequent meeting a motion waiving the particular policy in question related to a specific issue and stating the reason for the waiver. Any waiver will be communicated to the Budget Committee with appropriate background material. This process was adopted by the City Council on April 8, 1996.

A. Resource Planning and Allocation Policies

Policy A.1. *(City Council Goals and Policies)*
The City budget will support City Council goals and policies, Council-adopted long-range plans and service needs of the community.

Policy A.2. *(Reporting and Control)*
The City will maintain financial systems which will develop budgets, provide control, and report revenues and expenditures at the line-item detail.

Policy A.3. *(Service Budgeting)*
The City will budget and report actual expenditures by service, as well as by fund and organizational unit.

Policy A.4. *(Service Priorities)*
Operating and Capital budgets which reflect Council adopted service levels, will be prepared by the City Manager and reviewed by the Budget Committee consistent with the following municipal service priorities:

a. Service Level 1. Preserve the public safety system, which includes the police, fire and emergency services, Municipal Court and the Intergovernmental Human Services program.

b. Service Level 2. Maintain and replace the City's fixed assets, which include equipment, infrastructure and facilities so as to optimize their life.

c. Service Level 3. Maintain and enhance efficiency of the administrative support and community planning systems in order to provide efficient and effective business management service and orderly community growth.

d. Service Level 4. Provide affordable housing, specialized services for the less advantaged population, land use permits and cultural, educational and recreational services.

e. Service Level 5. Address the balance of municipal services when required for the preservation of health, safety or quality of life in the community or community demand for incremental services.

Policy A.5. *(Operating and Capital Budgets)*
The relationship between the Operating and Capital budgets will be explicitly recognized and incorporated into the budget process. Funding for the Operating and Capital budgets shall be sufficient to provide for operating services and maintenance or enhancement of fixed assets needed to support City services.

Policy A.6. *(Revenue and Expenditure Projections)*
Revenues, operating and capital expenditures, and debt service will be projected each year for at least the succeeding six years.

Policy A.7. *(New Program Funding)*
Prior to authorizing funds for a new program, Council will receive an estimate of fiscal impact from the City Manager.

B. Accounting and Financial Practices Policies

Policy B.1. *(Accounting and Financial Reporting System)*
The City will maintain an accounting and financial reporting system that allows reporting in conformance with Generally Accepted Accounting Principles (GAAP) and Oregon Local Budget Law and will issue a Comprehensive Annual Financial Report (CAFR) each fiscal year.

Policy B.2. *(Fund Management)*
The City will manage its funds as independent financial entities in accordance with legal, administrative, and Generally Accepted Accounting Principles (GAAP) and will ensure that funds are not co-mingled.

Policy B.3. *(Cost Allocation Plan)*
The City will annually prepare an internal Cost Allocation Plan (CAP). The CAP's purpose is to determine the cost of providing central business management services, or indirect costs, to the City's various funds. These indirect costs will be recovered from Non-General funds through the Central Services Allocation (CSA). This practice ensures the cost of General Fund central business management services are paid by Non-General funds receiving those services.

Policy B.4. *(Enterprise Funds)*
Whenever financially feasible, business-type activities which receive their funding principally through user charges, will be established as Enterprise Funds if doing so will facilitate rate setting for cost recovery and provide information to determine the efficiency and effectiveness of operations.

Policy B.5. *(Contingency Funds)*
Each fund, as appropriate, will maintain a contingency account to meet unanticipated requirements during the budget year.

Policy B.6. *(Cash Balance and Financing)*
Each fund will maintain an adequate cash balance, borrow internally from another City fund or, as a last resort, borrow externally to provide for cash flow requirements.

Policy B.7. *(Unappropriated Ending Fund Balance)*
In order to maintain a prudent level of reserves in the General Fund and any local option levy funds, the target amount of Unappropriated Ending Fund Balance (UEFB) to be budgeted shall be at least two months of operating expenses (excluding reserves and contingency).

Policy B.8. *(Replacement Accounts)*
The City will develop and fund replacement accounts for the City's fixed assets.

Policy B.9. *(Non-Dedicated Revenues)*
With the exception of grants or earmarked donations, the City will not normally earmark revenue for specific public purposes in general service funds such as the General Fund.

Policy B.10. *(Reserve Accounts, Non-Departmental)*
Non-Departmental Reserve accounts will be used for non-departmental resources designated for specific purposes. Appropriation by City Council is required prior to expenditure of funds.

Policy B.11. *(Marginal Beginning Working Capital)*
The highest priorities for use of Marginal Beginning Working Capital (difference between Actual Ending Working Capital in the prior year and Budgeted Beginning Working Capital in the current year) are: General Capital Projects Fund; Unappropriated Ending Fund Balance (up to target amount as defined in Policy B.7); General Fund Contingency, (not in priority order).

C. Revenue and Collection Policies

Policy C.1. *(Revenue Base)*
The City will work to diversify the supporting revenue base in the General Fund.

Policy C.2. *(Cost Recovery – Fee Supported Services)*
The City Council will establish cost recovery policies for fee supported services which consider the relative public/private benefits received from the services being provided and/or the desirability of providing access to services for specialized populations. These policies will determine the percent range of full service costs to be recovered through fees. The level of cost recovery will be routinely adjusted to ensure that rates are current, equitable, competitive and cover the percentage of the total cost deemed appropriate.

Policy C.3. *(Serial Tax Levies)*
To the maximum extent possible, serial tax levies will be used only for time-limited operating services or for capital improvements subject to the rate limitation for non-school governments.

Policy C.4. *(Dedicated Revenue – Capital Projects)*
To the maximum extent possible, the City will secure a dedicated revenue source to fund general and storm sewer capital projects.

Policy C.5. *(Foreclosure on Delinquent Accounts)*
Properties foreclosed under the Assessment Program and other programs which use foreclosure as a collection device, such as the Systems Development Charges Program, will be managed and disposed of in such a manner so as to attempt to reimburse the program for all direct and indirect costs incurred and so as not to disrupt the private real estate marketplace.

Policy C.6. *(Non-Recurring Revenue)*
Except for local option levies approved by the voters, the City will use non-recurring revenue on limited-duration services, capital projects, equipment requirements or services

that can be terminated without significant disruption to the community or City organization.

D. Capital Improvements Policies

Policy D.1. *(Capital Improvement Program)*
The City will plan for capital improvements over a multi-year period of time. The Capital Improvements Program (CIP) will directly relate to the long-range plans and policies of the City. Operating funds to maintain capital improvements and to fund additional staff and service needs will be estimated and identified prior to making the decision to undertake specific capital improvements.

Policy D.2. *(Revenue Bonds – Capital Projects)*
Whenever a service is an enterprise or utility-based operation and where the ratepayer directly benefits, the City will work to finance capital improvements by using self-supporting revenue bonds, which could be General Obligation (G.O.) backed.

Policy D.3. *(General Obligation Bonds – Capital Projects)*
Use of General Obligation (G.O.) bonds will be limited to major capital construction or improvements as defined in ORS 310.140 in support of general municipal services.

Policy D.4. *(Assessments Bonds – Capital Projects)*
Financing of infrastructure improvements through use of assessment bonds will be limited to those projects where the required assessed value-to-assessment ratio is met and to the extent the City's financial position permits the use of this financing device.

Policy D.5. *(City's Physical Assets)*
To maintain the City's physical assets, a current inventory of all of the City's physical assets, their condition and maintenance costs will be maintained.

Policy D.6. *(Sinking Funds)*
Council will make a specific determination whether to establish a replacement reserve sinking fund when creating an asset with a value in excess of $1 million and a useful life in excess of 10 years.

E. Debt and Investment Management Policies

Policy E.1. *(Bond Rating)*
The City will seek to maintain and, if possible, improve its current Aa1 bond rating so its borrowing costs are minimized, and its access to credit is preserved.

Policy E.2. *(Debt Issuance Guidelines)*
The City will have a specific set of debt issuance guidelines consistent with federal, state and local laws and policies.

Policy E.3. *(Investments)*
When making investments, the City will follow state law and local investment guidelines and shall abide by the following criteria in priority order:

a. Preservation of capital
b. Maintenance of a liquid position
c. Maximum yield

F. Organizational Policies

Policy F.1. *(Organizational Structure Reviews)*
The City Manager will review the organizational structure at frequent intervals to assure that it is responsive to current conditions and minimizes service duplication in the organization and with other local government jurisdictions.

Policy F.2. *(City Employment Force Funding)*
The City will provide adequate funding to stabilize the City employment force to minimize uncertainty about the continuity of the service delivery system.

Policy F.3. *(Staffing Levels)*
The City will match job classifications and number of positions to the service delivery system and will communicate service and staff adjustments to the public and parties affected by changes.

Policy F.4. *(Service Levels and Performance Standards)*
The City Council will adopt service levels and performance standards which reflect community expectations and requirements set by other levels of government. The City is committed to examining how it provides services so that service levels and performance standards are met or exceeded at the least cost to the public.

Policy F.5. *(Market Based Employee Compensation)*
Consistent with available resources, employee compensation will be market-based, comparable to public and private sector compensation paid in the relevant recruiting area.

Policy F.6. *(Evaluation of Service Delivery System)*
The City will routinely evaluate both its administrative and direct service delivery systems, according to established efficiency and effectiveness criteria, to determine whether a service should be provided by the City, or by agreement with another provider or eliminated due to changes in community requirements.

Policy F.7. *(Intergovernmental Contracts)*
The City will evaluate its use of intergovernmental service contracts to prevent duplication of services in overlapping jurisdictions and to assure an effective and efficient service delivery system to the community.

Policy F.8. *(Multi-Agency Service Reviews)*
The City will participate in multi-agency reviews (including local government, public utilities, school districts, and not-for-profit agencies) to evaluate and change service systems to ensure optimal use of public funds.

G. Other Policies

Policy G.1. *(Compliance with Laws and Standards)*
The City will comply with mandatory federal, state and local laws and regulations and, when appropriate, will comply with industry and professional requirements or standards.

Policy G.2. *(Budget Committee)*
A Budget Committee will be appointed in conformance with ORS 294.335 and Eugene Code 2.013. Lay members of the Budget Committee serve for terms of three years. The Budget Committee's chief purpose is to review the City Manager's Proposed Budget and prepare a recommendation for Council consideration. The Budget Committee may consider and develop recommendations on other financial issues at the direction of City Council.

Policy G.3. *(Supplemental Budgets)*
After adoption of the City's annual budget, the Council will process supplemental budgets in compliance with ORS 294.480 as needed to keep the budget reflective of the current service environment and to ensure that the appropriations are as current as possible.

Policy G.4. *(Related Entities)*
Entities established or sanctioned by the City Council for which the City is deemed to be 'financially accountable', will comply with the Eugene Code and City Council-adopted policies and procedures and will be accountable for operational and financial compliance and reporting standards as established by the Council or its designee.

Debt Issuance Guidelines

(Revisions approved by City Council on May 14, 2007)

The following debt issuance guidelines apply to debt issued by the City of Eugene and the Eugene Urban Renewal Agency.

Credit Worthiness

1. The City will seek to maintain and, when feasible, improve its credit rating so its borrowing costs are minimized, and its access to credit is preserved and enhanced.
2. The City will maintain good communications about its financial condition with credit rating agencies and the credit market.
3. The City will follow a policy of full disclosure that meets or exceeds the disclosure guidelines developed by the Government Finance Officers Association and the Governmental Accounting Standards Board.

Purposes for Borrowing

1. The City will not fund current operations from externally borrowed funds, except to meet short term cash flow requirements.
2. The City may borrow on a short-term basis for capital improvements in anticipation of issuing long-term debt or for cash flow purposes during a construction project.

3. The City will confine long-term borrowing to capital improvements or projects that cannot be fully funded from current revenues.
4. The City will encourage the use of pay-as-you-go financing for capital improvements when feasible and affordable.
5. Assessment bonds may be issued for local improvements in accordance with the City's assessment policies.
6. The City may refund existing debt according to the policies set out under "Refunding Debt" section below.
7. The City may act as a conduit issuer according to the policies set out under "Conduit Financings" section below.

Refunding Debt

1. Borrowing externally to fund the unfunded accrued liability of the Public Employees Retirement System (PERS) is considered refunding of an existing liability to PERS.
2. The City will issue advance refunding bonds (as defined by federal tax law) when advantageous, legally permissible, prudent and when the net present value savings is a minimum of three percent of the refunding paramount, as required by state law.
3. The City will issue current refunding bonds (as defined by federal tax law) when advantageous, legally permissible, prudent and when the net present value savings exceed $100,000.
4. Refundings may also be undertaken for other reasons when legally permissible, prudent and when in the best interests of the City.

Security for Debt Issues

1. Approval to use the general obligation pledge will be sought from voters only for projects that cannot be self-supporting and that provide a general benefit to City residents.
2. The City's full faith and credit (i.e., the General Fund) may be pledged as a primary or secondary source of repayment of long-term debt obligations, when it is determined that this pledge is in the best interests of the City. Debt secured by the City's full faith and credit should be supported by predictable revenues. In addition, the City may require administrative measures designed to protect the City's General Fund, such as internal rate covenants and reserves. These internal administrative measures will not be pledged to bondholders.
3. Enterprise funds and other revenue-backed bond issues will maintain the highest level of debt service coverage ratios and reserves as possible, balanced against the cost of such measures, the need to preserve equity and a desire to maintain affordability in user fees.
4. Credit enhancement should be considered for debt issues where the cost of the enhancement is expected to be less than the savings in interest over the life of the issue.
5. Prior to issuing Bond Anticipation Notes, the City will have secured authority for the permanent bond financing that will be used to repay the notes.

Financing Methods

1. The City will analyze the various financing methods available for any proposed borrowing and choose the method that is most cost effective, that is appropriate from a risk perspective and that is legally and administratively feasible. Financing methods examined could include, but are not limited to, general obligation bonds, full faith and credit securities, revenue bonds,

notes, lines of credit, commercial paper, lease or lease purchase transactions, grants, federal or state loans, intergovernmental agreements or partnerships with the private sector.
2. Lease purchase debt, including certificates of participation, will be considered as an alternative financing method for capital projects or long-term vendor leases when cost effective and when the City does not want to seek the General Obligation pledge from voters.

Administration of City Debt

1. The City will consider affordability prior to entering into any new borrowing program. The debt ratio guidelines contained in this policy define the affordable level of debt for the City.
2. When the City issues long-term debt, it will repay the debt within a period not to exceed the useful life of the improvements or equipment.
3. The City will repay debt rapidly to recapture its credit capacity for future use and to minimize interest costs. For major capital projects, repayment on such debt will not exceed 21 years. Assessment debt will mature over a 10-year period. Debt issued to fund a pension obligation may be for a longer period of time to match the amortization schedule used by PERS in determining the City's annual payment obligation.
4. Revenues dedicated to make bond payments are to be budgeted for debt service payments before they are appropriated for any other purpose.
5. All voter-approved general obligation debt will be sold through competitive bids. Exceptions may be made for refunding bond issues or where the City is issuing bonds with different security pledges at the same time as the general obligation debt. Non-general obligation debt may be sold on a negotiated basis if the City determines that it offers significant advantages in marketing the issue.
6. Private placement of debt may be appropriate under certain circumstances. The costs of private placement of debt will be compared to market financing before recommending this method.

Conduit Financings

1. Conduit financings are financings that the City provides for the benefit of non-governmental entities to allow those non-governmental entities to obtain low cost, tax-exempt financing. Conduit financings are not secured by any revenues or assets of the City except revenues and assets provided by the non-governmental entities that benefit from the conduit financings. The United States Internal Revenue Code substantially limits the ability of the City to provide conduit financing; conduit financings are only available for small manufacturing facilities, facilities used by qualified 501(c)(3) organizations, certain kinds of low income housing projects, and other projects that can be financed with "qualified bonds" as defined in the Internal Revenue Code.
2. Recognizing that the City is able to issue debt for broad purposes, it may be appropriate to enter into a conduit financing on behalf of another party when the City Council determines that the proposed project will provide a general benefit to City residents and/or the City economy.
3. Conduit financing will be considered only when a project is consistent with the city's overall service and policy objectives.
4. The City should not incur any moral or financial obligation under a conduit borrowing.
5. The City will only consider conduit financings that will insulate the City from any credit risk.
6. Any financing issued through the City must qualify for an investment grade rating by one of the nationally recognized statistical rating agencies or provide alternative credit enhancement

from a third party satisfactory to the City or a corporate guaranty if the corporation carries an investment grade rating.
7. All expenses related to conduit financing will be borne by the third-party applicant for whom the debt is being issued.
8. The City will establish review procedures of the requesting party for projects, including adherence to public contracting requirements, development of a financial feasibility study of the project, and submission of annual financial statements to ensure the ability to repay the debt.

Key Debt Ratios

The City's ability to issue general obligation debt is limited by state statutes to 3% of real market value. This level of outstanding debt would be financially burdensome and not considered a prudent amount of debt by credit analysts and bond investors. There are several key debt ratios that investors and financial analysts use when reviewing a city's credit worthiness. The City of Eugene has established this set of debt ratio guidelines to be used as a measure of the affordability of a new debt program. These guidelines are periodically reviewed by the Investment Advisory Board, and are listed below.

1. Net direct debt as a percentage of real market value shall be a maximum of 1.0%.
2. A minimum of 50% of net direct debt shall be retired within 10 years.
3. Maximum annual debt service on all General Fund-backed debt shall be limited to 10% of General Fund expenditures in the year in which the debt is issued. Of this amount, long-term debt that has a primary pledge of General Fund resources shall be no more than 5% of General Fund expenditures.

The following definitions apply to the City's debt ratio guidelines:

- ***Net direct debt*** includes all debt that is repaid from taxes (excluding URA tax increment revenues), such as General Obligation bonds and bonds backed by the City's full faith and credit pledge. Debt secured solely by revenues and Urban Renewal Agency debt are excluded from the City's net direct debt.
- Debt that includes a General Obligation or full faith and credit pledge may be excluded from the calculation of net direct debt as ***self-supporting debt***, where it can be demonstrated that there are other non-tax revenues available that are sufficient to make debt service payments.
- ***Pension obligation debt*** will be excluded from the City's calculation of net direct debt in order to provide a debt statement comparable to other jurisdictions. This debt does not represent a new obligation of the City; rather, it represents replacement of an existing obligation that the City had in the form of an unfunded pension obligation that had previously been paid in installments to PERS.
- Short-term debt and leases that are subject to appropriation are not included in the statement of gross direct debt or net direct debt.
- The definition of net direct debt may change as the revenues supporting a debt issue change, or as new types of debt are added to the City's debt position. In categorizing debt on the statement of net direct debt, the City will attempt to mirror the calculation prepared by the bond rating agencies that rate the City's debt.
- ***General Fund-backed debt*** is debt that has a primary or secondary security pledge from the City's General Fund, such as limited tax assessment bonds, Library Full Faith and Credit

Obligations, Broadway Place Limited Tax Bonds and Atrium Full Faith and Credit Obligations. Voter-approved General Obligation bonds and the pension obligation bonds are excluded from the definition of General Fund debt.

- The ***General Fund expenditures*** used for the purpose of measuring debt service to expenditures will be those in the main General Fund, excluding any subfunds.
- Extraordinarily high debt service on a bond issue in the first or last year (such as a long first interest payment or a balloon payment at the end) shall not be subject to the debt service to expenditures policy.

Revenue Summary

Table of Contents

Resources/Requirements Summary 109

General Fund Revenue Summary 110

General Fund Revenue Assumptions 111

General Fund Resources Ten-Year Trends 118

Non-General Fund Revenue Summary 119

Non-General Fund Revenue Assumptions 120

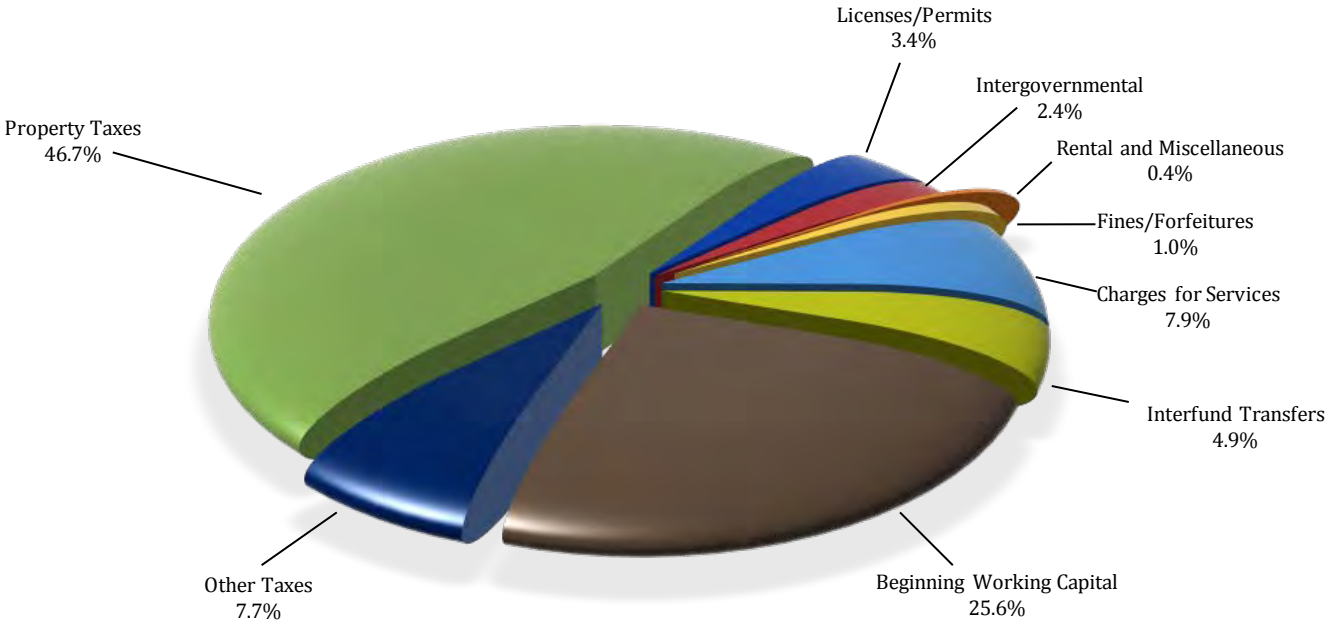
Property Tax Rates and Tax Levy 128

This page intentionally left blank.

ALL FUNDS

	Resources	Requirements		
		Department Operating	Capital Projects	Non-Departmental
General Fund	$210,801,840	$154,130,652	$0	$56,671,188
Special Revenue Funds				
Community Development	13,737,425	3,890,857	551,200	9,295,368
Construction and Rental Housing	14,655,657	8,541,089	0	6,114,568
Library Local Option Levy	2,792,268	2,415,896	0	376,372
Library, Parks and Recreation	5,093,526	392,845	809,450	3,891,231
Public Safety Communications	3,876,438	2,158,200	0	1,718,238
Road	16,106,224	12,517,888	0	3,588,336
Solid Waste and Recycling	1,810,839	1,115,198	0	695,641
Special Assessment Management	1,276,332	102,155	0	1,174,177
Telecom Registration/Licensing	5,414,007	2,747,204	0	2,666,803
Debt Service Funds				
General Obligation Debt Service	13,447,025	0	0	13,447,025
Special Assessment Bond Debt	322,538	0	0	322,538
Capital Projects Funds				
General Capital Projects	29,465,831	20,000	26,031,254	3,414,577
Special Assessments Capital Projects	1,241,312	0	0	1,241,312
Systems Development Capital Projects	32,996,511	663,577	16,486,369	15,846,565
Transportation Capital Projects	42,389,729	0	41,519,426	870,303
Enterprise Funds				
Ambulance Transport	10,323,639	9,340,077	0	983,562
Municipal Airport	34,621,401	10,587,760	18,166,302	5,867,339
Parking Services	8,652,594	6,748,401	298,200	1,605,993
Stormwater Utility	28,395,083	15,817,205	8,193,347	4,384,531
Wastewater Utility	62,347,981	25,179,845	6,270,937	30,897,199
Internal Service Funds				
Facilities Services	14,347,002	10,599,174	631,860	3,115,968
Fleet Services	37,079,713	18,157,111	0	18,922,602
Information Systems and Services	18,046,742	13,762,115	0	4,284,627
Professional Services	9,033,856	6,642,967	0	2,390,889
Risk and Benefits	58,964,735	38,017,440	0	20,947,295
Total	**$677,240,248**	**$343,547,656**	**$118,958,345**	**$214,734,247**

Total General Fund Resources — $210.8 Million
All Subfunds

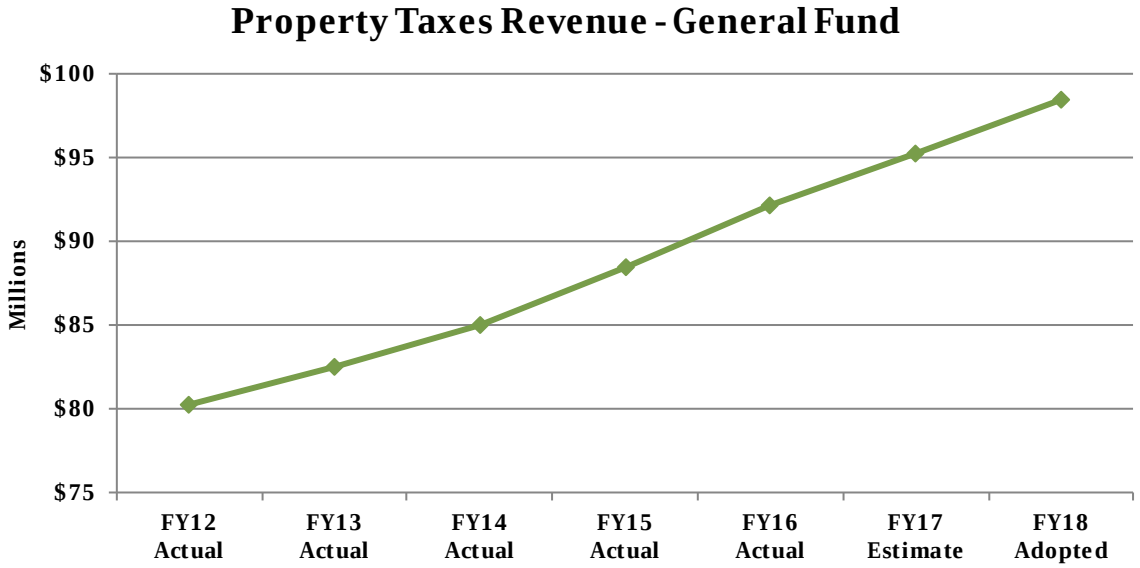


General Fund

	FY17 Adopted	FY18 Adopted	$ Change	% Change
Taxes				
Property Taxes	96,272,000	98,508,000	2,236,000	2.3%
Other Taxes	15,581,000	16,159,000	578,000	3.7%
Subtotal Taxes	111,853,000	114,667,000	2,814,000	2.5%
Licenses/Permits	6,169,200	7,219,144	1,049,944	17.0%
Intergovernmental	4,516,849	5,136,876	620,027	13.7%
Rental	126,040	140,830	14,790	11.7%
Charges for Services	13,919,806	16,699,441	2,779,635	20.0%
Fines/Forfeitures	2,211,250	2,135,000	(76,250)	-3.4%
Miscellaneous	847,000	701,500	(145,500)	-17.2%
Interfund Transfers	9,803,423	10,225,107	421,684	4.3%
Beginning Working Capital	36,923,530	53,876,942	16,953,412	45.9%
Total Resources	**$186,370,098**	**$210,801,840**	**$24,431,742**	**13.1%**

Property Taxes

Property taxes are the largest source of revenue in the General Fund, representing approximately 63% of the General Fund's annual operating revenues. The total FY18 estimated property tax collection (current and delinquent taxes) is $98.5 million.



Oregon Property Tax Limitation Measure 50, passed by the voters in May 1997, determines the methodology by which properties are assessed and taxed. The City of Eugene has a permanent tax rate of $7.0058 per $1,000 of assessed property value. However, the effective tax rate is lower than the permanent rate due to the impact of the Urban Renewal Agency division of tax calculations. Additionally, growth in the assessed value of a property may not exceed 3% from the previous year, unless there are significant improvements to the property. Tables with historical and current property tax levies and rates can be found at the end of this section.

Property taxes are dependent primarily on two other factors, besides rates: total taxable assessed value and property tax collection rate. The FY17 Adopted Budget assumed a 94.5% collection rate (applied against the gross tax levy) and a 4.5% growth in total taxable assessed value. However, due to assessment corrections, actual assessed value grew by only 2.9% in FY17, which was lower than anticipated. The FY18 Adopted Budget assumes no change in the tax collection rate at 94.5%, and a moderate taxable assessed value growth of 3.8%.

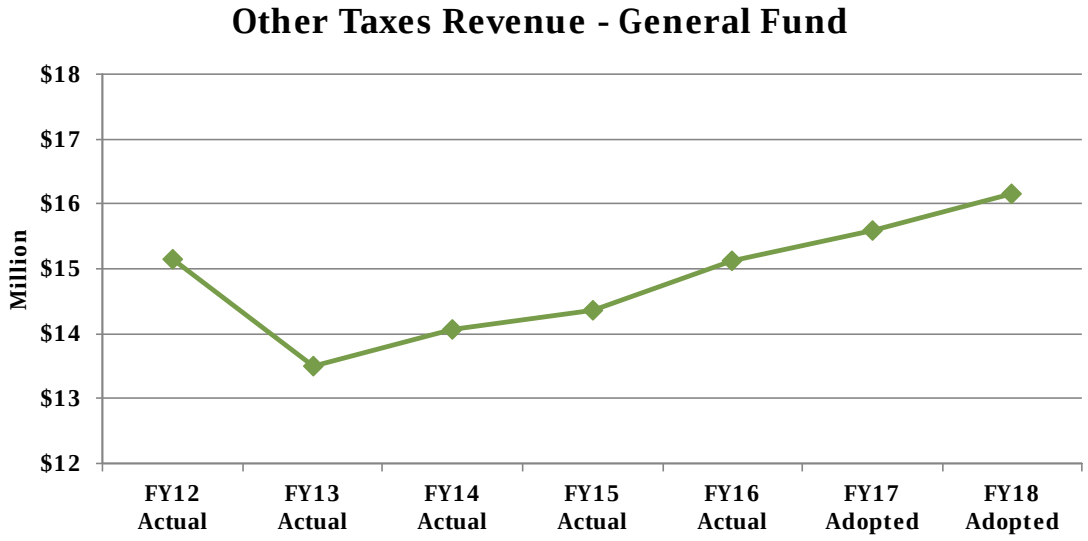
Delinquent property tax payments are returning to pre-recessionary levels and are projected to decrease slightly to $1.8 million in the FY18 Adopted Budget, compared to an estimated $2.0 million in FY17.

Methodology

The current property tax revenue projection for the upcoming fiscal year is produced by a model that combines a number of qualitative and quantitative components. The model's independent variables include the City's permanent tax levy rate, prior year's certified taxable assessed property value, trends in real market values, application of constitutional property tax limitations, prior years' property tax collection experience, expert opinions of state and local economists regarding employment, inflation and building activity, and experienced judgment of taxpayers' ability to pay given economic conditions and total tax load.

Other Taxes

Other taxes are the third largest category of operating revenue in the General Fund. This revenue category is projected to increase by 3.7%, or $0.6 million, over the FY17 Adopted Budget.



The primary revenue source in this category is the Contribution in Lieu of Taxes (CILT) from the Eugene Water & Electric Board (EWEB). EWEB pays the City a CILT on electric utility revenues according to a memorandum of understanding signed in 2014. This agreement can only be changed by mutual consent between the EWEB Board and the Eugene City Council. The methodology removes the volatility in wholesale CILT revenues experienced in years prior to FY15. The FY18 Adopted Budget assumes a 1.2% increase and projects a total of $13.3 million in EWEB CILT revenue.

The transient room tax supports the Cultural Services subfund of the General Fund and is a 4.5% room tax collected from any person occupying lodging within Eugene for 30 days or less. For FY18, Eugene's share of the transient room tax is projected to increase 4.2% from the FY17 Adopted Budget to $2.5 million.

In November 2016, Eugene voters approved a local three-percent tax on the retail sales of marijuana. The FY18 budget includes an estimated $320,000 from this revenue source.

Methodology

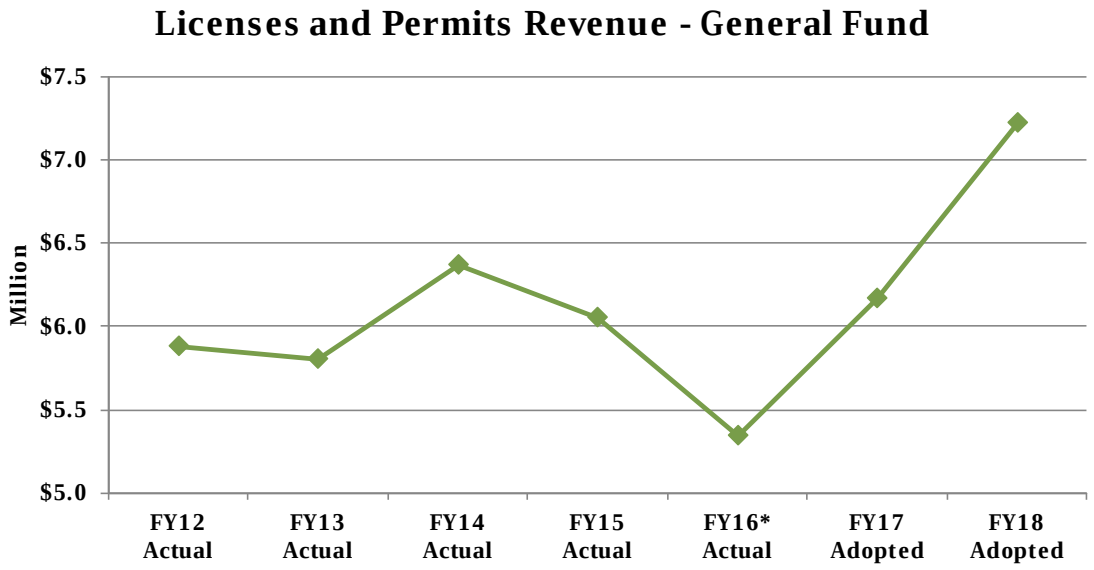
CILT revenues are projected by EWEB and City staff using a quantitative/qualitative model based on trends in electricity sales, adjusted for expected retail electricity rate changes, expected change in local industrial demand, and overall community growth. Beginning in FY15, CILT revenues are determined based on a revised methodology that was approved by the City Council and the EWEB Board.

Transient room tax revenue is estimated based on a number of variables, including trends experienced over the last several fiscal years, any large events that have been booked in the immediate area that are likely to attract out-of-town visitors, increases in the number of available rooms, and the overall state of the economy.

Local marijuana tax revenue estimate is preliminary due to limited availability of historical data. Statewide sales data was adjusted for Eugene's share of the overall population to produce a preliminary estimate of this revenue source.

Licenses and Permits

Licenses and Permits revenue in the General Fund is projected to reach $7.2 million in FY18, an increase of $1.0 million compared to the FY17 Adopted Budget. Overall, public right-of-way use/license fees account for 95% of the revenue in this category and are assessed to companies such as natural gas and telecommunication providers that distribute products and services using the City's right-of-way.



*FY16 amount does not include the $18.75 million Comcast settlement amount for comparison purposes. FY16 only includes three quarters of License and Permit payments due to an accelerated accrual schedule for a more timely production of the Comprehensive Annual Financial Report.

Licenses and Permits revenue is projected to increase by 17% in FY18, compared to the FY17 Adopted Budget. The anticipated increase in FY18 is due primarily to the legal settlement with Comcast regarding ongoing payments for use of the City's right-of-way. The FY18 budget includes an additional $1.0 million from this revenue source.

Due to the legal settlement, telecommunications right-of-way use fees are projected to account for a larger share of the Licenses and Permits revenue category in future years. The Telecommunications Ordinance #20083 was enacted in 1997, and revenue is directed into the General Fund and the Telecommunications Registration and Licensing (Telecom) special revenue fund. The General Fund receives 7% of gross revenues earned in the City for use of the right-of-way, and the Telecom Fund receives funds from a 2% tax on gross revenues from telecommunications activity in the City (see Non-General Fund Revenue). The Telecom franchise fee revenue is projected to increase by over 40%, or more than $1.0 million above the FY17 Adopted Budget, totaling $3.2 million.

Comcast Cable franchise fee revenues account for 31% of Licenses and Permits revenue and are estimated to increase by 4.7%, or $0.1 million over the FY17 Adopted Budget, to $2.3 million.

Northwest Natural Gas franchise fee revenue is projected to remain unchanged at $1.4 million in the FY18 budget. Northwest Natural Gas pays a 5% fee on revenue earned from City of Eugene customers for use of the City's right-of-way for its gas distribution system.

Methodology
Franchise fees for use of the City's right-of-way and licenses and permits revenue are based on a time series trend of actual revenue collections, expected growth rates and any relevant rate changes.

Intergovernmental Revenues

In FY18, intergovernmental revenue is projected to be $5.1 million, marking an increase of 13.7%, or approximately $620,000, compared to the FY17 Adopted Budget. The projected increase in FY18 is due to revenue sharing from higher state liquor tax collections and the newly enacted state marijuana taxes. The FY18 figures do not include new grants that may be received throughout the fiscal year.

State Shared Revenues represent over 99% of the budgeted intergovernmental revenues. These revenues are received as tax distributions from the State of Oregon as governed by the provisions of Oregon Revised Statues (ORS) 471.810, ORS 221.770, ORS 323.455 and Section 44, Chapter 1 of Oregon Laws 2015. They include liquor taxes distributed to cities on a per capita basis; liquor taxes distributed on a formula basis which compares a city's consolidated property tax rate, per capita income and population against a statewide average (often referred to as State Revenue Sharing); and $0.02 of the cigarette tax distributed on a per capita basis.

The City is expected to begin receiving revenues from recreational marijuana sales in FY18 per the revenue sharing formula described in statute, which allocates 10% of tax revenues from recreational sales to cities. Legislation passed in the 2017 legislative session changed the distribution of this revenue to be 75% based on population, and 25% on licensure numbers in the city compared to the total licenses in all cities.

Due to complexities inherent to projecting marijuana program costs, the implications of the distribution formula, and the newness of the revenue source, it remains difficult to accurately project revenues from state marijuana taxes. Additionally, the City has been informed by the League of Oregon Cities and the Oregon Department of Revenue to budget cautiously with regards to this revenue source. As a result, the City included $100,000 for the State marijuana tax in the FY18 Adopted Budget.

Intergovernmental grant revenues are typically not included in the adopted budget because the exact amounts of future grant revenues are not known during the budget preparation process. Instead, grant revenues and corresponding expenditure increases are recognized via the supplemental budget process, after the grants are awarded and the exact revenue amounts are known.

Methodology
The League of Oregon Cities provides per capita liquor and cigarette revenue estimates for cities. State Revenue Sharing is based on five years of historical data and legislative appropriations, subsequently adjusted up or down based on the State fiscal outlook. A conservative estimate for State marijuana tax was used as there is currently limited data regarding sales, program administrative costs and the implications of the distribution formula.

Rental Revenues

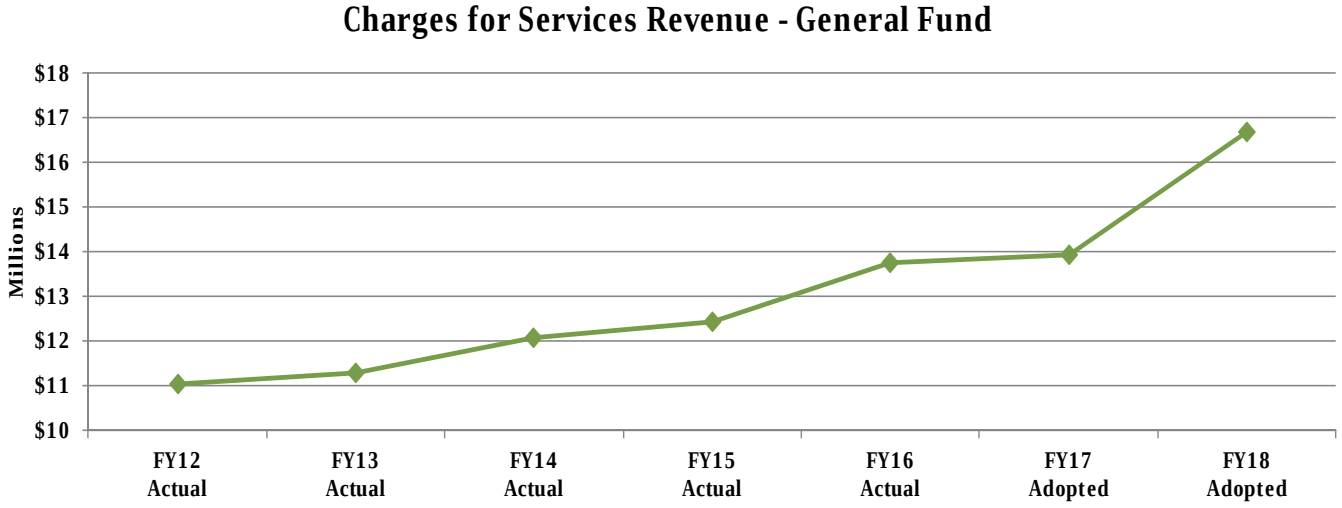
General Fund rental revenues are largely generated by fees paid for exclusive use of picnic shelters or other park, recreation, and library facilities. The FY18 budgeted rental revenue is $141,000, an increase of 11.7%, or $15,000, from the FY17 Adopted Budget. The primary reason for the increase in FY18 is a projected increase for land rental.

Methodology
Rental revenue is based on a time-series trend of the past five years and anticipated rental fee increases.

Charges for Services

Charges for Services is the second largest operating revenue category in the General Fund and is projected to total $16.7 million in FY18, which reflects an increase of $2.8 million, or 20.0%, over the FY17 Adopted Budget. The primary reasons for the increase in FY18 Charges for Services include $925,000 from the new Ground Emergency Medical Transport (GEMT) reimbursement and an additional $360,000 reimbursement for operating expenses in the Riverfront and Downtown Urban Renewal Districts, as well as additional Hult Center revenues from programming and events.

Many activities provided by the City of Eugene charge a user fee to offset some or all of the cost of providing the service. Nearly all of the revenue in this category comes from program operations. Examples are recreation classes, fire dispatching contracts, spay/neuter services and zoning and vacation charges.



Charges for Services also includes some non-operating revenues. For example, Municipal Court is required to impose and collect a unitary assessment that is distributed to the state and county for cases of conviction for the commission of a crime or violation.

Methodology
Charges for Services revenue is based on a time-series trend of the past five years and is adjusted for changes in user fee schedules, inflation, population growth, police staffing levels, land use application activity, court filings and other program-specific variables.

Fines and Forfeitures

Municipal Court generates nearly 80% of Fines and Forfeitures revenue. This revenue category also includes animal control fines, library fines, civil penalties associated with nuisance abatement, and police confiscations and towing charges. For FY18, Fines and Forfeitures revenue is expected to decrease by 3.4%, or approximately $75,000, to $2.1 million. This decrease is due primarily to a projected drop in library service charges over the previous fiscal year based on prior years activity.

Most of the Municipal Court fine revenues for specific offenses fall into a range established by the State of Oregon and defined in the Oregon Revised Statutes (ORS). Fines pertaining to ordinance violations are set by City Council. The judge is given the authority, per Eugene Code 2.755, to establish a bail/base fine schedule within the limit set by the offense and State law. The judge has the discretion to impose a fine based on various factors including severity of the offense and previous offenses.

Methodology
Fines and Forfeiture revenues are based on a time-series trend of the past five years and adjusted for any increase in the fines schedule.

Miscellaneous

Overall revenues in this category are projected to decrease by nearly $150,000 from FY17 to FY18, a decrease of 17.2%. The primary reason for the decrease in Miscellaneous revenues is due to a projected decrease in interest on investments from the City's portfolio. For budgeting purposes, Finance staff estimate that the City's budgeted portfolio rate will decrease to 1.35% in FY18 from the projection used for FY17 of 1.6%, given current investment returns and market expectations. General Fund interest income is expected to decrease from $0.7 million in FY17 to $0.5 million in FY18 due to the decrease in the anticipated interest rate.

Methodology
Interest earnings are projected based on a combination of expected future interest rates and projected cash balances in each City fund. Interest rates are expected to trend downward in FY18 compared to the estimated 1.6% rate in the FY17 Adopted Budget. As a result, the City's portfolio interest rate is projected to average 1.35% in this fiscal year. Cash balances in each fund are estimated based on historic trends and any extraordinary activity expected during the year.

Interfund Transfers

Most interfund transfers are payments to the General Fund for central business support services used by other funds. For efficiency purposes, the City budgets central business support services, such as Finance and Human Resources, in the General Fund and then charges other funds for these services. The Central Services Allocation (CSA) is based on a modified version of the approved Federal Cost Allocation Plan. The FY18 CSA that will be charged to all funds is approximately $8.5 million, which is an increase of 4.2% or $346,000 over the FY17 Adopted Budget. This increase is primarily due to personnel and M&S cost increases from inflation.

The FY18 Adopted Budget also includes other transfers, such as $450,000 from the Telecommunications Fund to cover a portion of the General Fund telephone costs. The Ambulance

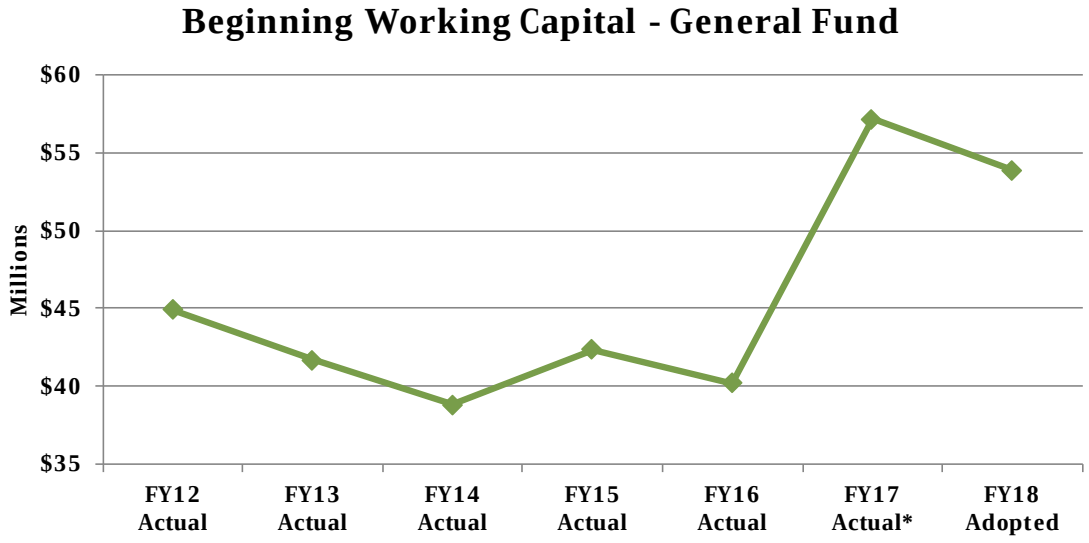
Transport Fund will transfer approximately $1.0 million to the General Fund for reimbursement of dispatch services. The Parking Fund will transfer $1.1 million to the General Fund to provide funding for downtown public safety.

Methodology
The City allocates certain indirect costs incurred by the central services function of the General Fund to General Fund direct programs (Police, Fire, etc.) and Non-General Fund programs to recover expenditures made on behalf of those programs. The methodology for this approach is to allocate the costs of central business functions and department/division administration based on use statistics and other metrics and then divide that allocation by personnel costs (direct wages and benefits) for a particular service. The allocation basis is the same for the General Fund and Non-General Funds; General Fund programs do not budget a CSA transfer because their expenses are already accounted for in the General Fund.

Beginning Working Capital

The total budgeted FY18 Beginning Working Capital (BWC) in the General Fund is $53.9 million, a decrease of 5.8% or $3.3 million from the FY17 actual BWC level. Most of this decline is in the main subfund of the General Fund and is a result of City Council budget decisions that result in operating expenditures exceeding operating revenues. The large increase in FY17 BWC was due to the legal settlement with Comcast in the fall of 2016 and was recorded in FY16, thus increasing FY17's BWC.

Methodology
The Adopted Budget's Beginning Working Capital estimate is equal to the previous year's ending working capital estimate. This is determined by taking the previous year's audited Beginning Working Capital value and adjusting it up or down based on year-end revenue and expenditure estimates.



*Includes $18.75 million from Comcast legal settlement received in September 2016.

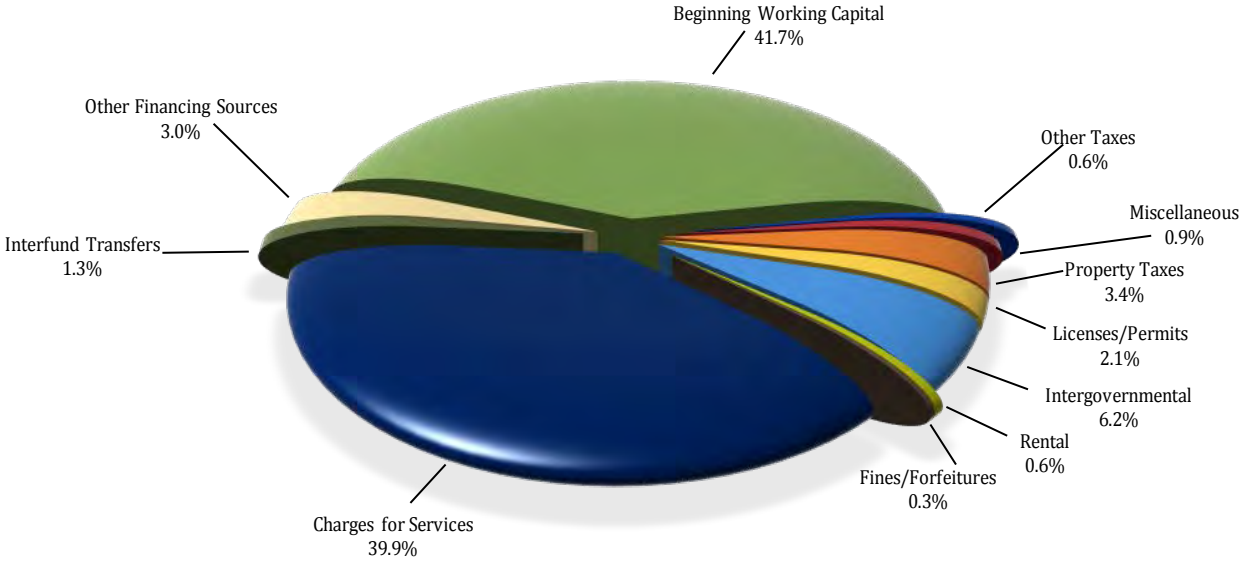
General Fund Resources Ten-Year Trends

Fiscal Year	Taxes[1]	Licenses and Permits[2]	Inter-governmental	Rental	Charges for Service	Fines and Forfeitures	Misc.	Interfund Transfers	Beginning Working Capital	Total
FY09	$89,336,225	$6,351,156	$4,909,938	$101,567	$11,862,822	$3,063,763	$1,154,939	$10,378,015	$29,939,118	$157,097,543
FY10	93,555,106	5,820,404	4,094,217	96,641	10,962,825	2,950,245	828,858	10,688,615	31,959,457	160,956,368
FY11	94,477,143	5,664,386	4,492,415	96,942	11,300,032	2,864,390	791,835	10,957,741	39,066,297	169,711,181
FY12	95,408,813	5,882,739	5,728,876	114,379	11,020,946	2,631,021	653,589	8,966,512	44,902,016	175,308,891
FY13	96,049,499	5,800,117	5,438,925	118,269	11,291,868	2,251,846	1,566,053	9,320,241	41,673,438	173,510,256
FY14	99,063,832	6,827,650	5,072,898	121,745	12,070,614	2,286,976	1,396,136	9,767,993	38,845,192	175,453,036
FY15	102,866,020	6,091,361	4,945,367	114,574	12,443,858	2,386,546	588,688	9,654,131	42,332,747	181,423,292
FY16	107,289,570	24,092,719	4,744,171	145,728	13,739,960	2,426,712	759,606	9,519,145	40,179,466	202,897,077
FY17 - Estimate	111,045,191	7,161,900	5,138,245	138,330	15,590,001	2,241,500	730,098	9,803,423	57,191,384	209,040,072
FY18 - Adopted	114,667,000	7,219,144	5,136,876	140,830	16,699,441	2,135,000	701,500	10,225,107	53,876,942	210,801,840

Data Source: City of Eugene, Finance Division.

(1) Includes property taxes, contributions in lieu of tax, the local marijuana tax (FY18 only) and the transient room tax.
(2) FY16 includes $18.75 million for the Comcast settlement.

Total Non-General Fund Resources — $466.4 Million
All Subfunds



Non-General Funds

	FY17 Adopted Budget	FY18 Adopted Budget	$ Change	% Change
Taxes				
Property Taxes	$15,669,486	$15,667,331	($2,155)	0.00%
Other Taxes	2,880,000	3,000,000	120,000	4.20%
Subtotal Taxes	18,549,486	18,667,331	117,845	0.60%
Licenses/Permits	9,549,000	9,942,364	393,364	4.10%
Intergovernmental	26,605,816	29,123,709	2,517,893	9.50%
Rental	2,705,630	2,586,083	(119,547)	-4.40%
Charges for Services	180,259,497	186,054,803	5,795,306	3.20%
Fines/Forfeitures	1,381,000	1,286,100	(94,900)	-6.90%
Miscellaneous	3,670,617	4,299,915	629,298	17.10%
Interfund Transfers	5,100,280	6,241,055	1,140,775	22.40%
Other Financing Sources	11,565,060	14,145,650	2,580,590	22.30%
Beginning Working Capital	177,806,349	194,091,398	16,285,049	9.20%
Total Resources	**$437,192,735**	**$466,438,408**	**$29,245,673**	**6.70%**

Property Taxes

Aside from General Fund services, property taxes support General Obligation (G.O.) bonds and Library services added by the passage of the Library Local Option Levy in November 2015. Property tax revenues supporting G.O. bonds are projected to decrease by 0.6%, or approximately $0.1 million from the FY17 Adopted Budget level. The property tax collection rate for FY18 is anticipated to remain unchanged from FY17 at 94.5%. With the improved health of the local economy, the City expects property tax collection rates to remain steady. See the Impact on Taxpayers section within the Budget Summary for more information.

Methodology
The property tax revenue projections for bonds and levies for the upcoming fiscal year are calculated using voter-approved amounts, prior years' property tax collection experience, expert opinions of state and local economists regarding employment, inflation, and experienced judgment of taxpayers' ability to pay given economic conditions and total tax load.

Other Taxes (Motor Vehicle Fuel Tax)

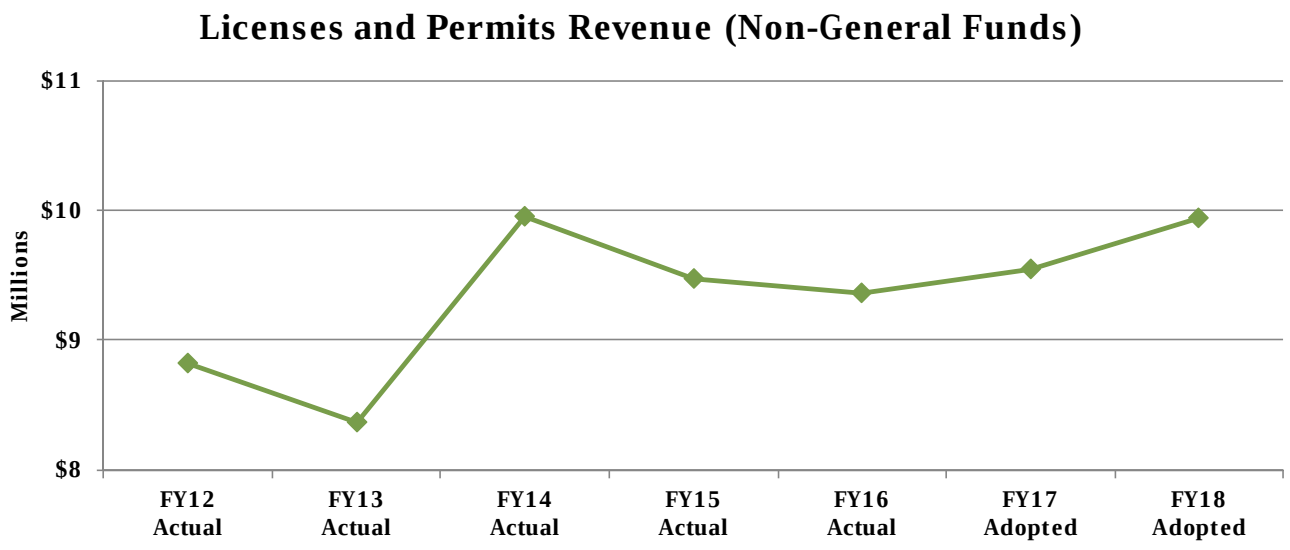
Other tax revenue refers to the local Motor Vehicle Fuel Tax (MVFT). The MVFT is authorized by Eugene City Council Ordinance 20278, which contains provisions for administration, enforcement, and collection of the tax. The MVFT is a business license tax on motor vehicle fuel dealers. In January 2005, the City Council adopted an ordinance increasing the current local motor vehicle fuel tax from $0.03 per gallon to $0.05 per gallon. Fuel dealers pay a license tax computed on the basis of $0.05 per gallon of motor vehicle fuel sold. Payments are made to the State of Oregon tax administrator and are then transferred to the City.

The FY18 Adopted Budget for MVFT revenue is $3.0 million, an increase of $0.1 million compared to the FY17 Adopted Budget level.

Methodology
The forecast for local Motor Vehicle Fuel Tax revenue is based on the historical trends for monthly revenue yield per penny of tax. In the last decade, the average monthly yield per penny of tax has declined due to a combination of lower vehicle miles traveled, high fuel prices and greater use of alternative transportation modes, as well as wider use of fuel efficient vehicles. The slow decline in local MVFT collections has stabilized with FY18 projections for average monthly yield per penny of tax at $50,000, yielding $3.0 million in total for the fiscal year.

Licenses and Permits

Non-General Fund Licenses and Permits revenue is projected to increase by 4.1%, or $0.4 million, in FY18 compared to the FY17 Adopted Budget. This increase is primarily due to the projected increase in construction activity, as well as right-of-way fees. Increased commercial and residential construction activity is expected to result in additional building permit revenues in the Construction and Rental Housing Fund, while the right-of-way fees contribute to the Road Fund. The largest components in this category are building permits and telecommunications registration fees.



Construction and Rental Housing Fund license and permit revenue projections for FY18 are based on revenue trends over the last several years and anticipated increases in commercial and residential construction activity. Staff in this service area review site and structural plans, issue construction permits, and inspect construction activities within the City of Eugene and the Urban Growth Boundary. Forecasts are based on State of Oregon economic indicators for new housing starts, current land-use applications that could result in developable land (new subdivisions, planned unit developments, etc.), Eugene building permit activity trends, local economic conditions, and project proposal discussions being held in the community and with individual designers and architects. All building permit services are paid through fees assessed to each project. The Construction and Rental Housing Fund represents 41.7% of the Non-General Fund License and Permit revenues.

Telecommunications 2% Registration Fee is essentially a business privilege tax recognized as revenue in the Telecommunications Fund. Telecommunications Ordinance (20083) was enacted in 1997 and revenue was deferred through 2003 until four legal challenges were resolved. The Telecommunications Fund receives a 2% business privilege tax on gross revenues from all telecommunications activity in the city (see General Fund Revenue Assumptions). The FY18 Adopted Budget assumes that this revenue will decrease to $2.7 million from the FY17 Adopted Budget level of $2.9 million due to changes in technology and usage patterns, as well as current collections. This represents 27.2% of the Non-General Fund License and Permit revenues.

Forecast Methodology

Construction permit revenue forecasts are produced by a model that considers past trends in building activity combined with several economic and local development factors. These variables include permit activity level assumptions based on current and proposed land use and economic development data, local supply of buildable land and vacant buildings, and the expert opinions of state and local economists regarding population growth, inflation and building activity.

The revenue stream for the Telecommunications Fund is 2% of registrants' gross revenues derived from their telecommunication activities within the city. Generally, the top ten providers account for approximately 95% of the revenue collected. The forecast is based on current year revenues collected.

Intergovernmental

Non-General Fund intergovernmental revenues include funds received for any City project or program from federal, state, and local governments. In FY18, intergovernmental revenues are projected to increase by 9.5% from $26.6 million to $29.1 million. This increase is primarily attributable to additional transportation capital project grant funding for Ferry Street Bridge and viaduct repair work, a two-way protected bikeway on 13th Avenue and River Road at Irving Road safety improvements. The Transportation Capital Projects Fund is the largest recipient of Non-General Fund intergovernmental revenues in FY18, accounting for 36.5% of those revenues. The Road Fund, Community Development Fund and Municipal Airport Fund all anticipate less intergovernmental revenues in FY18 compared to the FY17 Adopted Budget.

The Road Fund is generally the largest recipient of Non-General Fund intergovernmental revenues, mostly from two sources: the State Highway Fund and Oregon Transportation Investment Act (OTIA) III distributions from the State of Oregon. The forecast for Highway Fund and OTIA III revenue is based on the most recently published growth forecast from the Oregon Department of Transportation, with Eugene's share estimated at approximately 5.9% of the amount allocated to incorporated Oregon cities. The budgeted intergovernmental revenue in FY18 for the Road Fund is anticipated to decrease by 4.2% from the FY17 Adopted Budget level, or approximately $0.4 million, due to a lower projected growth rate compared to actual collections.

The City anticipates receiving approximately $5.2 million in Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) revenue in FY18 from the U.S. Department of Housing and Urban Development (HUD). The allocation of CDBG and HOME funds is guided by a Consolidated Plan, a five-year, interjurisdictional strategic plan that addresses the needs for housing, homelessness and community development throughout the Lane County area. FY18 is the third year of the Consolidated Plan. Intergovernmental revenues in the Community Development fund are projected to decrease by 9.9%, or $0.6 million in FY18. The Community Development Fund represents 17.9% of the Non-General Fund intergovernmental revenues.

The Municipal Airport Fund receives Airport Improvement Program (AIP) funds from the Federal Aviation Administration (FAA) for capital improvement projects. The fund also imposes Passenger Facility Charges (PFC) on passengers using the Airport. The proceeds are restricted for use in financing eligible projects. FY18 intergovernmental revenue in this fund is estimated at $3.1 million and represents 10.7% of all Non-General Fund intergovernmental revenue. FY18 intergovernmental revenues in this fund are down 46.0%, or $2.7 million, from the FY17 Adopted Budget, due to the completion of large grants for the terminal expansion and taxiway rehabilitation.

> Forecast Methodology
> Intergovernmental revenues are estimated based on existing intergovernmental agreements and state and federal appropriations.

The FY18 Adopted Budget does not include any potential grant revenues that have not been secured yet. Additional grant revenues received in FY18 will be recognized through the supplemental budget process.

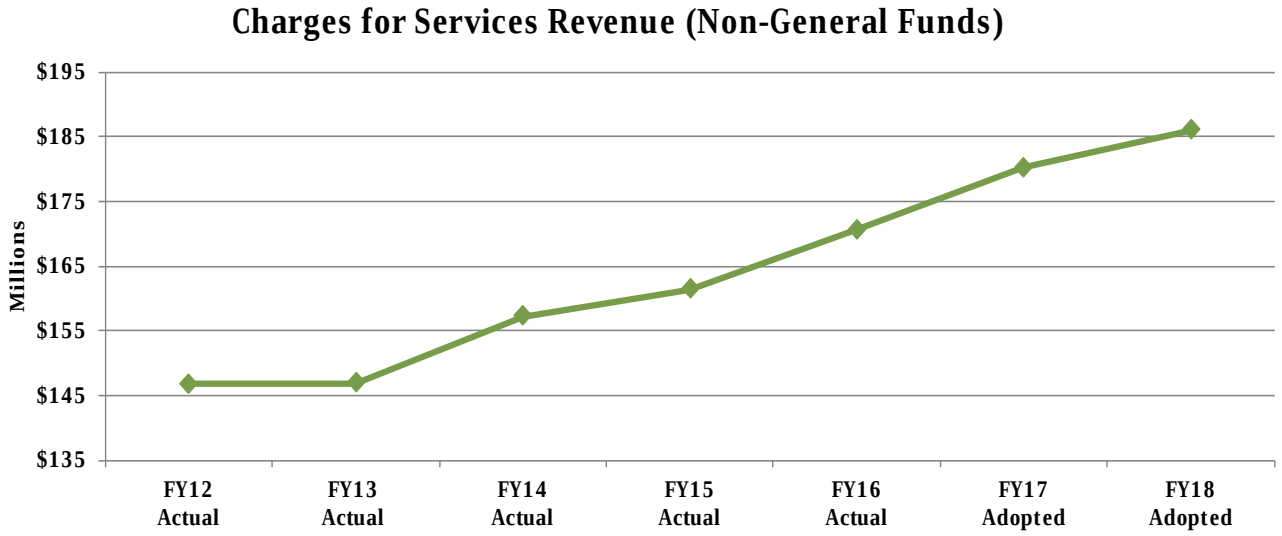
Rental

FY18 rental revenues are estimated to be $2.6 million, which is 4.4% or $0.1 million lower than the FY17 Adopted Budget level. Various rental revenues from car rental agencies, airlines, advertisers, concessionaires and tenants at the Eugene Airport (Municipal Airport Fund) account for 45.5% of the total rental revenue. Tenants in the Atrium building, both private and public, account for 20.5% of Non-General Fund rental revenue contained in the Facilities Services Fund. Rental space in the downtown parking structures represents another 21.1% of Non-General Fund rental revenue and is accounted for in the Parking Services Fund. The FY18 decrease in this revenue category is primarily due to the projected decline in park property rental revenue which is generated from property that is rented until a park is developed and accounted for in the Systems Development Charges (SDC) Capital Projects Fund.

Forecast Methodology
Rental revenue is based on time-series trend of the past several years, adjusted for changes in lease agreements and projected occupancy rates.

Charges for Services

Charges for Services is the largest revenue category in the Non-General Funds at $186.1 million. The FY18 Adopted Budget estimates a 3.2% increase, or $5.8 million, in Charges for Services revenue over the FY17 Adopted Budget.



The SDC Capital Projects Fund revenue is primarily related to construction of capacity-enhancing capital projects. Financing is provided via SDCs levied against developing properties. The City of Eugene currently has SDC charges for transportation, wastewater, stormwater and parks systems. The FY18 SDC Charges for Services are budgeted at $4.3 million, which is $0.4 million, or 8.8%, higher than the FY17 Adopted Budget due to projected increases in construction activity. SDC revenue represents 2.3% of all Non-General Fund Charges for Services.

Wastewater user fees represent the majority of charges for services in the Wastewater Utility Fund, which accounts for wastewater operations, maintenance and capital improvements for the local collection and regional treatment infrastructure. User fees are based on the use of water by individual customers. The budgeted FY18 wastewater user fee revenue is $10.4 million in local revenue and $25.8 million in regional revenue. Total Wastewater Charges for Services represents 29.8% of all Non-General Fund Charges for Services, although the majority of these revenues are passed-through to the Metropolitan Wastewater Management Commission (MWMC).

Stormwater user fees represent the majority of Charges for Services in the Stormwater Utility Fund. User fees are based on a property's impervious surface area. The budgeted FY18 stormwater Charges for Services revenue is $19.0 million, which represents 10.2% of all Non-General Fund Charges for Services. Stormwater Charges for Services revenue is projected to increase by 6.4% in FY18, or approximately $1.1 million, from the FY17 Adopted Budget level. The FY18 budgeted increase is primarily due to a 4% increase to stormwater rates beginning July 2017. The rate increase is needed to maintain current service levels, restore and rehabilitate the existing stormwater system, manage the growing inventory of green infrastructure and meet the other objectives of the City's stormwater program.

The Risk and Benefits Fund is an internal service fund which, among other resources, accounts for costs of the City's self-insurance program. The City of Eugene is self-insured for workers' compensation, unemployment compensation, general liability and employee medical and dental insurance. Actuarial valuations are the basis for recording the claims liability. User charges are based on actual experience or an estimate, depending on the nature of the insurance. This fund also accounts for the City's pension bonds. Charges are collected from each department based on the number of employees and the amount needed to pay the debt service on the pension bonds.

The FY18 Charges for Services in the Risk and Benefits Fund total $44 million, representing 23.6% of all Non-General Fund Charges for Services and are projected to increase 6.2%, or $2.6 million, in FY18. Increases in FY18 health insurance premiums, pension system payments and the addition of 0.5 FTE for an Emergency Management Analyst are the primary reasons for the change in Charges for Services in the Risk and Benefits Fund.

The City has four other Internal Service Funds (ISF) that charge other City funds for their services. These funds represent 18% of all Non-General Fund charges for services, in addition to the Risk and Benefits Fund discussed above. These funds include Fleet Services, Information Systems and Services, Facilities Services and Professional Services Funds. As a group, the FY18 Charges for Services in these four funds will increase by 3.9%, or $1.3 million, from the FY17 Adopted Budget level to $33.5 million.

The Fleet Services Fund accounts for the purchase of vehicles, equipment, radio infrastructure and corresponding maintenance. Fleet user charges cover vehicle and equipment maintenance expenditures, as well as the purchase of new vehicles and equipment. Radio user charges cover radio equipment maintenance expenses. Total FY18 Charges for Services in this fund are projected to increase by 2.3%, or $0.2 million, from the FY17 Adopted Budget. The increase is due to fleet and radio replacement costs.

The Information Systems and Services Fund accounts for the information system implementation and services provided to other City funds and, to a limited extent, outside agencies for printing

services. The fund also allocates resources for the purpose of purchasing and implementing enterprise software applications. Information Services Charges for Services are expected to increase by 1.3%, or $0.1 million, from the FY17 Adopted Budget.

The Facility Maintenance Fund accounts for general facility operations and maintenance services in City buildings. Activities supported by this fund ensure that City buildings provide a safe, functional and pleasant environment for the public and employees. Facility preservation and maintenance of public building assets reflect sound fiscal policy. FY18 Charges for Services in this fund are projected to increase by $0.3 million, or 3.0%, from the FY17 Adopted Budget.

The Professional Services Fund accounts for the financing, construction and preservation of capital facilities not financed by proprietary or other capital projects funds. The architectural and project management services are performed by Facilities Management Division staff. This fund has a direct relationship to City capital funds that support building construction projects, primarily the General Capital Projects Fund. FY18 Charges for Services in this fund is projected to increase by $0.7 million, or 10.6%, from the FY17 Adopted Budget level based on anticipated project activity.

Forecast Methodology

Charges for Services revenue in SDC, Stormwater and Wastewater Funds are projected based on a time series trend of the past five years, adjusted for construction activity, population, rate changes and projected usage.

Internal Service Fund rates are typically set at the start of the budget building process. Each model incorporates different variables and estimation methods.

- *Facilities Maintenance* rates are based on two components: maintenance services based on building type, intensity of usage, and mix of services provided to the occupying departments; and historic utility usage, as well as projected changes in utility rates.

- *Fleet Services* rates are based on three components: 1) the cost of fuel, operations, insurance, maintenance and administration calculated using the actual expenditures from the prior fiscal year; and 2) projected City and Fleet administration and risk insurance costs for the upcoming year; and 3) the estimated vehicle replacement charges.

- *Professional Services* rates are a flat rate per job classification that recovers the direct cost of that employee's time and a share of the budgeted fund and City wide administration.

- *Risk* rates are based on actuarial projections of the City's loss experience for workers' compensation and liability claims, insurance broker projections of insurance premiums for other lines of coverage and administrative costs. The City uses a cost allocation methodology which allocates the costs based on experience and exposure. The allocation methodology varies by insurance program and is described in detail in the annual Risk Report, available on the Risk Services website.

- *Health* rates are based on actuarial projections of health insurance claims and administrative costs.

- *Information Systems and Services* rates include a monthly infrastructure rate covering services provided by the division and a monthly hardware rate covering the cost of replacement of City computing hardware. Other rates or charges are based upon a usage of the service including printing services, multi-function printing and special order technology purchases.

Fines and Forfeitures

Fines and forfeiture revenues in Non-General Funds are projected to decrease by $0.1 million from the FY17 Adopted Budget to $1.3 million, a decrease of 6.9%. The decrease in FY18 is due to a projected decrease in parking tickets. Parking ticket revenues represent 98% of this revenue category.

Miscellaneous

Miscellaneous revenue is comprised of a variety of smaller revenue sources including interest income. At the time of budget development, Finance Division staff estimated that the City's portfolio rate would decrease from FY17's budgeted rate of 1.6% to 1.35% in FY18. It should be noted however that the actual rate for FY17 fell short from the budgeted level, at 0.96%, so the FY18 budgeted rate represents an increase from actual performance. Miscellaneous revenues are budgeted to increase by 17.1% or $0.6 million from the FY17 Adopted Budget level primarily due to increases in a variety of revenues associated with Airport operations, the ambulance transport system, sales of assets and higher Beginning Working Capital (BWC) amounts across funds that will earn interest on investments.

> Methodology
> Interest earnings are projected based on a combination of expected future interest rates and projected cash balances in each City fund. Cash balances in each fund are estimated based on historic trends and any extraordinary activity expected during the year.

Interfund Transfers

Interfund transfers in the Non-General Funds are projected to increase by $1.1 million from FY17, to $6.2 million in FY18. This increase is primarily attributable to a $1,000,000 one-time transfer to the Ambulance Transport Fund that was approved by City Council as part of the FY18 budget changes to provide funding support for an additional 12-hour Basic Life Support (BLS) ambulance unit and one 24-hour Advanced Life Support (ALS) ambulance unit beginning January 2018.

Other Financing Sources

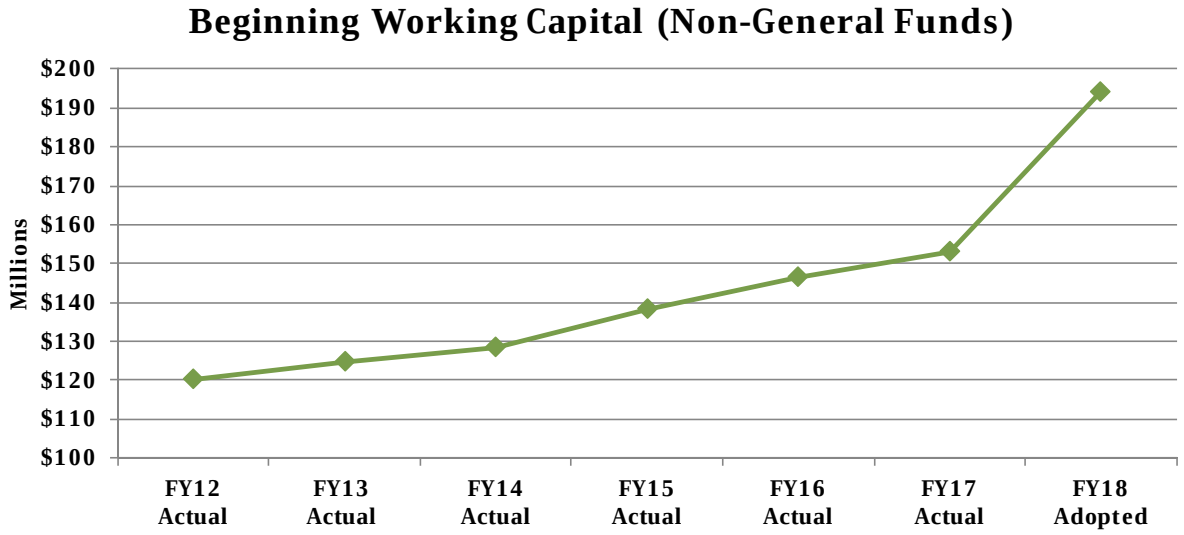
Other financing sources are transactions such as loans between funds or bonded debt proceeds. The FY18 Adopted Budget for these revenues is 22.3%, or approximately $2.6 million, higher than the FY17 Adopted Budget for this revenue category. The increase in FY18 is primarily due to a budgeted $2 million draw on the 2006 Parks, Recreation and Open Space Bond Fund.

> Methodology
> Other Financing Sources revenue is primarily determined by anticipated capital project activity in each fiscal year.

Beginning Working Capital

There is a 26.7%, or $41.0 million, increase in the BWC from the FY17 actual level to the FY18 Adopted Budget. The FY18 increase in BWC indicates that Non-General Fund revenues and carryover balance are projected to exceed expenditures in the preceding fiscal year. The large increase in the BWC for the FY18 Adopted Budget is primarily due to the Reserve for

Encumbrance (RFE) and the capital carryover. These amounts will be reconciled on Supplemental Budget #1 and likely align the BWC more closely with the FY17 actual amount.



Methodology

The adopted budget's BWC estimate is equal to the previous year's ending working capital estimate. This is determined by taking the previous year's audited BWC value and adjusting it up or down based on the year-end revenue and expenditure estimates. BWC in the Adopted Budget includes a factor for RFE plus Capital Carryover Reserve.

Property Taxes Levied

Property taxes represent the single largest revenue source in the City's budget. The chart below sets out the projected operating and debt service levies, along with the budgeted revenues.

Actual Current Tax Receipts FY16	Estimated Current Tax Receipts FY17	Current Levy Classification	Gross Levy FY18	Less Discounts and Delinquency	Budgeted Current Tax Receipts FY18
		OPERATING LEVY			
$90,437,550	$93,282,000	Permanent Operating Levy	$102,336,892	$5,628,892	$96,708,000
0	2,552,000	Five-year Local Option Levy for Library Operations	2,700,000	148,000	2,552,000
90,437,550	95,834,000	TOTAL OPERATING LEVY	105,036,892	5,776,892	99,260,000
		DEBT SERVICE LEVY			
14,235,056	13,110,000	General Obligation Bonds	13,794,001	758,670	13,035,331
$104,672,606	$108,944,000	GRAND TOTAL PROPERTY TAX	$118,830,893	$6,535,562	$112,295,331

Source: City of Eugene Finance Division; FY17 and FY18 amounts are estimates.

Property Tax Collections

The City does not receive 100% of taxes levied for two primary reasons. First, taxpayers can take advantage of an early payment discount of up to 3%. Second, not everyone pays their taxes on time and thus taxes owed become delinquent. However, even throughout the most recent recession, collection rates have remained strong, as seen below.

Fiscal Year	Total City Tax Levy Imposed	Current Tax Collections	Percent of Levy Collected*	Delinquent Tax Collections	Total Tax Collections	Total Collections as Percent of Current Levy
FY09	$86,233,674	$81,354,720	94.3%	$1,934,233	$83,288,953	96.6%
FY10	96,751,699	93,616,166	96.8%	2,196,405	95,812,571	99.0%
FY11	98,139,027	92,557,680	94.3%	2,712,680	95,270,361	97.1%
FY12	97,004,407	91,801,363	94.6%	1,654,934	93,456,297	96.3%
FY13	98,930,968	93,319,364	94.3%	2,652,663	95,972,027	97.0%
FY14	101,659,370	96,000,761	94.4%	2,714,108	98,714,869	97.1%
FY15	105,675,104	100,015,912	94.6%	2,457,097	102,473,009	97.0%
FY16	110,929,231	104,672,606	94.4%	1,987,826	106,660,432	96.2%
FY17 Estimate	115,150,056	108,944,000	94.6%	2,377,000	111,321,000	96.7%
FY18 Budget	118,830,893	112,295,331	94.5%	1,880,000	114,175,331	96.1%

Source: Lane County Assessment & Taxation for historic information; City of Eugene Finance Division for budget year estimates.

* Collection percentage of total amount levied by Lane County Assessment & Taxation. The collection rate takes into account early payment discounts up to 3%, which reduce the expected amount of City tax receipts.

Tax Rate History

City tax rates consist of an operating rate used to pay for General Fund services, plus any bonds or local option levies approved by voters. A 10-year history is shown below.

	Tax Rates per $1,000 of Assessed Value[1]					
Fiscal Year	Operating[2]	Library	Debt Service	Total City	Total City Tax Levy Imposed[3]	Assessed Valuation[4]
FY09[5]	$6.90	$0.24	$0.58	$7.73	$86,233,674	$10,994,414,109
FY10[6]	6.91	0.23	1.18	8.32	96,751,699	11,466,487,764
FY11	6.90	0.23	1.20	8.33	98,139,027	11,613,161,618
FY12[7]	6.90	-	1.14	8.04	97,004,407	11,884,137,444
FY13	6.90	-	1.12	8.03	98,930,968	12,144,046,177
FY14	6.89	-	1.11	8.01	101,659,370	12,501,814,739
FY15[6]	6.89	-	1.09	7.98	105,675,104	13,029,838,380
FY16	6.88	-	1.08	7.97	110,929,231	13,685,478,306
FY17[8]	6.87	0.19	0.97	8.02	115,150,056	14,078,122,403
FY18 Budget	6.87	0.18	0.94	7.99	118,830,893	14,607,000,000

Source: Lane County Assessment & Taxation for historic information; City of Eugene Finance Division for budget year estimates.

(1) These are the typical rates applied to tax bills for a majority of the City's taxpayers, per $1,000 of taxable assessed value. Small variances in rate calculations are due to additional variables used by Lane County for generating the rates. Totals may differ slightly from the sum of individual rates due to rounding.

(2) A permanent tax rate of $7.0058 is the City's base operating levy. The applied rate is adjusted each year due to urban renewal tax increment calculations.

(3) Net of gains and losses from individual extensions, compression losses, urban renewal taxes imposed, and roll corrections.

(4) Net of urban renewal incremental value.

(5) The four-year local option property tax levy for Library Operations was renewed at $10.8 million starting in FY08 and ending in FY11.

(6) In November 2008, voters approved a $35.9 million five-year General Obligation bond measure for street repairs. The debt tax rate starting in FY10 reflects a portion of that bond authorization. In November 2012 voters approved a new $43 million five-year General Obligation bond measure for street repairs. The taxes to repay the new authorization started in FY15, after the 2008 street bond taxes ended.

(7) In December 2011, the City refinanced certain General Obligation bond issues in order to achieve interest rate savings.

(8) In November 2015, voters approved a five-year local option property tax levy for Library Operations, in the amount of $2.7 million annually, to expand hours and services from FY17 through FY21. The FY17 debt tax rate reflects final payoff of $19 million in General Obligation bonds for construction of the Emergency Services Center located at 2nd Avenue and Chambers Street and other public safety projects approved by voters in September 1995.

This page intentionally left blank.

Fund Summary

Table of Contents

Introduction 133

Financial Structure 134

Fund Structure 135

Fund Types 136

Combined Statement of Revenues, Expenditures and Changes in Fund Balance 137

How to Read a Fund Schedule 140

Fund Schedules
- General Fund 141
- Special Revenue Funds 146
- Debt Service Funds 175
- Capital Projects Funds 178
- Enterprise Funds 189
- Internal Service Funds 202

This page intentionally left blank.

This section contains information for all funds. The first schedule provides an overview of the City's financial structure. The next two schedules in this section show the fund structure for the City and the different fund types, followed by the Combined Statement of Revenues, Expenditures and Changes in Fund Balance by fund type. The final schedule before the fund summaries shows how to read a fund schedule.

Fund Summaries

Following the schedules described above are individual fund summaries organized by fund type. Included in these summaries are Fund Overviews, Schedules and Long-Range Forecasts. Fund Overviews and Fund Schedules are provided for a majority of the funds. There is also a Six-Year Fund Forecast presented for selected funds. The Fund Overviews describe the purpose of the fund and provide general information about the fund, both in the upcoming budget year and longer term. The Six-Year Fund Forecasts present a long-range financial picture of the fund. Each forecast is based on a common set of assumptions for interest rates, population growth and inflation, as well as the unique factors that may influence the financial status of each fund. Specific program information is provided in the Service View; information by organization and unit is contained in the Department View.

Policy Direction

The Financial Management Goals and Policies provide the framework and direction for financial planning and decision-making by the City Council and City staff. They are designed to ensure the financial integrity of the City and facilitate a service delivery system that addresses the needs and desires of citizens.

Fund Accounting

Governmental accounting is distinctly different from accounting in private businesses. Business' financial reports are used as a tool to generate profits for owners and shareholders. The focus of governmental accounting and financial reporting is to control the use of public resources and disclose financial results of spending and service delivery decisions made by elected officials and government executives.

To accomplish this, a fund accounting system is used. The fund accounting system groups revenues and expenditures together into accounting entities, called "funds," which are segregated by the different purposes and legal restrictions surrounding government resources and activities. Each fund is a set of accounts, recording all assets, liabilities, and residual equities, within the fund.

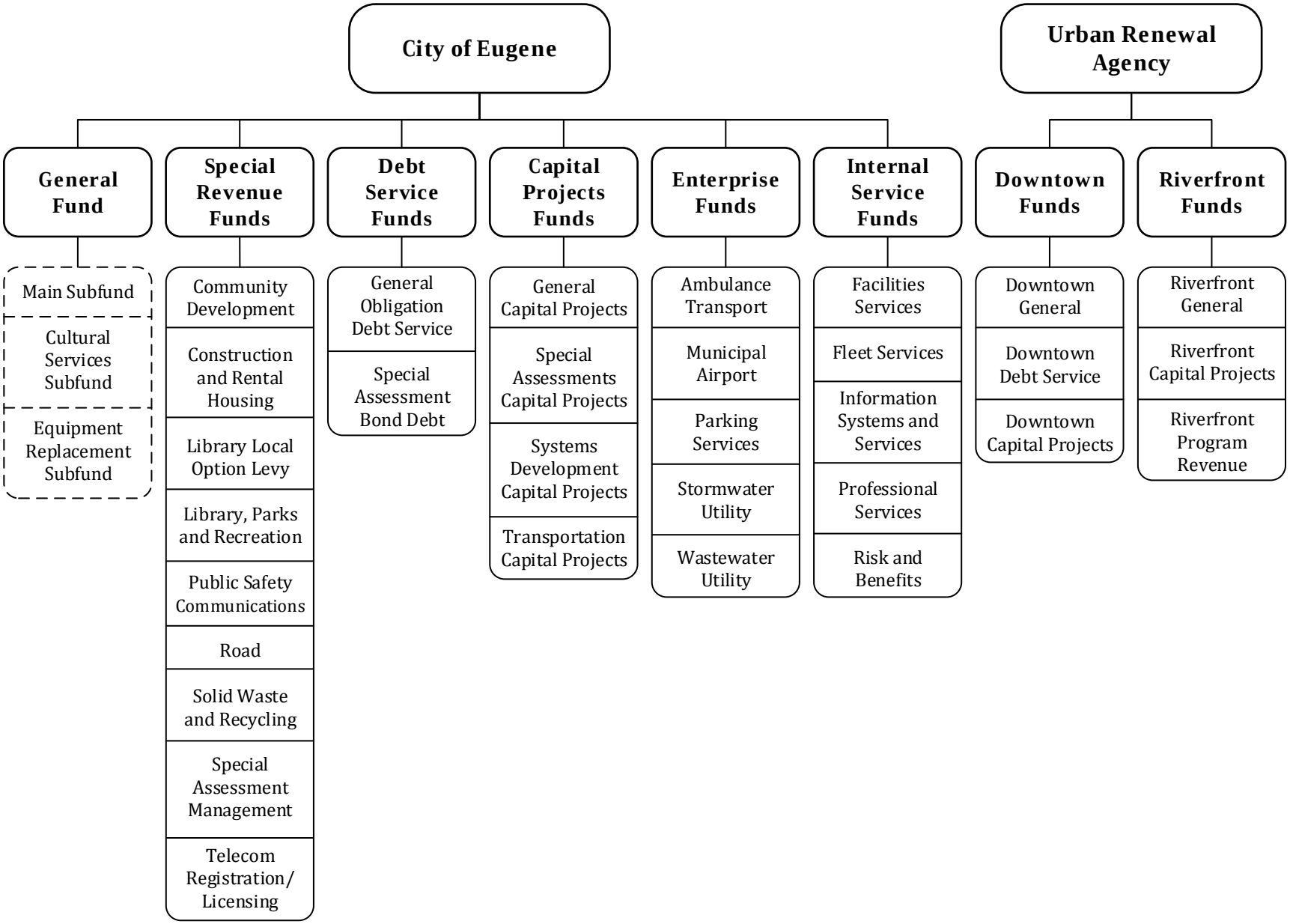
Since there are legal, administrative, and political constraints on the use of resources, they are grouped into respective funds for the purpose of monitoring and controlling expenditures. The reports generated from the fund accounting system present information according to Oregon Local Budget Law and Generally Accepted Accounting Principles (GAAP) for governments. Municipalities may incur expenditures only for the purposes and amounts approved by the governing body.

The various funds of the City are grouped into two categories, as follows:

Governmental Fund Types – Governmental funds provide financial accounting for most functions of the City including the General Fund, special revenue funds, capital projects funds and debt service funds. The focus of governmental funds is determining the change in current financial resources rather than determining net income.

Proprietary Fund Types – Proprietary funds are used to account for the City's ongoing activities that are similar to those in the private sector, including enterprise funds and internal service funds. The focus of proprietary funds is determining net income.

Although monies may be transferred or loaned from one fund to another, the overall objective is to maintain the independence of each fund as much as possible. Fund accounting allows the City to maintain the appropriate controls over fund expenditures and provides for reporting fund activities to interested citizens. The diagrams on the following pages provide additional details regarding the various types of funds. The Fund Matrix Section in this document includes more specific information about the City's funds, including their purpose, primary revenue sources and expenditures and restrictions.


City of Eugene
Urban Renewal Agency
General Fund
Special Revenue Funds
Debt Service Funds
Capital Projects Funds
Enterprise Funds
Internal Service Funds
Downtown Funds
Riverfront Funds
Main Subfund
Cultural Services Subfund
Equipment Replacement Subfund
Community Development
Construction and Rental Housing
Library Local Option Levy
Library, Parks and Recreation
Public Safety Communications
Road
Solid Waste and Recycling
Special Assessment Management
Telecom Registration/ Licensing
General Obligation Debt Service
Special Assessment Bond Debt
General Capital Projects
Special Assessments Capital Projects
Systems Development Capital Projects
Transportation Capital Projects
Ambulance Transport
Municipal Airport
Parking Services
Stormwater Utility
Wastewater Utility
Facilities Services
Fleet Services
Information Systems and Services
Professional Services
Risk and Benefits
Downtown General
Downtown Debt Service
Downtown Capital Projects
Riverfront General
Riverfront Capital Projects
Riverfront Program Revenue

GOVERNMENTAL FUND TYPES

Governmental funds provide financial accounting for most functions of the City. The financial measurement focus for these funds is determining the change in current financial resources rather than determining net income.

General Fund
Records financial activities not accounted for in other funds. These resources support most central business services, public safety, cultural/recreation services, and some public development services.

Special Revenue Funds
Account for restricted resources designated for specific uses such as Telecom Registration/Licensing revenues or the Road Fund.

Debt Service Funds
Account for resources used for the payment of debt, including principal and interest.

Capital Projects Funds
Account for financial resources for the acquisition, construction, and maintenance of capital facilities.

PROPRIETARY FUND TYPES

Proprietary funds are used to account for the City's ongoing activities that are similar to those in the private sector. The financial measurement focus for these funds is determining net income.

Enterprise Funds
Account for goods or services which are provided on a continuing basis to the general public and are financed primarily through user charges. An enterprise fund is managed much like a business in that it is self-supporting in nature such as the Airport or Wastewater Funds.

Internal Service Funds
Account for goods or services furnished internally from one division to another such as Fleet or Facility Services. The goal of these programs is to appropriately apportion the costs of the programs and services across City divisions.

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types, Three-Year Comparison

	General Fund			(a)	Special Revenue Funds			(a)
	FY16 Actual	FY17 Projections	FY18 Adopted		FY16 Actual	FY17 Projections	FY18 Adopted	
Fund Balance, Beginning of Year	**$40,179,466**	**$57,191,384**	**$53,876,942**	**(b)**	**$27,446,709**	**$26,231,558**	**$25,664,170**	
Revenues								
Taxes	107,289,570	111,045,191	114,667,000		0	2,552,000	2,622,000	**(c)**
Licenses and Permits	24,092,719	7,161,900	7,219,144		9,247,406	9,504,023	9,831,364	
Intergovernmental	4,744,171	5,138,245	5,136,876		12,958,830	14,347,671	15,153,775	
Rental	145,728	138,330	140,830		113,099	175,633	126,524	
Charges for Services	13,739,960	15,590,001	16,699,441		6,008,661	6,666,406	6,587,680	
Fine and Forfeitures	2,426,712	2,241,500	2,135,000		13,734	11,800	25,000	
Miscellaneous	759,605	730,098	701,500		1,779,199	2,029,748	1,698,803	
Interfund Transfers	9,519,145	9,803,423	10,225,107		0	30,000	35,000	
Other Financing Sources	0	0	0		2,127,595	2,184,547	3,018,400	
Total	**162,717,610**	**151,848,688**	**156,924,898**		**32,248,524**	**37,501,828**	**39,098,546**	
Operating Expenditures								
Central Services	22,995,115	25,558,150	26,213,689		1,884,924	5,105,935	**(d)** 2,849,359	
Fire and EMS	28,222,239	28,950,767	30,238,972		289,947	306,904	333,961	
Planning and Development	5,860,617	8,271,404	7,203,900		8,138,085	9,312,547	12,747,820	**(e)**
Police	50,050,092	52,454,293	53,279,325		2,430,889	1,890,044	2,158,200	
Library, Rec. and Cultural Svcs.	26,874,805	30,504,570	30,731,736		349,164	2,979,000	2,808,741	
Public Works	5,993,453	6,121,531	6,463,030		12,873,635	13,231,484	12,983,251	
Total	**139,996,321**	**151,860,715**	**154,130,652**		**25,966,644**	**32,825,914**	**33,881,332**	
Capital Projects	**0**	**0**	**0**		**252,396**	**1,227,206**	**1,360,650**	
Non-Departmental Expenditures								
Debt Service	0	0	0		327,642	365,379	364,649	
Interfund Transfers	5,279,300	5,580,280	5,671,055		3,577,000	2,653,000	2,736,000	
Special Payments	430,071	600,000	700,000		3,339,993	4,233,312	8,647,933	**(f)**
Total	**5,709,371**	**6,180,280**	**6,371,055**		**7,244,635**	**7,251,691**	**11,748,582**	
Total Expenditures	**145,705,692**	**158,040,995**	**160,501,707**		**33,463,675**	**41,304,811**	**46,990,564**	
Revenues Over (Under) Expenditures	**17,011,918**	**(6,192,307)**	**(3,576,809)**	**(g)**	**(1,215,151)**	**(3,802,983)**	**(7,892,018)**	**(g)**
Fund Balance, End of Year	**$57,191,384**	**$50,999,077**	**$50,300,133**		**$26,231,558**	**$22,428,575**	**$17,772,152**	

Notes:

(a) For individual fund budgets, see Fund Summary Section.

(b) Increase in the General Fund Beginning Working Capital in FY17 is primarily due to the Comcast legal settlement, resulting in a significant FY16 surplus. The decrease in FY18 is due to the planned drawdown of resources to balance the budget in the Main Subfund in FY17 and FY18.

(c) The increase in FY17 tax collections for special revenue funds is due to the Library Levy approved by voters in November 2015.

(d) The increase in Central Services operating expenditures from special revenue funds in FY17 was due to the carryforward of unspent appropriations from the prior year for uncompleted telecom projects. The projects are funded by Telecom Registration/Licensing fees.

(e) The projected increase in Planning and Development operating expenditures in FY18 is due primarily to an increase in Community Development Block Grants.

(f) The increase in special payments in FY18 is due to an increase in CDBG and HOME Consortium Loan Program disbursements.

(g) Annual deficits result when expenditures exceed current revenues and are covered by revenues accumulated in prior fiscal years (fund balance).

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types, Three-Year Comparison

	Debt Service Funds			(h)	Capital Projects Funds			(h)
	FY16 Actual	FY17 Projections	FY18 Adopted		FY16 Actual	FY17 Projections	FY18 Adopted	
Fund Balance, Beginning of Year	**$790,414**	**$363,455**	**$447,882**		**$43,879,827**	**$48,004,012**	**$72,880,743**	**(i)**
Revenues								
Taxes	14,507,420	13,487,000	13,045,331		3,050,845	3,209,198	3,000,000	
Intergovernmental	0	0	0		1,082,202	11,461,462 **(j)**	10,639,471	
Rental	0	0	0		225,711	210,072	174,840	
Charges for Services	0	0	0		6,038,052	6,456,228	4,395,298	**(k)**
Miscellaneous	46,759	38,280	56,100		352,213	1,590,233	356,731	**(l)**
Interfund Transfers	0	0	0		4,439,300	4,689,300	3,739,300	**(m)**
Other Financing Sources	9,001,187	27,397 **(n)**	220,250		11,310,865	14,687,504 **(n)**	10,907,000	**(n)**
Total	**23,555,366**	**13,552,677**	**13,321,681**		**26,499,188**	**42,303,997**	**33,212,640**	
Operating Expenditures								
Library, Rec. and Cultural Svcs.	0	0	0		4,308	20,000	20,000	
Planning and Development	0	0	0		99,537	91,129	119,171	
Public Works	0	0	0		232,238	478,449	544,406	
Total	**0**	**0**	**0**		**336,083**	**589,578**	**683,577**	
Capital Projects	**0**	**0**	**0**		**21,361,574**	**69,334,311**	**84,037,049**	**(o)**
Non-Departmental Expenditures								
Debt Service	23,628,790 **(p)**	13,458,250	13,697,025		28,055	60,000	50,000	
Interfund Transfers	353,535	10,000	10,000		649,291	61,000	64,000	
Total	**23,982,325**	**13,468,250**	**13,707,025**		**677,346**	**121,000**	**114,000**	
Total Expenditures	**23,982,325**	**13,468,250**	**13,707,025**		**22,375,003**	**70,044,889**	**84,834,626**	
Revenues Over (Under) Expenditures	**(426,959) (q)**	**84,427**	**(385,344) (q)**		**4,124,185**	**(27,740,892) (q)**	**(51,621,986)**	**(q)**
Fund Balance, End of Year	**$363,455**	**$447,882**	**$62,538**		**$48,004,012**	**$20,263,120**	**$21,258,757**	

Notes:

(h) For individual fund budgets, see Fund Summary Section.
(i) The increase in FY18 Beginning Working Capital for Capital Projects Funds is primarily due to the capital carryover for ongoing capital projects.
(j) The increase in Intergovernmental revenues in FY17 is due to the projected increase in grant revenues in the Road General Capital Projects Fund.
(k) Decreases in FY18 Charges for Services are due to projected decline of System Development Charges (SDCs) and assessments.
(l) FY17 Miscellaneous revenues includes future transfers to the City Hall Replacement Fund and FY18 does not, which is the primary reason for the decline in FY18. Future transfers to the City Hall fund will be recognized as Miscellanous revenues on Supplemental Budget 1.
(m) The decline in FY18 Interfund Transfers is primarily due to the decrease of transfers to the General Capital Projects Fund.
(n) Changes in other financing sources are due to General Obligation bond budget amounts versus the timing of draws on the General Obligation line of credit.
(o) Capital projects are typically budgeted in their entirety in their first fiscal year of the project, and unspent appropriation balances are carried forward from year to year for those projects that required multiple years to complete.
(p) Debt Service increased in FY16 due to a General Obligation bond refunding to obtain cost savings from reduced interest rates.
(q) Annual deficits result when expenditures exceed current revenues and are covered by revenues accumulated in prior fiscal years (fund balance).

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Proprietary Fund Types, Three-Year Comparison

	Enterprise Funds			(r)	Internal Service Funds			(r)
	FY16 Actual	FY17 Projections	FY18 Adopted		FY16 Actual	FY17 Projections	FY18 Adopted	
Fund Balance, Beginning of Year	**$28,477,157**	**$26,255,315**	**$38,545,685**		**$45,932,470**	**$52,281,501**	**$56,552,918**	
Revenues								
Licenses and Permits	116,420	134,072	111,000		0	0	0	
Intergovernmental	6,934,979	14,126,400	3,130,463	(s)	295,781	210,000	200,000	
Rental	1,658,398	1,735,565	1,730,165		660,753	627,600	554,554	
Charges for Services	87,448,188	93,252,745	97,521,299	(t)	71,141,269	73,997,182	77,550,526	
Fine and Forfeitures	1,480,933	1,263,460	1,261,100		0	0	0	
Miscellaneous	470,209	532,494	1,040,986		1,600,223	1,255,847	1,147,295	
Interfund Transfers	0	0	1,000,000		3,343,826	1,430,980	1,466,755	
Other Financing Sources	0	0	0		0	0	0	
Total	**98,109,127**	**111,044,736**	**105,795,013**		**77,041,852**	**77,521,609**	**80,919,130**	
Operating Expenditures								
Central Services	394,324	407,673	401,966		48,009,041	53,279,491	61,871,664	(u)
Fire and EMS	8,265,456	8,733,186	10,259,730	(v)	0	0	0	
Planning and Development	3,729,652	5,296,413	6,267,708		249,520	459,043	507,065	
Police	551,207	576,555	634,276		0	0	0	
Public Works	40,680,602	46,911,663	50,109,608	(w)	14,113,820	14,268,766	24,800,078	(x)
Total	**53,621,241**	**61,925,490**	**67,673,288**		**62,372,381**	**68,007,300**	**87,178,807**	
Capital Projects	**16,458,518**	**29,283,423**	**32,928,786**	(y)	**157,367**	**666,506**	**631,860**	
Non-Departmental Expenditures								
Debt Service	0	0	0		6,281,073	6,576,500	6,885,665	
Interfund Transfers	5,561,145	5,439,423	5,568,107		1,882,000	2,210,000	2,417,000	
Special Payments	24,690,065	26,197,000	28,780,127	(z)	0	0	0	
Total	**30,251,210**	**31,636,423**	**34,348,234**		**8,163,073**	**8,786,500**	**9,302,665**	
Total Expenditures	**100,330,969**	**122,845,336**	**134,950,308**		**70,692,821**	**77,460,306**	**97,113,332**	
Revenues Over (Under) Expenditures	**(2,221,842)**	**(11,800,600)**	**(29,155,295)**	(aa)	**6,349,031**	**61,303**	**(16,194,202)**	(aa)
Fund Balance, End of Year	**$26,255,315**	**$14,454,715**	**$9,390,390**		**$52,281,501**	**$52,342,804**	**$40,358,716**	

Notes:

(r) For individual fund budgets, see Fund Summary Section.

(s) The increase in Intergovernmental Revenues in FY17 is primarily due to additional grant revenues from the Federal Aviation Administration for capital improvements at the City's municipal airport.

(t) Charges for Services includes the pass-through expense to the Metropolitan Wastewater Management Commission for regional wastewater user fees.

(u) The projected increase in Central Services expenditures in FY18 is primarily due to additional spending in the Employee Health and Benefits Fund and the Central Business Software Fund.

(v) The projected increase in Fire and EMS expenditures in FY18 is due to the expansion of services in the Ambulance Transport Fund.

(w) The projected increase in Public Works expenditures in FY17 is primarily due to additional spending in the Stormwater Utility Fund, the Airport Fund, and the Wastewater Utility Fund.

(x) The projected increase in Public Works expenditures in FY18 is primarily due to additional spending in the Fleet Replacement and Acquisition Fund.

(y) Capital projects are budgeted in their entirety in their first year, and unspent appropriation balances are carried forward from year to year for those projects that require multiple years to complete. Increased spending in FY17 is primarily due to capital projects at the airport funded by grant revenues and user fees.

(z) Special payments includes the pass-through regional wastewater revenues.

(aa) Annual deficits result when expenditures exceed current revenues and are covered by revenues accumulated in prior fiscal years (fund balance).

How to Read a Fund Schedule

Any Fund

Revenues are current monies received or anticipated by the City from either tax or non-tax sources.

Expenditures include current departmental expenditures (personnel services, materials and services, capital outlay), capital projects, and non-departmental expenses.

Excess (deficiency) of revenues over expenditures is a calculation of Total Revenues minus Total Expenditures.

The resulting excess or deficiency is added to Beginning Working Capital (resources carried over from previous years) to determine the fund's Ending Working Capital.

Total Resources is the sum of Total Revenues and Beginning Working Capital (resources carried over from previous years).

Total Requirements is the sum of Total Expenditures and Ending Working Capital.

Under Oregon Budget Law, Total Resources must equal Total Requirements.

Balance Available and Reserve accounts are considered to be non-departmental. They are a measure of the fiscal health of a fund.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 **Adopted** Budget
Revenues						
Intergovernmental	0	4,793	0	0	0	0
Rental	616,478	563,314	615,100	615,100	527,802	510,205
Charges for Services	8,189,797	8,253,323	8,502,034	8,502,034	8,466,832	9,442,898
Miscellaneous	67,546	144,341	6,000	6,000	21,470	6,000
Interfund Transfers	1,000,000	1,500,000	0	0	0	0
Principal on Notes/Loans	300,000	0	0	0	0	0
Total Revenues	10,173,821	10,465,771	9,123,134	9,123,134	9,016,104	9,959,103
Expenditures						
Central Services	8,066,122	8,479,222	8,646,238	8,642,834	8,404,652	9,283,708
Planning and Development	240,010	239,824	285,781	285,781	285,781	343,206
Debt Service	202,160	204,255	206,000	206,000	206,000	211,700
Capital	289,696	51,620	525,610	524,448	524,448	515,476
Interfund Transfers	1,077,000	10,187,000	432,000	524,598	524,598	433,000
Total Expenditures	9,874,988	19,161,921	10,095,629	10,183,661	9,945,479	10,787,090
Excess (deficiency) of revenues over expenditures	298,833	(8,696,150)	(972,495)	(1,060,527)	(929,375)	(827,987)
Beginning Working Capital (Fund Balance), July 1	12,192,457	12,491,290	13,445,395	3,795,140	3,795,140	3,465,624
Ending Working Capital (Fund Balance), June 30	12,491,290	3,795,140	12,472,900	2,734,613	2,865,765	2,637,637
Reconciliation of Total Resources and Requirements						
Resources						
Beginning Working Capital (Fund Balance)	12,192,457	12,491,290	13,445,395	3,795,140	3,795,140	3,465,624
Total Revenues	10,173,821	10,465,771	9,123,134	9,123,134	9,016,104	9,959,103
Total Resources	22,366,278	22,957,061	22,568,529	12,918,274	12,811,244	13,424,727
Requirements						
Total Expenditures	9,874,988	19,161,921	10,095,629	10,183,661	9,945,479	10,787,090
Ending Working Capital (Fund Balance)	12,491,290	3,795,140	12,472,900	2,734,613	2,865,765	2,637,637
Total Requirements	22,366,278	22,957,061	22,568,529	12,918,274	12,811,244	13,424,727
Reserves (Budgeted amounts only)						
Balance Available	2,856,622	2,631,935	2,104,293	2,192,613	2,192,613	2,095,637
Reserve	8,484,923	542,000	10,368,607	542,000	542,000	542,000
Total Reserves	11,341,545	3,173,935	12,472,900	2,734,613	2,734,613	2,637,637

What to look for on a fund schedule, and other relevant information:

- An important item to look for on a fund schedule is the trend in revenue and expenditure changes which directly impact the fund's surplus/deficit and available working capital.
- The difference between FY17 Adopted Budget and FY17 Budget 12/31/2016 is that the latter includes Supplemental Budget (SB) #1. SBs are used to keep the budget reflective of the current service environment and to ensure that appropriations are as current as possible. SB #1 occurs in December following completion of the previous fiscal year's audit; this explains why FY16 Actual Ending Working Capital exactly matches FY17 Budget 12/31/2016 Beginning Working Capital.
- During the current fiscal year, the fund manager will evaluate the fund status and project the ending balance in order to estimate the starting point for the next fiscal year; this is shown in the fund schedule under FY17 Projections.
- The difference between revenues and resources is that revenues represent monies received in the current fiscal year while resources also include funds carried over from previous fiscal years. Similarly, expenditures cover the current fiscal year while requirements also include reserves to be carried forward to future fiscal years.
- In order to maintain a prudent level of reserves, the City has established a general practice that the target amount of balance available budgeted shall be at least two months of operating expenses. There is a variety of reasons for fluctuations in fund reserves over time such as saving up for large expenses or planning for future uncertainty.

General Fund (GF) - used to account for financial activities not reported in another fund					
Subfund Name and Number	**Purpose**	**Primary Funding Sources**	**Primary Expenditures**	**Spending Restrictions**	**FY18 Adopted Budget Document Reference**
Reporting Fund (010)	Fund 010 is the General Fund reporting fund. The subfunds (011, 031, 041) "roll up" to this fund for reporting purposes.				Page 142
Main Subfund (011)	General purpose government operations.	Property tax revenues, contributions in lieu of tax and user fees.	Police and fire services, library and recreation services, parks maintenance services, planning services and general administration.	Most revenues are unrestricted; grant funds are restricted by granting agency. Some funds are pass-throughs to other governments.	Page 143
Cultural Services Subfund (031)	To account for the operation of the Hult Center, community events, public art and Cuthbert Amphitheater.	Transient room tax revenue, rental, ticket office and patron user fees.	Operation and management of the Hult Center and Cuthbert Amphitheater.	State statute requires that 100% of revenue from the City's 4.5% transient room tax is used to promote tourism and tourism-related facilities.	Page 144
Equipment Replacement Subfund (041)	To account for resources associated with future replacement of General Fund equipment other than vehicles.	General Fund transfer and department matching funds.	General Fund equipment including fire turnouts, fire self-contained breathing apparatus (SCBA), police weapons and forensic equipment, generators and library materials handling system.	Revenue source is unrestricted, however, Departments must contribute 50% match to access equipment replacement funds, and typically the item must total at least $20,000.	Page 145

General Fund (010) Reporting Fund

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Taxes	102,866,020	107,289,570	111,853,000	111,853,000	111,045,191	114,667,000
Licenses/Permits	6,091,361	24,092,719	6,169,200	6,169,200	7,161,900	7,219,144
Intergovernmental	4,945,368	4,744,171	4,516,849	5,670,930	5,138,245	5,136,876
Rental	114,574	145,728	126,040	126,040	138,330	140,830
Charges for Services	12,443,858	13,739,960	13,919,806	16,064,529	15,590,001	16,699,441
Fines/Forfeitures	2,386,546	2,426,712	2,211,250	2,211,250	2,241,500	2,135,000
Miscellaneous	588,688	759,605	847,000	847,000	730,098	701,500
Interfund Transfers	9,654,131	9,519,145	9,803,423	9,803,423	9,803,423	10,225,107
Total Revenues	139,090,546	162,717,610	149,446,568	152,745,372	151,848,688	156,924,898
Expenditures						
Central Services	22,228,468	22,995,115	23,837,327	25,676,587	25,558,150	26,213,689
Fire and Emerg. Med. Srvcs.	25,963,611	28,222,239	28,595,704	29,093,406	28,950,767	30,238,972
Library, Rec. and Cultural Srvcs.	25,823,638	26,874,805	28,980,020	30,852,720	30,504,570	30,731,736
Planning and Development	5,555,437	5,860,617	6,344,533	8,303,127	8,271,404	7,203,900
Police	47,991,488	50,050,092	51,252,004	52,710,240	52,454,293	53,279,325
Public Works	5,477,758	5,993,453	5,975,207	6,151,407	6,121,531	6,463,030
Interfund Transfers	7,643,328	5,279,300	4,530,280	5,580,280	5,580,280	5,671,055
Special Payments	560,099	430,071	700,000	700,000	600,000	700,000
Total Expenditures	141,243,827	145,705,692	150,215,075	159,067,767	158,040,995	160,501,707
Excess (deficiency) of revenues over expenditures	**(2,153,281)**	**17,011,918**	**(768,507)**	**(6,322,395)**	**(6,192,307)**	**(3,576,809)**
Beginning Working Capital (Fund Balance), July 1	42,332,747	40,179,466	36,923,530	57,191,384	57,191,384	53,876,942
Ending Working Capital (Fund Balance), June 30	40,179,466	57,191,384	36,155,023	50,868,989	50,999,077	50,300,133

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	42,332,747	40,179,466	36,923,530	57,191,384	57,191,384	53,876,942
Total Revenues	139,090,546	162,717,610	149,446,568	152,745,372	151,848,688	156,924,898
Total Resources	181,423,293	202,897,076	186,370,098	209,936,756	209,040,072	210,801,840
Requirements						
Total Expenditures	141,243,827	145,705,692	150,215,075	159,067,767	158,040,995	160,501,707
Ending Working Capital (Fund Balance)	40,179,466	57,191,384	36,155,023	50,868,989	50,999,077	50,300,133
Total Requirements	181,423,293	202,897,076	186,370,098	209,936,756	209,040,072	210,801,840

Reserves (Budgeted amounts only)						
Contingency	0	0	32,000	10,851	10,851	12,000
Reserve	8,526,301	11,941,473	12,193,023	26,928,138	26,928,138	24,958,133
UEFB*	21,710,000	23,040,000	23,930,000	23,930,000	23,930,000	25,330,000
Total Reserves	30,236,301	34,981,473	36,155,023	50,868,989	50,868,989	50,300,133

*Unappropriated Ending Fund Balance

General Fund (011) Main Subfund

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Taxes	100,703,269	104,826,364	109,453,000	109,453,000	108,545,191	112,167,000
Licenses/Permits	6,091,361	24,092,719	6,169,200	6,169,200	7,161,900	7,219,144
Intergovernmental	4,945,368	4,744,171	4,516,849	5,670,930	5,138,245	5,136,876
Rental	114,575	145,728	126,040	126,040	138,330	140,830
Charges for Services	9,993,134	10,394,183	10,160,406	11,487,129	11,403,404	11,895,541
Fines/Forfeitures	2,386,546	2,426,712	2,211,250	2,211,250	2,241,500	2,135,000
Miscellaneous	546,408	698,149	822,000	822,000	690,703	663,500
Interfund Transfers	9,179,131	9,119,145	9,403,423	9,403,423	9,403,423	9,825,107
Total Revenues	133,959,792	156,447,171	142,862,168	145,342,972	144,722,696	149,182,998
Expenditures						
Central Services	22,078,468	22,845,115	23,687,327	25,526,587	25,408,150	26,063,689
Fire and Emerg. Med. Svcs.	25,901,599	27,567,966	28,527,879	28,944,404	28,801,765	30,202,252
Library, Rec. and Cultural Srvcs.	20,748,707	21,359,708	22,630,083	23,126,156	23,013,006	22,953,711
Planning and Development	5,555,437	5,860,617	6,344,533	8,303,127	8,271,404	7,203,900
Police	47,938,271	50,002,149	51,189,423	52,647,659	52,391,712	53,221,825
Public Works	5,477,758	5,993,453	5,975,207	6,151,407	6,121,531	6,463,030
Interfund Transfers	7,643,328	5,279,300	4,530,280	5,580,280	5,580,280	5,671,055
Special Payments	560,099	430,071	700,000	700,000	600,000	700,000
Total Expenditures	135,903,667	139,338,379	143,584,732	150,979,620	150,187,848	152,479,462
Excess (deficiency) of revenues over expenditures	**(1,943,875)**	**17,108,792**	**(722,564)**	**(5,636,648)**	**(5,465,152)**	**(3,296,464)**
Beginning Working Capital (Fund Balance), July 1	38,503,285	36,559,410	34,484,758	53,668,202	53,668,202	50,387,523
Ending Working Capital (Fund Balance), June 30	36,559,410	53,668,202	33,762,194	48,031,554	48,203,050	47,091,059

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	38,503,285	36,559,410	34,484,758	53,668,202	53,668,202	50,387,523
Total Revenues	133,959,792	156,447,171	142,862,168	145,342,972	144,722,696	149,182,998
Total Resources	172,463,077	193,006,581	177,346,926	199,011,174	198,390,898	199,570,521
Requirements						
Total Expenditures	135,903,667	139,338,379	143,584,732	150,979,620	150,187,848	152,479,462
Ending Working Capital (Fund Balance)	36,559,410	53,668,202	33,762,194	48,031,554	48,203,050	47,091,059
Total Requirements	172,463,077	193,006,581	177,346,926	199,011,174	198,390,898	199,570,521

Reserves (Budgeted amounts only)						
Contingency	0	0	32,000	10,851	10,851	12,000
Reserve	6,539,141	9,246,371	9,800,194	24,090,703	24,090,703	21,749,059
UEFB*	21,710,000	23,040,000	23,930,000	23,930,000	23,930,000	25,330,000
Total Reserves	28,249,141	32,286,371	33,762,194	48,031,554	48,031,554	47,091,059

*Unappropriated Ending Fund Balance

The purpose of this subfund of the General Fund is to account for the operation of the Hult Center, Community Events, Public Art and Cuthbert Amphitheater.

Service Categories: Cultural Services

Legal Limitations on use of Fund resources: Approximately one-third of revenues in this fund are derived from the City's 4.5% Transient Room Tax. State law requires that 100% of the revenue from the City's current Transient Room Tax must go to tourism promotion and tourism-related facilities. Use of other revenue is directed by Council policy.

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

For FY18: Cultural Policy Review Goals continue to be driven by the 2007 policy review priority strategies, by information gathered from the public in the Eugene Counts process, and by creative innovations to all service areas which meet or exceed industry standards. Cultural Services operates the Hult Center for the Performing Arts, Community Events and Public Art and leases the management of Cuthbert Amphitheater. Cuthbert Amphitheater in Alton Baker Park is expected to schedule up to 18 events with a total of over 56,000 in attendance in FY18. The current management contract of Cuthbert Amphitheater runs through FY21.

For fiscal years beyond FY18: The current long-range forecast shows target reserves above two months of operating expenses. Rates and fees are analyzed annually and may be adjusted based on projected cost increases from data provided by the City Finance Division. The Transient Room Tax revenue forecast indicates small increases from this revenue source are likely in future years.

Important fund accomplishments, opportunities or challenges: Planned improvements for the Hult Center include replacement of the orchestra and banquet chairs, upgrade of the Silva rigging system and replacement of the Silva main curtain and Soreng traveler. A return to the Hult Presents series resulted in 30 ticketed performances and five outreach opportunities. Plans for FY18 include a similar number of presented performances, as well as growth in community outreach opportunities, both at the Hult Center and out in the community. Future development includes scheduling the majority of the Broadway series productions from mid-week to weekends for the FY18 season, which increases the number of performances, and also will increase opportunities for more cultural tourism in the region.

Relationships with other funds: The number of events at the Hult Center impacts revenue to the City's Parking Funds. Vehicle event parking revenue, after expenses, is split 50/50 between the Parking Fund (520) and the Cultural Services Fund. The Cultural Services Fund is also helping the Public Art Fund (319) by providing $10,000 for maintenance expenses attributable to public art.

Revenue sources and forecast methodology (top 75% of revenues): Transient Room Tax revenue (34%) is based on prior three-year averages and current-year trends. Hult Reimbursable Fees (32%) and Rental Fees/Ticket Office Fees (10%) are primarily based on anticipated activity.

The purpose of this subfund of the General Fund is to set aside resources associated with future replacement of General Fund equipment other than vehicles.

Service Categories: Varies each year depending on activity.

Legal limitations on use of Fund resources: There are no legal restrictions on the use of the resources in this fund.

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

> **For FY18:** Funding for equipment was allocated to Central Services, LRCS, Fire and Police. The FY18 allocation to the Central Services Department is an annual contribution for replacement of core business software that is planned through FY20. Other items include recreation reader boards, recreation center cardio equipment, Hult Center lighting, library smart bins for book sorting, fire turnouts and bulletproof vests.
>
> **For fiscal years beyond FY18:** Based on the Equipment Replacement subfund inventory, the fund will not be able to provide resources for all equipment replacement needs beginning in FY20. Large equipment purchases scheduled to occur include: a Hult Street marquee and grand piano for Cultural Services; self-contained breathing apparatus for the Fire Department; call-dispatch work stations and an explosive containment vehicle for the Police Department.

Important fund accomplishments, opportunities or challenges: Departments are required to contribute half of the cost of the equipment from their department budgets to receive the remaining funding from the Equipment Replacement subfund. In additional to departmental spending, over the last five fiscal years, $2.6 million in equipment replacement funds have been utilized to replace equipment needed by the City. The fund remains challenged due to equipment replacement needs that are projected to outpace annual revenues, which may require additional prioritization or additional spending from departmental operating budgets in order to meet equipment needs.

Relationships with other funds: There is an annual transfer of $400,000 from the General Fund main subfund (011) to the Equipment Replacement subfund.

Revenue sources and forecast methodology (top 75% of revenues): The Equipment Replacement subfund receives an annual allocation of $400,000 from the General Fund Main subfund (011).

Special Revenue Funds - used to account for the proceeds of certain revenue sources that are legally restricted to expend for specific purposes					
Reporting Fund Name and Number (listed alphabetically)	**Purpose**	**Primary Funding Sources**	**Primary Expenditures**	**Spending Restrictions**	**FY18 Adopted Budget Document Reference**
Community Development Fund (170)	To account for grant revenues received from the federal government related to economic development and affordable housing.	Federal grants and loan repayments.	Eligible capital projects, Broadway Commerce Center, low income housing, loans for historic properties and commercial revitalization.	Community Development Block Grant (CDBG) and HOME funds must meet the federal government criteria of benefiting low to moderate income individuals' needs, eliminating blight and addressing urgent needs.	Page 148
Construction and Rental Housing Fund (150)	To account for construction permit activities and collection of rental housing fund program activities.	Construction permit fees and annual fees from rental housing program.	Program activities including land use enforcement, structural integrity and safety.	City Code 7.300 and 8.440 - Recover all of the City's costs related to processing the application for the permit and inspecting the work during and after completion of the work; to provide a reasonable return to the public for the permitted on-going use of the public way; and offsetting the costs to the City associated with the enforcement of rental housing code.	Page 154
Library Local Option Levy (111)	To account for local option levy property taxes for library service enhancements.	Local option property tax levy from FY18 through FY21.	Library enhancement services described in Ballot Measure 20-235: expand access by adding more hours; increase programming, with focus on supporting early literacy, success in school and career development (including "makerspace"), and providing offsite programming directly to community members; providing $300,000 per year for new books and other resources; and providing laptops/tables for public use.	Can only be used for purposes identified in the ballot measure. The measure requires an annual report on spending to be reviewed by the Library Advisory Board and made available to the City Council and the public.	Page 158
Library, Parks and Recreation Fund (180)	To account for contributions from private donors to support the public library and City-owned parks and recreation facilities and the arts.	Private donations.	Per the designation of the donor.	Designation upon receipt of donation.	Page 160
Public Safety Communications Fund (130)	To account for the operation of 9-1-1 call taking and the operations and maintenance of the regional radio system.	Telephone excise tax, intergovernmental revenue and revenues from other governments that subscribe to the communications systems.	9-1-1 call taking center and operations and maintenance of the public safety regional radio system.	Oregon Revised Statutes (ORS) 403 restricts use of state 9-1-1 tax funds to 9-1-1 operations and an Intergovernmental Agreement (IGA) between participating jurisdictions limits use of those revenues to funding of the regional radio system.	Page 162
Road Fund (131)	To account for the operations and maintenance of the City's street transportation system.	State Highway Trust Fund allocations, revenue from the utility systems for the use and occupancy of the City's right-of-way and other grants, fees and permits.	Street surface repair, street lighting, signing and striping, traffic signal maintenance, transportation planning and engineering and street tree maintenance.	Funding must be used for road related purposes defined by ORS 366.785-366.820, 366.514, and Article IX, section 3a, of the Oregon Constitution and may be limited to specific projects stated in each grant award.	Page 166
Solid Waste and Recycling Fund (155)	To account for activity associated with solid waste and recycling efforts.	Solid waste hauler license fees.	Regulation of solid waste collection services and development/promotion of waste prevention and green building efforts.	City Code 3.250(1)(g) - Fees that allow the City, at a minimum, to recover regulatory and enforcement costs associated with solid waste and/or recycling collection.	Page 169

Special Revenue Funds (Continued) - used to account for the proceeds of certain revenue sources that are legally restricted to expend for specific purposes					
Reporting Fund Name and Number (listed alphabetically)	**Purpose**	**Primary Funding Sources**	**Primary Expenditures**	**Spending Restrictions**	**FY18 Adopted Budget Document Reference**
Special Assessment Management Fund (110)	To account for activities related to support of the special assessment program and assessment deferral programs.	Assessment bond proceeds and fees paid by property owners.	Collection activities for principal and interest on contracts; collection activities for transient room taxes. (Deferral of assessments for low income property owners and low income senior property owners under City Code 7.195)	Council authorized programs for property owners to finance assessments and participate in deferral programs; funding is unrestricted but generally used for these purposes.	Page 171
Telecom Registration/Licensing Fund (135)	To account for revenues and expenditures associated with the 2% registration fee/business privilege tax for providers of telecommunications services in Eugene.	2% of registrants' gross revenues derived from their telecommunication activities within the city.	City telecom-related projects and activities that benefit the community.	Program administration and telecom projects that benefit the community. Funds will not be used to replace property tax revenue: City Code 3.415 and Ordinance 20083 Findings #13 and #15.	Page 173

This reporting fund accounts for Federal grants received under the provisions of Title I of the Community Development Act of 1974 and Title II of the Cranston-Gonzalez National Affordable Housing Act. The fund includes seven subfunds (171-178). Program activities are primarily for the benefit of low-income persons. It also accounts for General Fund low-income housing development and the historic preservation, downtown revitalization and arts loan programs administered by the Community Development Division.

Service Categories: Affordable Housing and Job Creation; Social Services; Financial Services; Greater Downtown Services

Legal limitations on use of Fund resources: Funds 171 and 177 are restricted by limitations placed on their use by the rules and regulations of the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG).

Fund 172, the HUD 108 Loan/BEDI Grant Fund, is restricted to the uses identified by the CDBG HUD Section 108 Loan and Brownfield Economic Development Initiative (BEDI) grant rules and regulations.

Fund 174, the Historic Preservation Loan Fund, is a loan program established for rehabilitation of historic properties; it is restricted to properties which meet eligibility criteria. Projects must match loan funding with other sources.

Fund 175, the Low-Income Housing Fund, is restricted to public interest housing loans, operating and capital expenditures.

Fund 176, the Commercial Revitalization Loan Fund, was originally created with HUD Urban Renewal funds to use for commercial revitalization loans to businesses located in the Urban Renewal Area. The ERA Early Financial Settlement Agreement between the City of Eugene and HUD provides guidance for managing these funds and restricts these funds for perpetuity to be used only for the purposes of the initial grant for development in the identified Urban Renewal area.

Fund 178, the HOME Fund, is restricted to the uses identified in the rules and regulations of the HUD HOME Investment Partnership Program for the development and provision of low income housing.

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

> **For FY18:** CDBG and HOME Programs (171, 177 and 178): The City receives annual CDBG and HOME Investment Partnership Program entitlements from HUD, along with program income derived from the repayment of loans. The amount of funding allocated is determined at the federal level and has been diminishing over time. The future of this funding stream is uncertain and may be significantly reduced or eliminated. The HOME grant is awarded to the Eugene-Springfield HOME Consortium with Eugene acting as the lead entity. Acting as the lead entity, Eugene manages implementation of the HOME program and use of HOME funds in both Eugene and Springfield. Springfield participates in the selection of projects and allocation of HOME funds.

The allocation of CDBG and HOME funds are guided by the Consolidated Plan, a five-year, inter-jurisdictional strategic plan that addresses the needs for housing, homelessness and community development in Eugene and Springfield. FY18 is the third year of the 2015 Consolidated Plan. The allocation of HOME funds is overseen by the HOME Consortium Governing Board, and community input is incorporated into CDBG allocation decisions through the CDBG Advisory Committee and City Council.

For further details on the 2015 Consolidated Plan, annual action plans and annual progress reports visit: www.eugene-or.gov/HudConPlan

CDBG-HUD 108 Loan/BEDI Grant Fund (172): Fund 172 will continue to receive repayments in FY18 and into the future.

Historic Preservation Loan Fund (174): Loan activity fluctuates based on applications received and balance available. This year $10,000 was set aside for small Historic Property Restoration Grants ($1,000 maximum per grant max).

Low-Income Housing Fund (175): Available resources in this fund consist mainly of principal and interest from housing loans and are used for operating and capital expenditures, as well as loan disbursements related to low-income housing development.

Commercial Revitalization Loan Fund (176): Loan activity fluctuates based on applications received and balance available.

For fiscal years beyond FY18:

CDBG Operating and Loan Programs (171, 177): The CDBG entitlement award changes annually and affects the City's ability to fund projects such as human services, non-profit capital projects, neighborhood improvements and citywide accessibility enhancements.

HOME Operating and Loan Programs (178): The HOME entitlement award changes annually and affects the funding available for low-income housing development.

Commercial Revitalization Loan Fund (176): PDD will continue to operate this loan program to benefit downtown improvements.

Important fund accomplishments, opportunities or challenges:

CDBG and HOME Programs (171, 177 and 178):

Affordable Housing

The City of Eugene has increased the supply of affordable housing through construction and acquisition of new affordable housing and taken steps to creating future affordable housing through site acquisition. The following notable projects have been completed recently or are underway.

- **Bascom Village -** St. Vincent de Paul Society of Lane County and Housing and Community Services Agency (HACSA) completed a new 101-unit development for low-income people.

- **North Polk Street Apartments -** Neighborhood Economic Development Corporation (NEDCO) acquired a 12-unit apartment building that now serves low-income youth aging out of the foster care system.
- **Delta Court -** Cornerstone Community Housing acquired an eight-unit apartment building on Hunsaker Lane. The units will serve as transitional housing for homeless families with children.
- **The Monroe -** Liberty Housing Group LLC acquired a six-unit apartment building in the Whiteaker neighborhood. The units will serve veterans.
- **Youth House -** St. Vincent de Paul Society of Lane County acquired a church for conversion into 14 transitional housing units for homeless high school students.
- **River Road Apartments -** NEDCO acquired a four-unit apartment building for low-income individuals with HIV/AIDS.

Land Acquisition for Affordable Housing

River Road Site - The City of Eugene acquired vacant land on River Road using CDBG funds for the future development of 50-60 units of affordable housing. The site will be offered through a future Request for Proposal along with HOME funds and local resources.

Rehabilitation of Existing Affordable Housing Stock

Emergency Home Repair and Accessibility Improvements - Twenty-three individual households received assistance through Eugene's emergency home repair and accessibility improvements. Of these, 13 homes are occupied by homeowners with disabilities. Households served through this program include seniors, persons with disabilities, and people living in manufactured home parks.

- **Olive Plaza -** The City provided significant support for the rehabilitation of Olive Plaza using CDBG funds including seismic upgrades and accessibility improvement. This action preserved 150 unit of affordable housing for very low income seniors and people with disabilities.
- **North Polk Street Apartments -** NEDCO, renovated a 12-unit apartment building on North Polk Street using CDBG funds. Units will be dedicated to housing very-low income youth aging out of foster care.
- **Delta Court -** Cornerstone Community Housing is using CDBG funds to renovate an 8-unit apartment building on Hunsaker Lane to serve as transitional housing for homeless families with children.
- **West Town on 8th -** Cornerstone Community Housing is using CDBG funds to repair construction defects that have led to a failed roofing system. This will preserve 102 affordable housing units in downtown Eugene.

Removal of Barriers to Affordable and Supportive Housing

Intergovernmental Housing Policy Board (HPB) - The mission of the HPB is to increase the availability of decent, affordable housing, for low and very low-income families and individuals in Lane County through collaboration and policy recommendations.

Fair Housing - The City of Eugene engages in fair housing work in collaboration with the Fair Housing Council of Oregon. This includes services for Eugene residents with complaints of illegal

discrimination, coordinated outreach with community agencies and Fair Housing trainings for staff, non-profits and community members.

Human Services Operations
Eugene provided $350,000 in CDBG funds, in collaboration with the Lane County Human Services Commission to help support over 20,000 low-income persons with critical social services. A significant proportion of persons served by these agencies are homeless or at-risk of homelessness. Partnering agencies include: Food for Lane County, The Relief Nursery, Catholic Community Services, St. Vincent de Paul and Womenspace.

Human Services Capital Facilities
In FY16, the City of Eugene commenced a $194,129 rehabilitation of the Lindholm Homeless Singles Access Center, which is owned and operated by St. Vincent de Paul. This project will include exterior improvements and rehabilitation of showering and laundry facilities.

Construction began in FY17 on the following facilities which serve over 11,000 low and moderate-income people and people experiencing homelessness: Looking Glass – McKay Lodge, Head Start – Whiteaker School, Sheltercare – Medical Respite, Catholic Community Services.

Job Creation and Business Development
Business Development Fund/Emerging Business Loan Program: Eugene continued to operate its Business Development Fund, and provided five loans projected to result in the creation of 39 jobs for low-income people to the following local businesses: Outsiders Craft Cider, LLC dba Wildcraft, PNK, LLC dba Old Nick's Pub, Arcimoto, Inc., Bo's Wine Depot, Inc., and As You Like It Organics, LLC.

Strategic Investments in Low-Income Neighborhoods
Charnel-Mulligan Neighborhood Park Rehabilitation - Eugene allocated $200,000 for rehabilitation of the Charnel-Mulligan Neighborhood Park that is located in a low-income neighborhood. Construction started in July 2016 and was completed in 2017.

Historic Preservation Loan Fund (174): Several historic properties have been rehabilitated in past years. Loan activity slowed in FY16.

Low-Income Housing Fund (175): Income from this fund has been used to repay HUD for the Willow Creek Landbank purchased with federal grant funds and which the City has been unable to develop or sell due to loss of a large employer in the area and the downturn in the economy. It is anticipated that the fund will receive repayment in full in FY19 from the sale of the Willow Creek Landbank site.

Commercial Revitalization Loan Fund (176): In FY16, this fund began the new Arts and Business Loan Program as a match to the newly created Fund 183, which holds the Arts and Business Alliance portion of the loan program contributed by Eugene.

Relationships with other funds:
CDBG and HOME Programs (171, 177 and 178): CDBG and HOME allocations may be combined with other General Fund resources from subfund 175 (Low-Income Housing) and subfund 314 (Housing Capital Projects) to provide assistance to affordable housing development projects.

CDBG – HUD 108 Loan/BEDI Grant Fund (172): The BEDI grant and 108 Loan funds were combined with Urban Renewal District resources to support Beam Development's rehabilitation of the Broadway Commerce Center at Willamette and Broadway. HUD funding was transferred from the City's Fund 172 to the Urban Renewal Agency's funds as necessary for each project.

Historic Preservation Loan Fund (174): No specific relationship with any other fund. However, projects may use a wide variety of other City funding sources for rehabilitation of property.

Low-Income Housing Fund (175): These monies could be combined with other funding, (i.e. CDBG subfunds 171 and 177, HOME subfund 178, the General Capital Projects subfund 314) for affordable housing development.

Commercial Revitalization Loan Fund (176): The Downtown Revitalization Loan Program also uses non-tax increment monies in Fund 817 (URA-Downtown General Fund), however, there is no co-mingling of subfund 176 and Fund 817 resources. FY16 was the first year of the new Arts and Business Loan Program.

Revenue sources and forecast methodology (top 75% of revenues): Fund revenues depend primarily on federal HUD appropriations and local loan repayments. For budgeting purposes, the City tracks loan repayments and estimates revenue to be received the following year. The City is also in continual communication with the local HUD office to obtain information about future federal funding levels. By May of each year, the City submits its Annual Action Plan to HUD for approval, which includes anticipated loan repayments and grant revenues. The action plan includes details about planned expenditure of these resources. The plan must be approved by HUD prior to expenditures.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	2,178,168	2,020,080	5,781,910	7,774,663	2,958,231	5,212,329
Charges for Services	13,979	6,088	5,000	5,000	7,264	5,000
Miscellaneous	332,087	549,692	1,073,349	1,073,349	1,213,373	715,144
Principal on Notes/Loans	3,594,095	2,053,458	2,624,160	2,624,160	2,057,747	3,016,700
Interfund Loans	0	65,000	0	0	0	0
Total Revenues	6,118,329	4,694,318	9,484,419	11,477,172	6,236,615	8,949,173
Expenditures						
Planning and Development	1,501,864	1,842,138	3,776,835	3,276,707	2,059,360	3,890,857
Capital	55,483	143,259	1,336,143	1,290,457	200,000	551,200
Debt Service	1,594,224	327,642	365,379	365,379	365,379	364,649
Interfund Transfers	140,000	123,000	105,000	105,000	105,000	93,000
Special Payments	2,777,343	2,681,703	9,098,915	8,219,046	3,533,312	7,651,061
Total Expenditures	6,068,914	5,117,742	14,682,272	13,256,589	6,263,051	12,550,767
Excess (deficiency) of revenues over expenditures	**49,415**	**(423,424)**	**(5,197,853)**	**(1,779,417)**	**(26,436)**	**(3,601,594)**
Beginning Working Capital (Fund Balance), July 1	3,601,245	3,650,660	6,182,077	3,227,236	3,227,236	4,788,252
Ending Working Capital (Fund Balance), June 30	3,650,660	3,227,236	984,224	1,447,819	3,200,800	1,186,658

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	3,601,245	3,650,660	6,182,077	3,227,236	3,227,236	4,788,252
Total Revenues	6,118,329	4,694,318	9,484,419	11,477,172	6,236,615	8,949,173
Total Resources	9,719,574	8,344,978	15,666,496	14,704,408	9,463,851	13,737,425
Requirements						
Total Expenditures	6,068,914	5,117,742	14,682,272	13,256,589	6,263,051	12,550,767
Ending Working Capital (Fund Balance)	3,650,660	3,227,236	984,224	1,447,819	3,200,800	1,186,658
Total Requirements	9,719,574	8,344,978	15,666,496	14,704,408	9,463,851	13,737,425

Reserves (Budgeted amounts only)						
Reserve	992,056	1,064,224	984,224	1,121,997	1,121,997	1,186,658
Balance Available	413,752	505,939	0	325,822	325,822	0
Total Reserves	1,405,808	1,570,163	984,224	1,447,819	1,447,819	1,186,658

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

Legal limitations on use of Fund resources: Fees collected for the administration of the Building Inspection Program assumed under agreement with the State can only be used to fund that program. City Code 7.300 and 8.440 authorizes rental housing fees for the purpose of offsetting rental housing code enforcement costs.

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

For FY18: Construction activity is expected to vary in composition. After heavy increases in commercial construction activity in FY14 and FY15, followed by relatively slower growth in FY16 and FY17, FY18 is expected to bring a moderate increase, specifically from University of Oregon-related developments. The number of new residential units increased significantly in FY17, a trend that is expected to continue in FY18 as available existing homes remains low relative to demand. Additionally, FY18 will be the first year of mandatory digital plans submission through the eBuild system – the digital plans review software built by City staff. The Rental Housing program is going to substantially increase public education and outreach practices and will be providing a comprehensive report to the City Council in the spring of 2018.

For fiscal years beyond FY18:
Assumptions for this fund include an increase in building permit valuation of 1% in FY18 through FY23. A 2.5% fee increase is proposed in the Construction Permits Fund for FY18, with 3% increases forecast for FY19 through FY23.

Important fund accomplishments, opportunities or challenges: Construction focus shifted significantly from commercial to residential due to a more volatile housing market in FY17. Low housing inventory contributed to the increase in new residential units which kept staff workloads high with lower associated revenues. Additional FTE added in FY18 has brought the Construction Permits fund closer to its pre-recession levels. Aging permit tracking software is being reviewed for replacement and may have high cost impacts on the fund.

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

Revenue sources and forecast methodology (top 75% of revenues): State of Oregon economic indicators are considered when forecasting local building permit activity for new housing starts, land use activity, building permit activity, local economic conditions, and project proposal discussions. Rental Housing activity forecasts are based on growth rates equal to 25% of the estimated population increase for Eugene.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Licenses/Permits	3,919,494	3,889,830	3,725,600	3,725,600	3,878,500	4,142,468
Intergovernmental	500	0	0	0	0	0
Charges for Services	4,016,168	3,996,773	4,525,500	4,525,500	3,853,472	4,573,185
Fines/Forfeitures	39,989	13,734	0	0	11,800	25,000
Interfund Loans	0	0	65,000	65,000	65,000	0
Miscellaneous	45,530	42,905	341,040	341,040	64,552	347,000
Total Revenues	8,021,681	7,943,242	8,657,140	8,657,140	7,873,324	9,087,653
Expenditures						
Fire and Emerg. Med. Svcs.	274,796	289,947	306,904	306,904	306,904	333,961
Planning and Development	5,114,208	5,589,032	6,721,777	6,781,324	6,298,828	7,741,765
Public Works	405,328	411,801	449,877	449,877	449,877	465,363
Interfund Transfers	744,000	820,000	884,000	884,000	884,000	919,000
Special Payments	585,470	642,290	800,000	800,000	610,000	880,000
Total Expenditures	7,123,802	7,753,070	9,162,558	9,222,105	8,549,609	10,340,089
Excess (deficiency) of revenues over expenditures	**897,879**	**190,172**	**(505,418)**	**(564,965)**	**(676,285)**	**(1,252,436)**
Beginning Working Capital (Fund Balance), July 1	4,799,835	5,697,714	5,345,271	5,887,886	5,887,886	5,568,004
Ending Working Capital (Fund Balance), June 30	5,697,714	5,887,886	4,839,853	5,322,921	5,211,601	4,315,568

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,799,835	5,697,714	5,345,271	5,887,886	5,887,886	5,568,004
Total Revenues	8,021,681	7,943,242	8,657,140	8,657,140	7,873,324	9,087,653
Total Resources	12,821,516	13,640,956	14,002,411	14,545,026	13,761,210	14,655,657
Requirements						
Total Expenditures	7,123,802	7,753,070	9,162,558	9,222,105	8,549,609	10,340,089
Ending Working Capital (Fund Balance)	5,697,714	5,887,886	4,839,853	5,322,921	5,211,601	4,315,568
Total Requirements	12,821,516	13,640,956	14,002,411	14,545,026	13,761,210	14,655,657

Reserves (Budgeted amounts only)						
Balance Available	4,689,372	5,020,101	4,839,853	5,322,921	5,322,921	4,315,568
Total Reserves	4,689,372	5,020,101	4,839,853	5,322,921	5,322,921	4,315,568

Construction Permit and Rental Housing Fund (Fund 150) Six-Year Financial Forecast, FY18-FY23
Executive Summary

Major Issues for this Fund

Construction activity is constantly changing and remains highly variable. New home construction increased throughout FY17 and is expected to continue to increase in FY18. New commercial and public building construction in Eugene has remained steady and is expected to rise from previous levels with some large expansions, specifically the development associated with the Knight Science Campus and Riverfront District anticipated in the next few years. The Rental Housing program (Fund 152) was made an ongoing program in FY17 and significant outreach will be done in the coming fiscal years to increase awareness about the program. This forecast recognizes that future positions and fee levels may need to be adjusted to maintain the desired balance available.

		Actual FY15	Actual FY16	Estimate FY17	Proposed FY18	Forecast FY19	FY20	FY21	FY22	FY23
Resources										
Beginning Working Capital		$4,799,835	$5,697,714	$5,887,886	$5,211,601	$4,345,568	$3,943,977	$3,540,176	$3,211,740	$2,822,634
Revenues										
Operating	(1-3)									
PDD Total		6,200,522	6,379,302	6,118,772	6,758,968	7,017,144	7,285,554	7,564,610	7,853,684	8,154,319
PW Total		308,149	295,227	316,000	276,500	287,560	299,062	311,025	323,466	336,405
Fire Total		275,773	54,996	45,000	155,000	161,200	167,648	174,354	181,328	188,581
Other Revenue Total		624,492	601,182	657,000	985,185	1,024,592	1,065,576	1,108,199	1,152,527	1,198,628
Operating Total		7,408,936	7,330,707	7,136,772	8,175,653	8,490,496	8,817,841	9,158,188	9,511,005	9,877,933
Non-Departmental										
Interest on Investment		27,275	35,245	61,552	32,000	32,000	32,000	32,000	32,000	32,000
Interfund Loan Liquidated				65,000						
Pass-Thru										
Bethel Const Tax Pass Thru	(4)	123,440	114,147	160,000	180,000	180,000	0	0	0	0
State Surcharge Pass Thru	(5)	462,030	463,144	450,000	700,000	700,000	700,000	700,000	700,000	700,000
Pass-Thru Total		585,470	577,291	610,000	880,000	880,000	700,000	700,000	700,000	700,000
Total Revenues		8,021,681	7,943,243	7,873,324	9,087,653	9,402,496	9,549,841	9,890,188	10,243,005	10,609,933
Total Resources		12,821,516	13,640,957	13,761,210	14,299,254	13,748,064	13,493,818	13,430,364	13,454,744	13,432,567
Requirements										
Operating										
PDD Total	(6)	5,114,209	5,589,032	6,298,828	7,355,362	7,133,501	7,387,544	7,591,634	7,930,880	8,149,207
PW Total		405,328	411,801	449,877	465,363	481,899	506,151	521,623	547,725	564,942
Fire Total		274,796	289,947	306,904	333,961	357,522	375,491	386,456	398,932	403,863
Total Operating		5,794,333	6,290,780	7,055,609	8,154,686	7,972,922	8,269,187	8,499,712	8,877,537	9,118,012
Non-Departmental										
Central Service Allocation		744,000	820,000	884,000	919,000	951,165	984,456	1,018,912	1,054,574	1,091,484
Bethel Const Tax Pass Thru	(4)	123,440	114,147	160,000	180,000	180,000	0	0	0	0
State Surcharge Pass Thru	(5)	462,030	463,144	450,000	700,000	700,000	700,000	700,000	700,000	700,000
Interfund Loan			65,000							
Total Non-Departmental		1,329,470	1,462,291	1,494,000	1,799,000	1,831,165	1,684,456	1,718,912	1,754,574	1,791,484
Total Expenditures		7,123,803	7,753,071	8,549,609	9,953,686	9,804,087	9,953,643	10,218,624	10,632,111	10,909,496
Annual Surplus/(Deficit)		897,878	190,172	(676,285)	(866,033)	(401,591)	(403,802)	(328,436)	(389,106)	(299,562)
Balance Available		5,697,714	5,887,886	5,211,601	4,345,568	3,943,977	3,540,176	3,211,740	2,822,634	2,523,071
Total Requirements		12,821,517	13,640,957	13,761,210	14,299,254	13,748,064	13,493,818	13,430,364	13,454,744	13,432,567
Target Balance Available	(7)	2,897,167	3,868,149	3,527,805	4,077,343	3,986,461	4,134,593	4,249,856	4,438,769	4,559,006
Amount Above or (Below) Target		2,800,548	2,019,738	1,683,797	268,225	(42,484)	(594,418)	(1,038,117)	(1,616,135)	(2,035,935)

Notes:

(1) Rental housing permit fees are $10/unit. Revenue growth is projected with population growth.
(2) Assumes building permit valuation increase of 1% for FY18-23.
(3) This projection assumes construction permit fees increase 2.5% for FY18 and 3% per year throughout the forecast (FY18-FY23).
(4) This construction excise tax is a pass-through for the Bethel School District and is projected to end in FY19. Associated administrative revenue (4%) is recognized in PDD Operating.
(5) The state levies a surcharge on specific building activity in Eugene. This is recognized as pass-through income and matching non-departmental expense.
(6) 3.0 FTE added in FY18: 1.0 Building Inspector, 1.0 Structural Engineer Plans Reviewer, and 1.0 Business Liaison. This represents an increase to operating costs of $388,870.
This fund contains a contingency allocation to allow for a more timely response to large projects. Staff expects some vacancy savings and the completion of some limited duration work in FY18, resulting in lower personnel cost projections.
(7) Due to the volatility of the Construction Permits Fund, the Balance Available target is six months of operating expenditures.

Ballot Measure 20-235, approved by voters in November 2015, is a five-year Property Tax levy to fund expanded Eugene Public Library services. The levy will add an additional $2.5 million (net) annually to the Library's budget for fiscal years 2017-2021. The expanded services to be supported by revenues from the levy include additional hours and access, more programs for all ages, and more materials and technology.

Service Category: Library

Legal limitations of use of Fund resources:

- Levy funds are budgeted and accounted for in a separate fund that is easily identifiable by members of the public, in accordance with State law.
- Staff will prepare an annual summary of levy spending and performance measures. The report will clearly lay out the Library's budget and the split between the General Fund and the Library Local Option Levy Fund. The Library Advisory Board will review the report annually to determine whether spending complied with the intention of the ballot measure.
- The City Manager will provide an annual memorandum to the City Council about library levy spending and key performance measures for the services. The memorandum will include the staff report and any comments from the Library Advisory Board after their review.

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

For FY18: FY18 will be the second year of the new five-year local option levy and will be the first full year at the new service levels. Some services, like expanded hours, started as early as July 1, 2016. All other levy services have been increasing towards full implementation during the course of fiscal 2017.

For fiscal years beyond FY18: The levy funds will continue to contribute on average $2.5 million (net) every year to Library Services through FY21.

Relationships with other funds:
Library services are funded both in the General Fund and the Library Local Option Levy Fund.

Revenue sources and forecast methodology (top 75% of revenues):
Revenue is derived from a property tax set at the levy amount approved by voters.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Taxes	0	0	2,552,000	2,552,000	2,552,000	2,622,000
Miscellaneous	0	0	0	0	0	2,268
Total Revenues	0	0	2,552,000	2,552,000	2,552,000	2,624,268
Expenditures						
Library, Rec. and Cultural Srvcs.	0	0	2,384,000	2,384,000	2,384,000	2,415,896
Total Expenditures	0	0	2,384,000	2,384,000	2,384,000	2,415,896
Excess (deficiency) of revenues over expenditures	**0**	**0**	**168,000**	**168,000**	**168,000**	**208,372**
Beginning Working Capital (Fund Balance), July 1	0	0	0	0	0	168,000
Ending Working Capital (Fund Balance), June 30	0	0	168,000	168,000	168,000	376,372

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	0	0	0	0	0	168,000
Total Revenues	0	0	2,552,000	2,552,000	2,552,000	2,624,268
Total Resources	0	0	2,552,000	2,552,000	2,552,000	2,792,268
Requirements						
Total Expenditures	0	0	2,384,000	2,384,000	2,384,000	2,415,896
Ending Working Capital (Fund Balance)	0	0	168,000	168,000	168,000	376,372
Total Requirements	0	0	2,552,000	2,552,000	2,552,000	2,792,268

Reserves (Budgeted amounts only)						
Reserve	0	0	168,000	168,000	168,000	376,372
Total Reserves	0	0	168,000	168,000	168,000	376,372

Note: New fund beginning in FY17

This reporting fund is to account for contributions from private donors in support of the Library, and parks and recreational facilities. It includes five subfunds (181, 183, 185, 186, and 187). Revenues are from contributions, private donors, grants, interest payments, reimbursable services, bequests, and memorials.

Service Categories: Library; Adaptive Recreation; Aquatics; Senior Program; Youth and Family Recreation Services; Capital

Legal limitations on use of Fund resources: No legal limitations. Fund resources are restricted to honor the intent of the donors or requirements of the granting agencies.

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

For FY18:
Library Misc. Trust Fund (181): Includes the Friends of the Eugene Public Library annual gift, which supports programming like Summer Reading, and the Eugene Public Library Foundation annual gift, which supports Library enhancements, including early literacy and new technology.

Arts and Business Loan Program (183): Fund 183 was created in FY16 with a donation from the Arts and Business Alliance of Eugene to start the revolving loan program. Loans from this fund support individual artists and organizations with bridge, opportunity, and creative capital loans.

Parks and Recreation Trust Fund (185): Includes donation and grant revenue for recreation equipment or scholarship purposes. Resources are appropriated to honor the intent of the granting agencies or the donor request. No substantial changes are expected.

Hayes Trust Fund (186): Revenues are expected to stay at a level consistent with the past two years.

Parks Maintenance Fund (187): Includes donation and grant revenue for capital projects specific for park maintenance and development. Revenues are expected to stay at a level consistent with the past two years.

For fiscal years beyond FY18: No substantial changes are expected.

Important fund accomplishments, opportunities or challenges: The fund is restricted to honor the intent of the donors, requirements of the granting agencies or terms of the loan program. Some of these restrictions result in the funds being held and spent in future years. This is the reason for the fund reserve.

Relationships with other funds: The primary purpose of this fund is to enhance services to the public that cannot be provided within the core services funded by the City's General Fund.

Revenue sources and forecast methodology (top 75% of revenues): Revenue is forecasted based on historic trends.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	63,790	32,268	0	251,251	251,338	0
Rental	16,920	37,658	17,920	17,920	17,455	17,920
Charges for Services	64,977	35,591	43,000	43,000	47,050	43,000
Miscellaneous	285,053	950,134	416,666	416,666	429,908	437,301
Principal on Notes/Loans	0	0	0	0	60,000	0
Total Revenues	430,740	1,055,651	477,586	728,837	805,751	498,221
Expenditures						
Library, Rec. and Cultural Srvcs.	230,846	349,164	370,061	595,000	595,000	392,845
Capital	228,696	109,137	1,030,953	1,027,206	1,027,206	809,450
Special Payments	0	16,000	102,006	86,295	60,000	86,872
Total Expenditures	459,542	474,301	1,503,020	1,708,501	1,682,206	1,289,167
Excess (deficiency) of revenues over expenditures	**(28,802)**	**581,350**	**(1,025,434)**	**(979,664)**	**(876,455)**	**(790,946)**
Beginning Working Capital (Fund Balance), July 1	4,144,139	4,115,337	4,125,094	4,696,687	4,696,687	4,595,305
Ending Working Capital (Fund Balance), June 30	4,115,337	4,696,687	3,099,660	3,717,023	3,820,232	3,804,359

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,144,139	4,115,337	4,125,094	4,696,687	4,696,687	4,595,305
Total Revenues	430,740	1,055,651	477,586	728,837	805,751	498,221
Total Resources	4,574,879	5,170,988	4,602,680	5,425,524	5,502,438	5,093,526
Requirements						
Total Expenditures	459,542	474,301	1,503,020	1,708,501	1,682,206	1,289,167
Ending Working Capital (Fund Balance)	4,115,337	4,696,687	3,099,660	3,717,023	3,820,232	3,804,359
Total Requirements	4,574,879	5,170,988	4,602,680	5,425,524	5,502,438	5,093,526

Reserves (Budgeted amounts only)						
Reserve	2,233,809	2,390,316	2,459,461	2,753,750	2,753,750	2,761,895
Balance Available	353,183	534,106	640,199	963,273	963,273	1,042,464
Total Reserves	2,586,992	2,924,422	3,099,660	3,717,023	3,717,023	3,804,359

This reporting fund includes two management funds. The Public Safety Answering Point (PSAP) Fund (132) accounts for the operation of 9-1-1 call-taking in the emergency dispatch center. Resources come from telephone excise taxes collected and distributed by the State of Oregon Office of Emergency Management. The Regional Radio System Fund (134) accounts for the operations, maintenance and equipment replacement reserves of the Regional Radio Systems owned by and/or managed through the Eugene Police Department's Central Lane Communications Center (CLCC). Resources are primarily derived from revenue collected from other authorized government agencies, which subscribe to the communication systems or have executed service contracts for use of the systems.

Service Categories: Call-Taking/Dispatch

Legal Limitations on use of Fund Resources:

Public Safety Answering Point Fund (132): Oregon law (ORS Chapter 403) restricts the use of the 9-1-1 tax revenues to be used for 9-1-1 call taking and processing, and maintenance, development or enhancement of the emergency network system.

Regional Radio System Fund (134): Use of fire dispatch user fees is restricted to the purposes detailed in the intergovernmental agreements between the agencies.

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

For FY18:

Public Safety Answering Point Fund (132): The City of Eugene anticipates distribution from a projected $91 million in collected taxes that is shown in the State of Oregon budget document. The tax distribution is impacted by the timing of the tax revenues collected by the State and the other items those revenues are expected to cover. In recent years, decreased telephone landline subscribers and prepaid cellphone devices has had a negative impact on the ability to have a stable base of tax revenue for use by this fund.

Regional Radio System Fund (134): The resources in the Regional Radio System Fund are designated for system management and equipment replacement and upgrades. Intergovernmental agreements (IGA) dictate the fee collection and distribution methods. For example, this fund includes City of Eugene managed VHF radio system reserves provided by regional fire agencies who contract with the City of Eugene to provide dispatch services. Also, the City of Eugene receives contractual revenue to maintain equipment for the Lane Radio Interoperability Group (LRIG) Regional Radio System. This system is owned and insured by the City of Eugene, but Lane County holds fiduciary responsibilities including the collection of maintenance fees that pay primarily for maintenance of this equipment. In addition, members of the Southwest Seven Counties (SW7) consortium pay maintenance/subscriber fees to Lane County to maintain master site equipment which also supports radio communications. A portion of those fees is provided to the City of Eugene to maintain the master site equipment housed at CLCC and used by all agencies.

For fiscal years beyond FY18:

Public Safety Answering Point Fund (132): A fund shortfall, projected to begin in FY19, is included in the City's Unfunded Needs Assessment.

Regional Radio System Fund (134): Additional system users, including those on the Master Site equipment (equipment used by the SW7), could impact rates applied to infrastructure upgrades, replacement and operations.

Important fund accomplishments, opportunities or challenges:

Public Safety Answering Point Fund (132): Costs continue to outpace revenue growth, and operations are further challenged by state and federal legislation. PSAP Board members and City of Eugene staff will continue to assess long-term strategies to rebuild reserves and respond to legislative changes. The NET 911 Improvement Act of 2008 includes national level plans to ensure the 9-1-1 network is capable of responding to all types of citizen contact and improves information sharing among all emergency response entities. This network capability includes receiving text messages, and sending photos or video content through 9-1-1 initial call routing. Technical challenges to receive these calls from non-traditional sources will require new equipment, standard operating procedures, additional technical staff, as well as significant training for call taking and dispatch staff. The Oregon Office of Emergency Management 9-1-1 Program estimates Next Generation technology could be in place statewide within the next few years.

Regional Radio System Fund (134): The LRIG system is challenged by state and federal legislation and infrastructure costs that outpace revenue. Governance groups and the City of Eugene will continue to assess long-term strategies to respond to these challenges.

Relationships with other funds:

Public Safety Answering Point Fund (132): This fund supplements the City of Eugene General Fund for 9-1-1 call taking and dispatching operations, providing the majority of funds for staffing and required equipment for these operations.

Regional Radio System Fund (134): This fund is the primary source for maintaining required radio communications equipment both locally and regionally. Other local governments and agencies contribute to this fund on a proportionate usage basis. In addition, the City of Eugene provides its share of these funds for equipment maintenance and replacement. Cost sharing strategies for the regional systems expand critical communications capabilities beyond the limits of a single jurisdiction's budget.

Revenue sources and forecast methodology (top 75% of revenues):

Public Safety Answering Point Fund (132): Telephone excise taxes are collected and distributed by the State of Oregon to Public Safety Answering Points throughout Oregon, with 35% funding networks and 60.5% directly distributed to local entities for 9-1-1 call taking and processing. The remaining 4.5% is distributed to the Office of Emergency Management, State 9-1-1 Program for administrative costs (4%) and to the Department of Revenue for the collection of the tax (0.5%). The Legislature approves a distribution budget based on a two-year cycle. The PSAP Board approves the local budget annually.

Regional Radio System Fund (134): Dispatch fee revenues are collected and support the maintenance and management of the Regional Radio system and the master site equipment. The Lane Fire Defense Board (LFDB), LRIG and SW7 Governance Committees approve annual budgets and establish equitable annual subscriber rates.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	746,001	892,164	750,000	750,000	0	0
Charges for Services	1,842,584	1,741,086	1,743,082	2,077,999	2,451,340	1,707,595
Miscellaneous	10,656	7,413	10,750	10,750	14,200	14,000
Interfund Transfers	121,068	0	0	0	0	5,000
Total Revenues	2,720,309	2,640,663	2,503,832	2,838,749	2,465,540	1,726,595
Expenditures						
Police	2,720,251	2,430,889	2,468,749	2,918,749	1,890,044	2,158,200
Interfund Transfers	186,000	197,000	160,000	160,000	160,000	131,000
Special Payments	201,443	0	0	0	0	0
Total Expenditures	3,107,694	2,627,889	2,628,749	3,078,749	2,050,044	2,289,200
Excess (deficiency) of revenues over expenditures	**(387,385)**	**12,774**	**(124,917)**	**(240,000)**	**415,496**	**(562,605)**
Beginning Working Capital (Fund Balance), July 1	2,108,958	1,721,573	1,865,272	1,734,347	1,734,347	2,149,843
Ending Working Capital (Fund Balance), June 30	1,721,573	1,734,347	1,740,355	1,494,347	2,149,843	1,587,238

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	2,108,958	1,721,573	1,865,272	1,734,347	1,734,347	2,149,843
Total Revenues	2,720,309	2,640,663	2,503,832	2,838,749	2,465,540	1,726,595
Total Resources	4,829,267	4,362,236	4,369,104	4,573,096	4,199,887	3,876,438
Requirements						
Total Expenditures	3,107,694	2,627,889	2,628,749	3,078,749	2,050,044	2,289,200
Ending Working Capital (Fund Balance)	1,721,573	1,734,347	1,740,355	1,494,347	2,149,843	1,587,238
Total Requirements	4,829,267	4,362,236	4,369,104	4,573,096	4,199,887	3,876,438

Reserves (Budgeted amounts only)						
Reserve	900,357	903,409	908,520	908,520	908,520	0
Balance Available	445,716	808,126	831,835	585,827	585,827	1,587,238
Total Reserves	1,346,073	1,711,535	1,740,355	1,494,347	1,494,347	1,587,238

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 and Open Space; Urban Forestry

Legal limitations on use of Fund resources: Revenues from the State Highway Trust Fund are legally restricted by ORS 366.785-366.820, 366.514, and Article IX Section 3a of the Oregon Constitution to use for public roads, streets and bridges. Use of other revenue is limited by terms of grants, by ordinance, or by Council policy.

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

For FY18: Phase one of the LED street light retrofit has been completed, with ongoing savings from this project expected to begin in FY18.

For fiscal years beyond FY18: 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 (94%). A future challenge for this fund is the anticipation of expenses increasing faster than revenues.

Important fund accomplishments, opportunities or challenges:
The fund forecast remains positive but does not maintain a two-month balance available at the end of the six-year period. Fund balances are expected to continue to decline. The most significant challenges for this fund are an increase in the fuel efficiency of vehicles and the gain in market share of non-gasoline vehicles. A broad range of economic and demographic variables also have an impact on fuel demand. Public Works will be conservative in projecting future revenues. The forecast limits growth in future years to the State Highway Trust Fund projections.

Relationships with other funds:
The operations and maintenance activities for the City's transportation system conducted out of the Road Fund have a close relationship with the Pavement Preservation Program. This program addresses the road repair backlog and is accounted for in the Pavement Preservation Capital 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 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).

Revenue sources and forecast methodology (top 75% of revenues): The State Highway Trust Fund is approximately 78% of Eugene's Road Fund revenue. The latest forecast from the Oregon Department of Transportation shows revenue growth below actual collections in prior years. It will be important to track legislative actions and the miles driven tax effect on this revenue stream and adjust expenditures accordingly.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Licenses/Permits	1,782,825	1,888,571	1,928,500	1,928,500	1,970,000	2,019,000
Intergovernmental	9,364,592	10,014,318	10,343,114	11,064,712	11,121,102	9,906,446
Rental	126,953	75,441	57,500	57,500	158,178	108,604
Charges for Services	123,384	184,795	113,700	113,700	261,900	214,500
Fines/Forfeitures	2,800	0	0	0	0	0
Miscellaneous	219,389	172,854	146,600	146,600	222,427	119,000
Total Revenues	11,619,943	12,335,979	12,589,414	13,311,012	13,733,607	12,367,550
Expenditures						
Public Works	10,317,522	12,461,833	12,312,222	12,781,607	12,781,607	12,517,888
Interfund Transfers	1,032,752	863,000	965,000	965,000	965,000	1,024,000
Total Expenditures	11,350,274	13,324,833	13,277,222	13,746,607	13,746,607	13,541,888
Excess (deficiency) of revenues over expenditures	**269,669**	**(988,854)**	**(687,808)**	**(435,595)**	**(13,000)**	**(1,174,338)**
Beginning Working Capital (Fund Balance), July 1	4,067,147	4,336,816	2,784,223	3,347,962	3,347,962	3,738,674
Ending Working Capital (Fund Balance), June 30	4,336,816	3,347,962	2,096,415	2,912,367	3,334,962	2,564,336

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,067,147	4,336,816	2,784,223	3,347,962	3,347,962	3,738,674
Total Revenues	11,619,943	12,335,979	12,589,414	13,311,012	13,733,607	12,367,550
Total Resources	15,687,090	16,672,795	15,373,637	16,658,974	17,081,569	16,106,224
Requirements						
Total Expenditures	11,350,274	13,324,833	13,277,222	13,746,607	13,746,607	13,541,888
Ending Working Capital (Fund Balance)	4,336,816	3,347,962	2,096,415	2,912,367	3,334,962	2,564,336
Total Requirements	15,687,090	16,672,795	15,373,637	16,658,974	17,081,569	16,106,224

Reserves (Budgeted amounts only)						
Balance Available	3,311,674	1,376,754	2,096,415	2,912,367	2,912,367	2,564,336
Total Reserves	3,311,674	1,376,754	2,096,415	2,912,367	2,912,367	2,564,336

Road Fund (Fund 131) Six-Year Financial Forecast, FY18 - FY23
Executive Summary

Major Issues for this Fund

Revenues from the State Highway Trust Fund comprise 78% of Eugene's Road Fund revenue. The latest forecast from the Oregon Department of Transportation has projected revenue growth at a lower rate than actual growth rates experience in years prior. It will be important to track legislative actions and the miles driven tax effect on this revenue stream and adjust expenditures accordingly.

	Actual FY15	Actual FY16	Estimate FY17	Proposed FY18	Forecast** FY19	FY20	FY21	FY22	FY23
Resources									
Beginning Working Capital	$4,067,147	$4,336,816	$3,347,961	$3,334,962	$2,564,336	$2,497,051	$2,317,902	$2,017,906	$1,346,910
Revenues									
State Highway Fund	9,256,213	9,601,331	10,232,000	9,677,000	9,870,540	10,067,951	10,269,310	10,474,696	10,684,190
City Utilities- Right of Way	1,412,635	1,509,322	1,641,000	1,702,000	1,819,000	1,893,000	1,968,000	2,047,000	2,047,000
Other	951,094	1,225,326	1,860,607	988,550	855,287	853,941	850,358	844,358	830,938
Total Revenue	11,619,942	12,335,979	13,733,607	12,367,550	12,544,827	12,814,892	13,087,668	13,366,054	13,562,128
Total Resources	15,687,089	16,672,795	17,081,569	15,702,512	15,109,162	15,311,942	15,405,570	15,383,960	14,909,038
Requirements									
Expenditures									
Operations	10,244,817	12,151,948	12,581,606	11,914,176	11,382,112	11,862,040	12,227,664	12,830,050	13,238,690
Pothole Program	72,705	309,885	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Non-Departmental	1,032,752	863,000	965,000	1,024,000	1,030,000	932,000	960,000	1,007,000	1,038,000
Total Expenditures	11,350,274	13,324,833	13,746,606	13,138,176	12,612,112	12,994,040	13,387,664	14,037,050	14,476,690
Annual Surplus/(Deficit)	269,668	(988,854)	(12,999)	(770,626)	(67,285)	(179,148)	(299,997)	(670,996)	(914,562)
Balance Available	4,336,816	3,347,961	3,334,962	2,564,336	2,497,051	2,317,902	2,017,906	1,346,910	432,348
Total Requirements	15,687,089	16,672,795	17,081,569	15,702,512	15,109,162	15,311,942	15,405,570	15,383,960	14,909,038
Target Balance Available*	1,891,712	2,220,806	2,291,101	2,189,696	2,102,019	2,165,673	2,231,277	2,339,508	2,412,782
Amount Above/(Below) Target	2,445,103	1,127,156	1,043,861	374,640	395,032	152,229	(213,372)	(992,598)	(1,980,433)

Notes:

*Target balance available per City policy is two months of operating expenditures, where operating expenditures exclude balance available, reserves, contingency and capital expenditures.

**Forecast was prepared prior to adoption of FY18 Budget. FY18 Proposed amounts do not include adjustments for encumbrances or changes to proposed budget FY19 - 23 assumes 5% of the budget left unspent.

The purpose of this fund is to account for revenue and expenditures associated with regulating solid waste collection services and promoting waste prevention and green building efforts in Eugene. The principal source of revenue is hauler license fees.

Service Categories: Waste Prevention/Green Building and Business Licensing; Governmental Services

Legal limitations on use of Fund resources: City of Eugene Code 3.250(1)(g) authorizes solid waste hauler license fees for the purpose of defraying, at a minimum, the City's regulatory and compliance expenses, and providing educational and business assistance programs to the public.

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

For FY18: The Residential Food Waste Collection Pilot Program, whereby residents of test areas are offered curbside food waste pick up, will be continued in FY18. This pilot advances City waste reduction goals, as outlined in the Climate and Energy Action Plan, and pairs with the food waste prevention education program that the group is pursuing. Staff will continue working with Lane County to update the regional Solid Waste Master Plan, which includes developing a municipal solid waste action plan. Additional activities within this fund include education and training activities for green building strategies, collaboration with EWEB on energy efficiency in buildings and continued evaluation of cost-effective strategies related to materials and consumption as identified in the Climate and Energy Action Plan. The City also received $70,000 in grant funds to test the concept of "repair cafes" in Eugene in the coming year, which will offer a venue for teaching residents how to repair broken household items.

For fiscal years beyond FY18: Staff will continue to implement waste reduction and green building programs in an effort to reduce our community's carbon footprint, provide integrated waste management services, and support our local economy. Program activities will continue to integrate with other City of Eugene departments and the private sector as opportunities arise. Due to the robust work plan and list of projects, staff will be evaluating the need for future staffing increases.

Important fund accomplishments, opportunities or challenges: In the last ten years (2005-2015) the recycling recovery rate for the Lane wasteshed remains consistent with countywide recovery goals. Due to state legislation passed in 2015, Oregon wastesheds are adjusting their recovery rate percentages to ensure the new state goals are met by 2020 and 2025, respectively. Lane County wasteshed had a 2015 recovery rate of 50.4% and is on track to achieve the statewide 55% recovery rate by 2025. Eugene constitutes approximately 52% of the material generated and diverted within the Lane wasteshed.

Relationships with other funds: None.

Revenue sources and forecast methodology (top 75% of revenues): Revenue projections are based on population growth and historical trend analysis for tonnage of materials hauled by the licensees.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Licenses/Permits	839,053	878,312	883,900	883,900	955,523	969,896
Intergovernmental	6,500	0	0	0	17,000	35,000
Charges for Services	8	646	0	0	300	0
Miscellaneous	8,332	6,848	6,000	6,000	14,238	6,500
Total Revenues	853,893	885,806	889,900	889,900	987,061	1,011,396
Expenditures						
Planning and Development	664,028	706,915	969,067	1,004,250	954,359	1,115,198
Interfund Transfers	104,000	74,000	52,000	52,000	52,000	73,000
Total Expenditures	768,028	780,915	1,021,067	1,056,250	1,006,359	1,188,198
Excess (deficiency) of revenues over expenditures	**85,865**	**104,891**	**(131,167)**	**(166,350)**	**(19,298)**	**(176,802)**
Beginning Working Capital (Fund Balance), July 1	515,030	600,895	722,978	705,786	705,786	799,443
Ending Working Capital (Fund Balance), June 30	600,895	705,786	591,811	539,436	686,488	622,641

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	515,030	600,895	722,978	705,786	705,786	799,443
Total Revenues	853,893	885,806	889,900	889,900	987,061	1,011,396
Total Resources	1,368,923	1,486,701	1,612,878	1,595,686	1,692,847	1,810,839
Requirements						
Total Expenditures	768,028	780,915	1,021,067	1,056,250	1,006,359	1,188,198
Ending Working Capital (Fund Balance)	600,895	705,786	591,811	539,436	686,488	622,641
Total Requirements	1,368,923	1,486,701	1,612,878	1,595,686	1,692,847	1,810,839

Reserves (Budgeted amounts only)						
Balance Available	414,530	583,688	591,811	539,436	539,436	622,641
Total Reserves	414,530	583,688	591,811	539,436	539,436	622,641

The purpose of this reporting fund is to account for activities related to support of the special assessment program, specifically: receivables work (legal notifications, billings, account servicing), collections (delinquencies and foreclosure sales), and treasury (debt management), as well as a loan program to pay for assessments on behalf of property owners when they meet some qualifying criteria. The fund includes three subfunds (114, 115, and 117).

Service Category: Financial Services

Legal limitations of use of Fund resources: There are no legal restrictions on the use of the resources in this fund. Use is directed by Council policy. The City has contracts with property owners to provide services through this fund.

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

For FY18: Following are brief descriptions of the various subfunds used by the City for its special assessment program.

- Fund 114 – Low-Income Senior Deferral Fund
- Fund 115 – Special Assessment Management Fund
- Fund 117 – Low-Income Sewer Deferral Fund

The major types of revenue recognized in the deferral funds are principal and interest payments on deferred assessments which have been released from their deferred status, as well as interest on investments. The Special Assessment Management Fund is used to administer these programs. The major revenue source is a 5% finance administration charge that is charged to all property owners at the time of assessment. Effective with Local Improvement Districts formed after October 2005, an additional finance fee (for those wishing to finance with the City) made up of a flat fee of $420 plus 1.5% of the assessment to help cover the costs of financing these accounts over time, as well as bond issuance costs. Due to the decreased assessment activity in the last few years, as well as the low interest rates and accounts paying off early, these accounts have decreased substantially in number. There are no projects scheduled for FY18.

For fiscal years beyond FY18: There are no projects scheduled.

Relationships with other funds: When property owners qualify for some type of low income or age deferral, accounts are transferred from the construction fund (before bonding) or bond fund (after bonding) and are deferred. When property owners no longer qualify for these deferrals, the accounts are transferred back to their originating fund.

Revenue sources and forecast methodology (top 75% of revenues): Revenues are forecasted based upon the projected project list supplied by Public Works.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Charges for Services	53,013	43,682	45,220	45,220	45,080	44,400
Miscellaneous	22,613	16,569	15,700	15,700	17,050	17,590
Interfund Transfers	0	0	30,000	30,000	30,000	30,000
Principal on Assessements	17,103	4,333	3,000	3,000	100	1,000
Prin. on Assmts. - Finance Fee	4,218	4,804	1,100	1,100	1,700	700
Total Revenues	96,947	69,388	95,020	95,020	93,930	93,690
Expenditures						
Central Services	81,594	87,168	97,870	97,870	97,870	102,155
Interfund Transfers	9,000	7,000	8,000	8,000	8,000	9,000
Special Payments	0	0	30,000	30,000	30,000	30,000
Total Expenditures	90,594	94,168	135,870	135,870	135,870	141,155
Excess (deficiency) of revenues over expenditures	**6,353**	**(24,780)**	**(40,850)**	**(40,850)**	**(41,940)**	**(47,465)**
Beginning Working Capital (Fund Balance), July 1	1,243,009	1,249,362	1,221,355	1,224,582	1,224,582	1,182,642
Ending Working Capital (Fund Balance), June 30	1,249,362	1,224,582	1,180,505	1,183,732	1,182,642	1,135,177

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,243,009	1,249,362	1,221,355	1,224,582	1,224,582	1,182,642
Total Revenues	96,947	69,388	95,020	95,020	93,930	93,690
Total Resources	1,339,956	1,318,750	1,316,375	1,319,602	1,318,512	1,276,332
Requirements						
Total Expenditures	90,594	94,168	135,870	135,870	135,870	141,155
Ending Working Capital (Fund Balance)	1,249,362	1,224,582	1,180,505	1,183,732	1,182,642	1,135,177
Total Requirements	1,339,956	1,318,750	1,316,375	1,319,602	1,318,512	1,276,332

Reserves (Budgeted amounts only)						
Reserve	50,000	50,000	50,000	50,000	50,000	50,000
Balance Available	1,154,122	1,161,555	1,130,505	1,133,732	1,133,732	1,085,177
Total Reserves	1,204,122	1,211,555	1,180,505	1,183,732	1,183,732	1,135,177

The purpose of this fund is to account for revenues and expenditures associated with the City's 2% registration fee/business privilege tax imposed on providers of telecommunications services in Eugene.

Service Categories: Information Technology Services; Capital

Legal limitations on use of Fund resources: As established in 1997 by Ordinance 20083 and by City Code 3.415, the 2% registration fee/business privilege tax is to be used in development and implementation of telecommunications policies, programs and projects that protect and advance the citizen's health, safety and welfare.

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

For FY18: Telecom tax revenues will be used for City telecommunications-related projects and activities that benefit the community. Projects eligible for telecom funding are developed and reviewed concurrently with the Information Services Division's IT Technologies work plan and are approved by the Executive Management Team. Telecommunications equipment replacement needs are approved by Department Budget Managers in consultation with the Finance and Information Services Divisions. Approximately $1.9 million will be spent in FY18 on new City telecommunications technology projects, equipment replacement and public safety systems.

For fiscal years beyond FY18: Both telecommunications technology and the regulatory environment are rapidly evolving. Major telecommunications providers are active at state and federal levels, seeking to influence the degree to which the industry may be taxed, and these activities continue to be a significant threat to this source of revenue.

Important fund accomplishments, opportunities or challenges: In addition to establishing a telecommunications technology equipment replacement program, this fund has supported over 170 new City telecommunication technology projects to date, which can be found at www.eugene-or.gov/telecom. Several of the projects funded through the City's telecom program have won innovation awards. In FY17, Eugene was named a Gigabit City by Mozilla, a nationwide technology nonprofit, a designation awarded for the downtown high speed fiber network, which received a $1 million allocation from the Telecom Registration/Licensing Fund. Funded projects have introduced technology advancements to the City organization and community that would otherwise leave functional deficits, especially in the area of public safety.

Relationships with other funds: A dedicated portion of the fund is utilized for telecommunications equipment supporting General Fund services. The Telecom Fund also helps support the Public Safety Information Systems Fund.

Revenue sources and forecast methodology (top 75% of revenues): The revenue stream for this fund is 2% of registrants' gross revenues derived from their telecommunication activities within the city. While over 165 wireline, wireless and cable communications providers are registered in the program, generally, the top ten providers account for 95% or more of the revenue collected. The forecast is based on a projection of current yearly revenues collected.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Licenses/Permits	2,818,523	2,590,693	2,900,000	2,900,000	2,700,000	2,700,000
Miscellaneous	30,910	32,783	32,000	32,000	54,000	40,000
Total Revenues	2,849,433	2,623,476	2,932,000	2,932,000	2,754,000	2,740,000
Expenditures						
Central Services	2,781,949	1,797,756	2,734,342	5,008,065	5,008,065	2,747,204
Interfund Transfers	490,000	1,493,000	479,000	479,000	479,000	487,000
Total Expenditures	3,271,949	3,290,756	3,213,342	5,487,065	5,487,065	3,234,204
Excess (deficiency) of revenues over expenditures	**(422,516)**	**(667,280)**	**(281,342)**	**(2,555,065)**	**(2,733,065)**	**(494,204)**
Beginning Working Capital (Fund Balance), July 1	6,496,868	6,074,352	3,747,278	5,407,072	5,407,072	2,674,007
Ending Working Capital (Fund Balance), June 30	6,074,352	5,407,072	3,465,936	2,852,007	2,674,007	2,179,803

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	6,496,868	6,074,352	3,747,278	5,407,072	5,407,072	2,674,007
Total Revenues	2,849,433	2,623,476	2,932,000	2,932,000	2,754,000	2,740,000
Total Resources	9,346,301	8,697,828	6,679,278	8,339,072	8,161,072	5,414,007
Requirements						
Total Expenditures	3,271,949	3,290,756	3,213,342	5,487,065	5,487,065	3,234,204
Ending Working Capital (Fund Balance)	6,074,352	5,407,072	3,465,936	2,852,007	2,674,007	2,179,803
Total Requirements	9,346,301	8,697,828	6,679,278	8,339,072	8,161,072	5,414,007

Reserves (Budgeted amounts only)						
Reserve	340,907	340,907	302,847	302,847	302,847	592,847
Balance Available	3,683,356	3,093,687	3,163,089	2,549,160	2,549,160	1,586,956
Total Reserves	4,024,263	3,434,594	3,465,936	2,852,007	2,852,007	2,179,803

Debt Service Funds - used to account for the accumulation of resources and payment of long-term debt principal and interest					
Reporting Fund Name and Number (listed alphabetically)	**Purpose**	**Primary Funding Sources**	**Primary Expenditures**	**Spending Restrictions**	**FY18 Adopted Budget Document Reference**
General Obligation Debt Service Fund (211)	To account for revenues and expenditures related to voter-approved General Obligation bonds issued by the City.	Property tax revenues.	Payments of principal and interest on outstanding General Obligation bonds approved by voters.	ORS 294.388 requires a separate fund to be set up for payment of General Obligation bonds. ORS 287A.140 states that the City may not divert funds while principal or interest on G.O. bonds remain unpaid.	Page 176
Special Assessment Bond Debt Fund (250)	To pay principal and interest on bonds issued to pay for property owner assessment financing contracts.	Assessment bond proceeds and fees paid by property owners.	Payments of principal and interest to bond holders.	Bond covenants restrict property owner payments to paying off principal and interest on assessment bonds issued by the City.	Page 177

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Taxes	13,972,976	14,507,420	13,117,486	13,117,486	13,487,000	13,045,331
Miscellaneous	26,607	30,688	18,000	18,000	25,180	25,000
Gen. Obligation Bonds Issued	0	8,929,919	0	0	0	0
Total Revenues	13,999,583	23,468,027	13,135,486	13,135,486	13,512,180	13,070,331
Expenditures						
Debt Service	13,720,968	23,532,715	13,333,507	13,425,650	13,425,650	13,447,025
Total Expenditures	13,720,968	23,532,715	13,333,507	13,425,650	13,425,650	13,447,025
Excess (deficiency) of revenues over expenditures	**278,615**	**(64,688)**	**(198,021)**	**(290,164)**	**86,530**	**(376,694)**
Beginning Working Capital (Fund Balance), July 1	76,237	354,852	198,021	290,164	290,164	376,694
Ending Working Capital (Fund Balance), June 30	354,852	290,164	0	0	376,694	0

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	76,237	354,852	198,021	290,164	290,164	376,694
Total Revenues	13,999,583	23,468,027	13,135,486	13,135,486	13,512,180	13,070,331
Total Resources	14,075,820	23,822,879	13,333,507	13,425,650	13,802,344	13,447,025
Requirements						
Total Expenditures	13,720,968	23,532,715	13,333,507	13,425,650	13,425,650	13,447,025
Ending Working Capital (Fund Balance)	354,852	290,164	0	0	376,694	0
Total Requirements	14,075,820	23,822,879	13,333,507	13,425,650	13,802,344	13,447,025

Reserves (Budgeted amounts only)						
Reserve	0	0	0	0	0	0
Total Reserves	0	0	0	0	0	0

Special Assessment Bond Debt Fund (250)

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Miscellaneous	25,632	16,071	40,400	40,400	13,100	31,100
Principal on Assessments	80,739	79,465	260,200	260,200	27,000	220,250
Prin. on Assmts. - Finance Fee	(1,770)	(8,196)	0	0	397	0
Total Revenues	104,601	87,340	300,600	300,600	40,497	251,350
Expenditures						
Debt Service	112,870	96,076	300,000	300,000	32,600	250,000
Interfund Transfers	0	353,535	10,000	10,000	10,000	10,000
Total Expenditures	112,870	449,611	310,000	310,000	42,600	260,000
Excess (deficiency) of revenues over expenditures	**(8,269)**	**(362,271)**	**(9,400)**	**(9,400)**	**(2,103)**	**(8,650)**
Beginning Working Capital (Fund Balance), July 1	443,831	435,562	67,921	73,291	73,291	71,188
Ending Working Capital (Fund Balance), June 30	435,562	73,291	58,521	63,891	71,188	62,538

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	443,831	435,562	67,921	73,291	73,291	71,188
Total Revenues	104,601	87,340	300,600	300,600	40,497	251,350
Total Resources	548,432	522,902	368,521	373,891	113,788	322,538
Requirements						
Total Expenditures	112,870	449,611	310,000	310,000	42,600	260,000
Ending Working Capital (Fund Balance)	435,562	73,291	58,521	63,891	71,188	62,538
Total Requirements	548,432	522,902	368,521	373,891	113,788	322,538

Reserves (Budgeted amounts only)						
Reserve	419,937	61,506	58,521	63,891	63,891	62,538
Total Reserves	419,937	61,506	58,521	63,891	63,891	62,538

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of major capital facilities					
Reporting Fund Name and Number (listed alphabetically)	**Purpose**	**Funding Sources**	**Primary Expenditures**	**Spending Restrictions**	**FY18 Adopted Budget Document Reference**
General Capital Projects Fund (310)	To account for financing, construction and preservation of capital facilities not financed by proprietary or other capital projects funds and affordable housing.	General Fund transfer, bond proceeds, grants and loan repayments.	Preservation and major repairs of General Fund buildings, public art, City Hall replacement and park and open space land acquisitions.	Funding provided by bond proceeds (including interest earnings) are restricted by the terms of the bond measure approved by voters. Grants are usually restricted to a specific project or type of project. General Fund transfers are unrestricted. Fund 314 is restricted by Council Policy to provide capital funding for affordable housing projects. The revenue generated from loan repayment is designated for future affordable housing projects.	Page 179
Special Assessments Capital Projects Fund (350)	To account for interim financing and related costs of construction for public improvements which primarily benefit the property owners against whose properties special assessments are levied.	Debt issuance and repayment.	Construction of public improvements.	State law restricts assessments to the specific improvement constructed.	Page 183
Systems Development Capital Projects Fund (330)	To account for Systems Development Charge (SDC) revenues and expenditures in four major infrastructure systems.	SDC fees paid when permits are issued.	Capacity-enhancing projects for the following systems: transportation, wastewater, stormwater and parks.	ORS 223.297 to 223.314 restricts expenditures to capacity-enhancing projects for the four systems.	Page 185
Transportation Capital Projects Fund (340)	To account for revenues from dedicated sources and related non-development transportation capital project expenditures.	State and federal transportation grants, a $0.05 per gallon local motor vehicle fuel tax and the 2012 voter-approved Street Bond.	Pavement preservation program fixing streets and funding bicycle and pedestrian projects.	Funding provided by bond proceeds (including interest earnings) are restricted by the terms of the bond measure approved by voters. Grants are usually restricted to a specific project or type of project. Gas tax revenues are dedicated to the preservation and maintenance of the street system per Oregon State Constitution, Article 9, Section 3a; ORS 366 and 367 and City Code 3.489 (2).	Page 187

The purpose of this reporting fund is to account for the financing, construction and preservation of capital facilities not financed by proprietary or other capital projects funds. This fund has six subfunds, each dedicated to a particular project type.

Service Categories: Capital; Housing; Parks and Open Space; Cultural Services

Legal limitations on use of Fund resources:
General Capital Projects Fund (311): No legal limitations. Council policy determines use.

Housing Capital Projects Fund (314): No legal limitations. Council policy directs this fund to provide capital funding affordable housing projects. The revenue generated from loan repayment is designated for future affordable housing projects.

Public Art Fund (319): Use of funds is outlined in sections 2.638 to 2.648 of the Eugene Municipal Code. Resources can only be used for expenses related to public art projects.

Parks and Open Space Capital Projects Fund (321): Funds are restricted by the bond measure approved by the voters in 1998 to purchase parkland, build parks and youth sports fields and replace Amazon Pool.

City Hall Replacement Fund (323): No legal limitations. Council policy determines use.

2006 PROS Bond Fund (324): Funds are restricted by the bond measure approved by the voters to purchase land for parks and open space and construct and improve park facilities.

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

For FY18:
General Capital Projects Fund (311): Supports preservation and major repairs of over 100 General Fund buildings valued at $300 million. This subfund is a critical component of the Capital Improvement Program for addressing critical seismic deficiencies, exterior preservation to prevent additional damage to structures, and mechanical systems which affect the continued operation of City programs.

Housing Capital Projects Fund (314): Revenues include proceeds from sales of properties previously purchased or developed with General Fund monies. Expenditures are determined by the balance available and certain landbank acquisitions/development sites that are not eligible for federal grant use.

Public Art Fund (319): The Public Art Program oversees acquisitions, donations, maintenance, budgeting and planning for Eugene's public art. Revenue relies on eligible capital projects.

City Hall Replacement Fund (323): The current appropriation is being used to fund the City Hall Phase 1 project.

2006 PROS Bond Fund (324): Park and open space land acquisitions are outlined in the bond measure.

For fiscal years beyond FY18:
General Capital Projects Fund (311): The projected funding will continue to be below minimum standards for adequate preservation of the City's General Fund building assets.

Housing Capital Projects Fund (314): Revenues include proceeds from sales of properties previously purchased or developed with General Fund monies. Expenditures are determined by the balance available and certain landbank acquisitions/development sites that are not eligible for federal grant use.

Public Art Fund (319): Routine and preventative maintenance for Eugene's public art is underfunded. This includes maintenance for art in parks, art in the right-of-way and art in and around City-owned buildings. A small routine maintenance fund has been established via Cultural Services as a stopgap to ongoing maintenance needs. In the interest of protecting the investment in Eugene's public art, major public art repairs need an additional funding source.

City Hall Replacement Fund (323): Fund will continue to be utilized for construction as directed by Council.

2006 PROS Bond Fund (324): Additional parks and open space land acquisitions are projected to complete the bond.

Important fund accomplishments, opportunities or challenges:
General Capital Projects Fund (311): Industry standards call for reinvesting 2 to 4% of the total asset value in ongoing preservation and maintenance. However, the addition of new facilities without a proportionate increase in building preservation funding has lowered the City's level of reinvestment to well below 2% of asset value. Without increased funding, the backlog of deficiencies will grow at an accelerated pace as newer buildings age and the overall condition of General Fund facilities deteriorates. For example, the 2nd and Chambers public safety campus is over 15 years old, the Eugene Public Library is over 10 years old, and the Police Headquarters is a 30 year-old building that was only partially updated when remodeled in 2012. In addition, Recreation programs may experience revenue reduction if patron enjoyment is negatively affected by the condition of the facilities. These facilities and others will require major capital reinvestment in the coming years in order to continue operating safely, efficiently, and appropriately.

Housing Capital Projects Fund (314): In previous years, funds have been used to purchase landbank properties for low-income housing development. During FY14, this fund was used to repay the U.S. Department of Housing and Urban Development for a portion of the Willow Creek landbank site which has not been developed or sold due to economic conditions. In FY16, the fund received partial repayment from the initial down payment made on the sale of the Willow Creek land bank site. Full repayment is yet to be completed.

Public Art Fund (319): This fund was established with the intent to dedicate a portion of funds used for the construction of City facilities to purchase public art. Within certain guidelines, an equivalent of 1% of the funds to construct or purchase public buildings is to be deposited in the fund. Fewer capital projects means less revenue for this fund. The 2010 Public Art Plan calls for Eugene to follow national trends and increase its percentage art formula from 1% to 2% or base revenue on a per capita formula. Currently, the City is responsible for ongoing inventory management and maintenance without a sustainable funding mechanism.

Parks and Open Space Fund (321): Almost all categories of projects making up a voter-approved $25 million park bond are completed and in use by the community.

2006 PROS Bond Fund (324): Six synthetic surface athletics fields have been successfully constructed within the 4J and 52 school districts. Improvements at Golden Gardens Park have been completed, including a new trail system circumnavigating the ponds. More than 680 acres of ridgeline properties for the Ridgeline Trail system have been purchased that provide key linkages along the Ridgeline corridor. Over 300 acres have been successfully purchased for neighborhood and community parks.

Relationships with other funds:
General Capital Projects Fund (311): This fund relies primarily on the General Fund to support ongoing preservation of the City's General Fund building assets. Americans with Disabilities Act (ADA) deficiencies in City buildings and facilities are also addressed through the Community Development Block Grant (CDGB) prioritization and funding process. Inadequate fund resources could impact the Facility Maintenance Fund's (Fund 618) ability to maintain General Fund buildings. In addition, the 1998 Parks and Open Space bond measure has funded construction of a number of new parks, sports fields, and open space recreation areas. These new facilities will also require investment in capital preservation.

Housing Capital Projects Fund (314): In the future, these resources may be combined with CDBG (Fund 171 and 177) and HOME (Fund 178) allocations and Low Income Housing Trust (Fund 175) monies to acquire and develop additional landbank sites.

Public Art Fund (319): Revenues are derived primarily from the Capital Project Fund and support from the Cultural Services subfund 031 and donations.

Parks and Open Space Fund (321): Storm water acquisition funds, Parks SDC funds, and Park Maintenance fund donations and grants are used in conjunction with Parks and Open Space Bond funds to maximize the use of available resources.

City Hall Replacement Fund (323): This fund relies on revenues from other funds to provide the resources to fund capital expenditures.

2006 PROS Bond Fund (324): Where appropriate, stormwater acquisition funds, Parks SDC funds, and Park Maintenance fund donations and grants are planned to be used in conjunction with the 2006 PROS Bond funds to maximize the use of available resources.

Revenue sources and forecast methodology (top 75% of revenues): Fund revenues have typically changed from year to year, and may be derived from interfund transfers, bond measures, property sales, and interest earned on fund balances.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Rental	14,257	22,501	15,000	15,000	15,000	15,000
Miscellaneous	4,209,371	122,111	16,000	1,096,000	1,252,584	37,414
Interfund Transfers	6,762,857	4,409,300	3,609,300	4,659,300	4,659,300	3,709,300
Draws on Line of Credit	1,900,000	0	0	0	0	2,000,000
Gen. Obligation Bonds Issued	0	4,403,278	0	3,277,991	3,277,991	0
Total Revenues	12,886,485	8,957,190	3,640,300	9,048,291	9,204,875	5,761,714
Expenditures						
Library, Rec. and Cultural Srvcs.	0	4,308	20,000	20,000	20,000	20,000
Capital	11,645,861	8,572,391	26,300,541	25,602,245	25,752,378	26,031,254
Debt Service	5,106	22,375	50,000	50,000	50,000	40,000
Total Expenditures	11,650,967	8,599,074	26,370,541	25,672,245	25,822,378	26,091,254
Excess (deficiency) of revenues over expenditures	**1,235,518**	**358,116**	**(22,730,241)**	**(16,623,954)**	**(16,617,503)**	**(20,329,540)**
Beginning Working Capital (Fund Balance), July 1	15,902,610	17,138,128	24,056,742	17,496,244	17,496,244	23,704,117
Ending Working Capital (Fund Balance), June 30	17,138,128	17,496,244	1,326,501	872,290	878,741	3,374,577

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	15,902,610	17,138,128	24,056,742	17,496,244	17,496,244	23,704,117
Total Revenues	12,886,485	8,957,190	3,640,300	9,048,291	9,204,875	5,761,714
Total Resources	28,789,095	26,095,318	27,697,042	26,544,535	26,701,119	29,465,831
Requirements						
Total Expenditures	11,650,967	8,599,074	26,370,541	25,672,245	25,822,378	26,091,254
Ending Working Capital (Fund Balance)	17,138,128	17,496,244	1,326,501	872,290	878,741	3,374,577
Total Requirements	28,789,095	26,095,318	27,697,042	26,544,535	26,701,119	29,465,831

Reserves (Budgeted amounts only)						
Reserve	26,560	26,560	26,560	26,560	26,560	26,560
Balance Available	673,619	686,990	1,299,941	845,730	845,730	3,348,017
Total Reserves	700,179	713,550	1,326,501	872,290	872,290	3,374,577

The purpose of this reporting fund is to account for the interim financing and related costs of construction for public improvements which primarily benefit the property owners against whose properties special assessments are levied. It is made up of two subfunds: the Special Assessments Capital Fund (351) and the Delayed Assessments Fund (352). Construction period financing is obtained through draws on a line of credit, and the debt service thereon is financed through special assessment collections, proceeds of long-term bonded debt and interest on investments.

Service Category: Capital

Legal limitations on use of Fund resources: There are contractual and fiduciary limitations on the use of this fund's resources. Per City Code, developers are required to pay their share of an arterial/collector street improvement before the project takes place. These advance payments are held in a liability account and accrue interest.

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

For FY18: There are no new assessment projects scheduled in FY18.

For fiscal years beyond FY18: At this time, there are no projects scheduled to be assessed. A delayed assessment may be granted for assessment costs in excess of 100 feet until further development for partially-developed lots which are greater than ½ acre. All assessment costs may be delayed until development for vacant parcels. Assessable projects are either identified by Council or initiated by property owner petition.

Important fund accomplishments, opportunities or challenges: None identified.

Relationships with other funds: The assessment fund receives City reimbursement from SDC funds or other City funds that contribute to the non-assessable portions of an assessment project.

Revenue sources and forecast methodology (top 75% of revenues): Revenues are based upon the projected list of projects supplied by Public Works.

Special Assessments Capital Projects Fund (350) Capital Projects Funds

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Charges for Services	0	103,816	0	0	64,000	0
Miscellaneous	16,706	12,467	14,500	14,500	17,370	33,900
Principal on Assessments	19,791	22,763	11,600	11,600	11,800	7,000
Total Revenues	36,497	139,046	26,100	26,100	93,170	40,900
Expenditures						
Interfund Transfers	0	610,291	20,000	20,000	20,000	20,000
Total Expenditures	0	610,291	20,000	20,000	20,000	20,000
Excess (deficiency) of revenues over expenditures	**36,497**	**(471,245)**	**6,100**	**6,100**	**73,170**	**20,900**
Beginning Working Capital (Fund Balance), July 1	1,561,990	1,598,487	1,105,596	1,127,242	1,127,242	1,200,412
Ending Working Capital (Fund Balance), June 30	1,598,487	1,127,242	1,111,696	1,133,342	1,200,412	1,221,312

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,561,990	1,598,487	1,105,596	1,127,242	1,127,242	1,200,412
Total Revenues	36,497	139,046	26,100	26,100	93,170	40,900
Total Resources	1,598,487	1,737,533	1,131,696	1,153,342	1,220,412	1,241,312
Requirements						
Total Expenditures	0	610,291	20,000	20,000	20,000	20,000
Ending Working Capital (Fund Balance)	1,598,487	1,127,242	1,111,696	1,133,342	1,200,412	1,221,312
Total Requirements	1,598,487	1,737,533	1,131,696	1,153,342	1,220,412	1,241,312

Reserves (Budgeted amounts only)						
Balance Available	1,504,126	991,696	1,111,696	1,133,342	1,133,342	1,221,312
Total Reserves	1,504,126	991,696	1,111,696	1,133,342	1,133,342	1,221,312

System Development Capital Projects Fund (330) Capital Projects Funds

The purpose of this reporting fund is to account for System Development Charge (SDC) revenues and expenditures in four major infrastructure systems. SDCs are fees paid at the time of development permits being issued to cover a property's fair share of the infrastructure benefitting the property. Eugene's SDCs combine improvement and reimbursement components for transportation, wastewater, stormwater, and the parks system. Expenditures of the improvement component of SDCs are restricted by state law to capacity-enhancing projects for the system for which the fee is imposed. The reimbursement portion of SDCs may be used to rehabilitate existing systems. This fund includes five subfunds: one operating fund for administration (332) and four capital system funds (333, 334, 335 and 336).

Service Categories: Capital; Construction Permits; Parks and Open Space

Legal limitations on use of Fund resources: Oregon statutes (ORS 223.297-223.314) require that local system development charge revenue be used only to fund capital improvements or for repayment of indebtedness for capital improvements associated with the systems for which the fees were assessed.

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

> **For FY18:** Oregon state law (ORS 223.297-223.314) provides the statewide framework for guiding SDCs and constrains local government's flexibility in establishing the methodologies and criteria for setting SDC rates. Future changes to the City's SDC methodologies, adopted by Council resolution, must comply with revisions to state law. The level of SDC activity is highly dependent on construction activity in the community. Due to the unpredictability of development activity, revenues are budgeted at a conservative level based upon recent trends. When activity from development increases, SDC revenues typically increase. Public Works will increase expenditures in future years for revenues received.

For fiscal years beyond FY18: The expenditures for the years beyond FY18 will be responsive to development activity in each system.

Important fund accomplishments, opportunities or challenges: In the current economy, revenue has increased from historical lows but has not yet reached the highs before the last recession.

Relationships with other funds: SDC revenues help fund the City's share of costs for assessable system improvement projects. The reimbursement fee component of applicable SDC funds provides an additional resource to the Pavement Preservation, Stormwater Capital and Wastewater Capital Funds in the form of preservation dollars for existing systems. Parks SDC funds are being used in conjunction with Parks, Recreation & Open Space (PROS) bond funds to ensure that park capital projects provide adequate capacity for both existing and future park users. Additionally, Park SDC reimbursement funds are used in conjunction with general capital funds to rehabilitate existing park system components.

Revenue sources and forecast methodology (top 75% of revenues): The forecast of SDC revenue is based on projected increases or decreases in building permit activity in combination with historical revenue collections.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	0	2,500	0	0	0	0
Rental	131,751	163,503	288,840	288,840	159,072	159,840
Charges for Services	6,055,062	5,793,644	3,992,100	3,992,100	6,341,707	4,345,298
Miscellaneous	163,002	190,000	112,947	112,947	287,331	255,417
Principal on Notes/Loans	0	5,124	0	0	0	0
Total Revenues	6,349,815	6,154,771	4,393,887	4,393,887	6,788,110	4,760,555
Expenditures						
Planning and Development	80,380	99,537	91,129	91,129	91,129	119,171
Public Works	330,961	232,238	502,248	497,730	478,449	544,406
Capital	2,034,025	2,780,933	11,907,066	12,796,283	12,796,283	16,486,369
Interfund Transfers	34,000	39,000	41,000	41,000	41,000	44,000
Total Expenditures	2,479,366	3,151,708	12,541,443	13,426,142	13,406,861	17,193,946
Excess (deficiency) of revenues over expenditures	**3,870,449**	**3,003,063**	**(8,147,556)**	**(9,032,255)**	**(6,618,751)**	**(12,433,391)**
Beginning Working Capital (Fund Balance), July 1	17,006,703	20,877,152	23,164,407	23,880,215	23,880,215	28,235,956
Ending Working Capital (Fund Balance), June 30	20,877,152	23,880,215	15,016,851	14,847,960	17,261,464	15,802,565

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	17,006,703	20,877,152	23,164,407	23,880,215	23,880,215	28,235,956
Total Revenues	6,349,815	6,154,771	4,393,887	4,393,887	6,788,110	4,760,555
Total Resources	23,356,518	27,031,923	27,558,294	28,274,102	30,668,325	32,996,511
Requirements						
Total Expenditures	2,479,366	3,151,708	12,541,443	13,426,142	13,406,861	17,193,946
Ending Working Capital (Fund Balance)	20,877,152	23,880,215	15,016,851	14,847,960	17,261,464	15,802,565
Total Requirements	23,356,518	27,031,923	27,558,294	28,274,102	30,668,325	32,996,511

Reserves (Budgeted amounts only)						
Balance Available	13,128,580	15,146,122	15,016,851	14,847,960	14,847,960	15,802,565
Total Reserves	13,128,580	15,146,122	15,016,851	14,847,960	14,847,960	15,802,565

The purpose of this reporting fund is to account for revenues from dedicated sources and related non-development transportation capital project expenditures. This fund includes three subfunds: the Road General Capital Projects Fund (341), the Pavement Preservation Capital Fund (342), and the 2012 Street Bond Fund (344). Revenues are generated primarily from state and federal transportation grants, a $0.05 per gallon local motor vehicle fuel tax, and the 2012 Street Repair Bond.

Service Category: Capital

Legal limitations on use of Fund resources: Revenues from the motor vehicle fuel taxes are restricted by the Oregon Constitution Article 9 Section 3a, ORS 366 and 367, and by City Code 3.489(2) to preservation and maintenance of the street system. Capital bond revenue is restricted under the terms of the bond measure approved by the voters. Capital grant resources are restricted to the purposes of each grant.

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

For FY18: The $0.05 per gallon local motor vehicle fuel tax is a significant ongoing revenue stream for funding the Pavement Preservation Program. The fuel tax is projected to generate approximately $3 million in FY18. In November 2012, Eugene voters passed a five-year, $43 million General Obligation (G.O.) Bond measure to fix the streets and fund bicycle and pedestrian projects. The fourth set of the 76 projects that comprise the bond measure will be constructed in FY18.

For fiscal years beyond FY18: The local motor vehicle fuel tax is expected to generate about $3 million annually for the pavement preservation program. The 2012 bond measure will fund the completion of the 76 street projects authorized under that measure and an average of $516,000 of bicycle and pedestrian projects per year.

Important fund accomplishments, opportunities or challenges: The 2017 Pavement Management Report calculated an increase in the backlog of improved asphalt streets. Although costs have increased due to inflation, the number of backlog projects has remained steady. The projected level of funding beyond the 2012 bond measure is insufficient to stabilize this backlog. Each year a number of City streets continue to fall into a more costly repair category.

Relationships with other funds: The transportation capital funds have a close relationship with the operations and maintenance (O&M) activities for the City's transportation system accounted for in the Road Fund (131). An adequately funded O&M program reduces capital preservation costs. Similarly, repairing more streets through capital preservation over time reduces street O&M costs. When either ongoing O&M or capital preservation activities are underfunded, the deferred work increases overall system costs. Resources from this fund are often combined with resources from the Assessment Fund and Transportation SDC Capital Fund to complete projects.

Revenue sources and forecast methodology (top 75% of revenues): The top two revenues are the local motor vehicle fuel tax and the 2012 G.O. Bond. The forecast for local motor vehicle fuel tax revenue is based on the historical trend. The G.O. Bond is based upon the voter-approved measure. Federal and state grants are utilized as they are awarded.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Taxes	2,996,958	3,050,845	2,880,000	2,880,000	3,209,198	3,000,000
Intergovernmental	747,367	1,079,702	3,720,662	11,428,562	11,461,462	10,639,471
Rental	25,159	39,707	0	0	36,000	0
Charges for Services	335,321	140,592	25,000	75,521	50,521	50,000
Miscellaneous	21,314	27,635	16,000	16,000	32,948	30,000
Draws on Line of Credit	6,800,000	6,879,700	8,600,000	12,770,240	11,397,713	8,900,000
Interfund Transfers	224,752	30,000	30,000	30,000	30,000	30,000
Total Revenues	11,150,871	11,248,181	15,271,662	27,200,323	26,217,842	22,649,471
Expenditures						
Capital	11,825,185	10,008,250	28,608,009	30,785,650	30,785,650	41,519,426
Debt Service	3,682	5,680	10,000	10,000	10,000	10,000
Total Expenditures	11,828,867	10,013,930	28,618,009	30,795,650	30,795,650	41,529,426
Excess (deficiency) of revenues over expenditures	**(677,996)**	**1,234,251**	**(13,346,347)**	**(3,595,327)**	**(4,577,808)**	**(18,879,955)**
Beginning Working Capital (Fund Balance), July 1	4,944,056	4,266,060	14,789,219	5,500,311	5,500,311	19,740,258
Ending Working Capital (Fund Balance), June 30	4,266,060	5,500,311	1,442,872	1,904,984	922,503	860,303

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,944,056	4,266,060	14,789,219	5,500,311	5,500,311	19,740,258
Total Revenues	11,150,871	11,248,181	15,271,662	27,200,323	26,217,842	22,649,471
Total Resources	16,094,927	15,514,241	30,060,881	32,700,634	31,718,153	42,389,729
Requirements						
Total Expenditures	11,828,867	10,013,930	28,618,009	30,795,650	30,795,650	41,529,426
Ending Working Capital (Fund Balance)	4,266,060	5,500,311	1,442,872	1,904,984	922,503	860,303
Total Requirements	16,094,927	15,514,241	30,060,881	32,700,634	31,718,153	42,389,729

Reserves (Budgeted amounts only)						
Balance Available	254,281	2,077,916	1,442,872	1,904,984	1,904,984	860,303
Total Reserves	254,281	2,077,916	1,442,872	1,904,984	1,904,984	860,303

Enterprise Funds - used to account for operations that are financed and operated in a similar manner as a private business; intended to be self-supporting					
Reporting Fund Name and Number (listed alphabetically)	**Purpose**	**Primary Funding Sources**	**Primary Expenditures**	**Spending Restrictions**	**FY18 Adopted Budget Document Reference**
Ambulance Transport Fund (592)	To account for the operations of ambulance transportation services and associated pre-hospital life support care.	User fees, subscription program membership fees and transer from the General Fund.	Costs related to ambulance transport and associated pre-hospital life support care.	The proceeds of user fees are retained in the fund for operating the service.	Page 190
Municipal Airport Fund (510)	To account for the operation of the municipal airport.	Airline, parking and concession revenues, Airport Improvement Program grant monies and Passenger Facility Charges.	Airport operations and capital improvements.	Revenues are restricted for use in financing airport operations and eligible airport projects as determined by Federal Aviation Administration regulation.	Page 193
Parking Services Fund (520)	To account for operations of the City's municipal parking program.	Parking fees, fines, and commercial space rentals.	To maintain parking assets and operations as well as a transfer to the General Fund to pay for a portion of a dedicated downtown police unit.	Proceeds are retained in the fund for operating the municipal parking program.	Page 195
Stormwater Utility Fund (539)	To account for activities related to the stormwater system and providing wetland mitigation credits.	Stormwater user fees and mitigation credit sales.	For the operation, construction and maintenance of the stormwater system and the wetland resource protection and enhancement program.	As allowed under state statute, the proceeds of user fees are retained in the fund for planning, constructing and/or operating the system. Wetland mitigation credits are restricted to appropriate projects within the wetland bank service area.	Page 198
Wastewater Utility Fund (530)	To account for activities related to the wastewater collection and treatment system.	Wastewater user fees.	For the construction, operation and maintenance of the wastewater collection and treatment system.	Partial restriction for outstanding regional wastewater system debt payments. As allowed under state statute, the proceeds of user fees are retained in the fund for planning, constructing and/or operating the system. Per intergovernmental agreement, all regional revenues are required to be passed through to the Metropolitan Wastewater Management Commission.	Page 200

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

Service Categories: Fire and Emergency Medical Services; Fire and Emergency Medical Services Department Administration

Legal limitations of use of Fund resources: There are no legal limitations on the use of fund resources. Use is directed by Council policy.

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

For FY18: The department implemented a Basic Life Support (BLS) System in FY17 to ensure the appropriate response is dispatched based on service needs. The BLS system is intended to allow the City to respond to all calls in a timely manner, while reserving vital Advanced Life Support (ALS) medic units for the most critical calls for service when needed. In FY18, the City added two 12-hour BLS ambulance units to better target services based on need and enhance overall system capacity. Additionally, the City added one 24-hour Advanced Life Support (ALS) ambulance unit starting in January 2018. The fund continues to serve those that are either under-insured or not insured and have no other ability to pay, often resulting in uncollectible accounts. Additionally, the U.S. Centers for Medicare and Medicaid Services continue to incrementally reduce ambulance transport reimbursement rates and implement new billing regulations, both resulting in reduced net revenue per call for the fund. Based on current transport projections, the fund is balanced through the end of FY18. However, the fund does not have reserves equal to two months of operating expenditures, which is City policy.

For fiscal years beyond FY18: The fund will not have adequate resources under current projections according to the latest six-year forecast. Federally administered health programs are expected to continue decreasing reimbursement rates, and costs of providing emergency medical transport services are expected to continue to increase. The department is working to complete a preliminary ambulance capacity analysis based on call volume and service needs, develop implementation options for the system and present findings to Council.

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.

Relationships with other funds: The fund pays dispatching fees to the General Fund. The General Fund provides funding support in FY18.

Revenue sources and forecast methodology (top 75% of revenues): The forecast is based on a historical trend analysis of gross revenues, write-downs, write-offs, and FireMed memberships.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	377,714	0	0	13,930	13,930	0
Charges for Services	7,664,189	8,094,301	8,075,178	8,213,418	7,971,064	8,465,522
Miscellaneous	133,807	171,979	92,655	92,655	129,129	299,011
Interfund Transfers	0	0	0	0	0	1,000,000
Total Revenues	8,175,710	8,266,280	8,167,833	8,320,003	8,114,123	9,764,533
Expenditures						
Fire and Emerg. Med. Srvcs.	7,004,681	7,435,167	7,474,415	7,838,585	7,852,515	9,340,077
Interfund Transfers	947,031	932,390	899,998	899,998	899,998	979,757
Total Expenditures	7,951,712	8,367,557	8,374,413	8,738,583	8,752,513	10,319,834
Excess (deficiency) of revenues over expenditures	**223,998**	**(101,277)**	**(206,580)**	**(418,580)**	**(638,390)**	**(555,301)**
Beginning Working Capital (Fund Balance), July 1	1,074,775	1,298,773	1,091,244	1,197,496	1,197,496	559,106
Ending Working Capital (Fund Balance), June 30	1,298,773	1,197,496	884,664	778,916	559,106	3,805

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,074,775	1,298,773	1,091,244	1,197,496	1,197,496	559,106
Total Revenues	8,175,710	8,266,280	8,167,833	8,320,003	8,114,123	9,764,533
Total Resources	9,250,485	9,565,053	9,259,077	9,517,499	9,311,619	10,323,639
Requirements						
Total Expenditures	7,951,712	8,367,557	8,374,413	8,738,583	8,752,513	10,319,834
Ending Working Capital (Fund Balance)	1,298,773	1,197,496	884,664	778,916	559,106	3,805
Total Requirements	9,250,485	9,565,053	9,259,077	9,517,499	9,311,619	10,323,639

Reserves (Budgeted amounts only)						
Balance Available	35,004	421,451	884,664	778,916	778,916	3,805
Total Reserves	35,004	421,451	884,664	778,916	778,916	3,805

Ambulance Transport Fund (592) - Six-Year Financial Forecast, FY18-23
Executive Summary

Major Issues for this Fund

This forecast reflects revenue and spending projections at the time of the FY18 Proposed Budget. Gross revenues are projected to slightly increase due to fee increases, and the forecast includes the addition of one Basic Life Support (BLS) transport unit, per the FY18 Proposed Budget. Future Ambulance Transport Fund forecasts will reflect the addition of another 12-hour BLS unit in FY18, and one 24-hour Advanced Life Support (ALS) unit beginning January 2018 per Council direction. Further analysis of the Ambulance System will inform the changes implemented as part of the FY18 Budget Process. For forecast years FY18-FY23, call volume is projected to slightly increase as the department increases BLS capacity. However, for the same period, the U.S. Centers for Medicare and Medicaid Services will continue to incrementally reduce ambulance transport reimbursement rates and implement new billing regulations, resulting in increased writedowns. The fund also continues to serve those who are either under-insured or not insured and have no other ability to pay, causing an increase in uncollectible accounts. In addition, the fund continues to experience increased operating costs. Combined, these issues result in operating costs outpacing revenues in the out years of the forecast.

	Actual FY15	Actual FY16	Estimate FY17	Proposed FY18	Forecast FY19	FY20	FY21	FY22	FY23
Resources									
Beginning Working Capital	$1,074,775	$1,298,773	$1,197,496	$559,106	$3,805	($666,655)	($1,489,197)	($2,471,912)	($3,832,105)
Revenues	8,178,042	8,266,280	8,114,123	8,614,533	8,540,979	8,637,330	8,736,145	8,836,175	8,932,875
Total Resources	9,252,817	9,565,053	9,311,619	9,173,639	8,544,784	7,970,675	7,246,948	6,364,263	5,100,769
Requirements									
Expenditures									
Operation	7,169,026	7,515,556	7,915,512	8,254,334	8,265,949	8,479,944	8,703,217	9,143,687	9,395,074
Capital (Medic Units)	212,018	300,000	325,000	331,500	338,130	348,274	358,722	369,484	380,568
Non-Departmental	573,000	552,000	512,000	584,000	607,360	631,654	656,921	683,197	710,525
Total Expenditures	7,954,044	8,367,556	8,752,512	9,169,834	9,211,439	9,459,872	9,718,860	10,196,368	10,486,168
Annual Surplus/(Deficit)	223,998	(101,276)	(638,390)	(555,303)	(670,460)	(822,542)	(982,715)	(1,360,193)	(1,553,293)
Balance Available	1,298,773	1,197,496	559,106	3,805	(666,655)	(1,489,197)	(2,471,912)	(3,832,105)	(5,385,398)
Total Requirements	9,252,817	9,565,052	9,311,618	9,173,639	8,544,784	7,970,675	7,246,948	6,364,263	5,100,769
Target for Balance Available*	1,290,338	1,344,593	1,404,585	1,473,056	1,478,885	1,518,600	1,560,023	1,637,814	1,684,267
Amount Above/(Below) Target	8,435	(147,096)	(845,480)	(1,469,251)	(2,145,540)	(3,007,797)	(4,031,935)	(5,469,919)	(7,069,665)

Notes:
*Target balance available per City policy is two months of operating expenditures, where operating expenditures exclude balance available, reserves, contingency and capital expenditures.

The purpose of this reporting fund is to account for operation of the municipal airport. It includes two subfunds: the Airport Operations Fund (511) and the Airport Construction Fund (512). Principal sources of funding are airline, parking, and concession revenues. The fund receives Airport Improvement Program (AIP) monies and imposes Airport passenger charges and charges on car rentals originating at the Airport with proceeds restricted for use in financing eligible projects.

Service Categories: Airport; Capital

Legal limitations on use of Fund resources: Use of resources is restricted to financing airport operations and eligible airport projects as determined by Federal Aviation Administration (FAA) regulations.

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

> **For FY18:** The Airport's contract with the signatory airlines was renegotiated in FY16 for a five-year period. The Airport is proposing a modest increase to airline rates and charges in FY18. The completion of the baggage claim expansion, restaurant area expansion, security checkpoint redesign, and new B Gate hold room have increased the total rentable area inside the terminal. Projects in FY18 will be completed through the use of revenues from FAA Airport Improvement grants, fund reserves and passenger charges.
>
> **For fiscal years beyond FY18:** The federal government has not yet reauthorized FAA funding through FY18. In order to protect existing levels of entitlement grant funding for the Eugene Airport at approximately $2.8 million per year, it is projected that Federal Airport Improvement funding is maintained at current levels. Federal FAA funding legislation remains critical to maintain uninterrupted grant funding for the City.

Important fund accomplishments, opportunities or challenges: The Airport and area businesses are devoted to air service retention and expansion of existing markets. The Airport has seen record levels of passengers over the last five years. The Airport is striving to maintain rates and charges comparable to other airports competing for the same commercial air service. Air service to San Jose, California was started in FY17 bringing the total number of nonstop routes to 10 destinations. Additional service was added to Seattle, increasing overall capacity. New service to Phoenix Sky Harbor Airport starting in 2017 will bring the number of nonstop routes to 11.

Relationships with other funds: The Airport Fund currently utilizes the services of the Eugene Fire Department, the Eugene Police Department, Public Works Administration, and the Public Works Maintenance Division. These services are charged to the Municipal Airport Fund.

Revenue sources and forecast methodology (top 75% of revenues): Airline revenue is calculated using the airline rate model, and costs are reimbursed based on the number of enplanements, landed weight, and rentable square footage. Major non-airline revenues include parking fees which are in direct correlation with passenger activity.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	6,290,807	6,739,428	5,800,130	11,261,335	12,993,453	3,130,463
Rental	3,711,608	1,061,267	1,168,993	1,168,993	1,136,993	1,177,153
Charges for Services	5,714,863	8,981,761	8,908,652	8,908,652	9,665,798	9,665,051
Fines/Forfeitures	3,043	1,549	5,000	5,000	5,000	4,600
Miscellaneous	93,999	162,191	245,215	245,215	257,015	579,000
Principal on Notes/Loans	12,800	0	0	0	0	0
Total Revenues	15,827,120	16,946,196	16,127,990	21,589,195	24,058,259	14,556,267
Expenditures						
Fire and Emerg. Med. Srvcs.	805,659	830,289	880,671	880,671	880,671	919,653
Police	512,415	551,207	576,555	576,555	576,555	634,276
Public Works	6,346,607	6,649,995	8,038,977	8,274,224	8,274,224	9,033,831
Capital	9,248,168	11,893,449	20,646,248	18,355,558	18,355,558	18,166,302
Interfund Transfers	508,000	520,000	603,000	603,000	603,000	605,000
Total Expenditures	17,420,849	20,444,940	30,745,451	28,690,008	28,690,008	29,359,062
Excess (deficiency) of revenues over expenditures	**(1,593,729)**	**(3,498,744)**	**(14,617,461)**	**(7,100,813)**	**(4,631,749)**	**(14,802,795)**
Beginning Working Capital (Fund Balance), July 1	17,227,922	15,634,193	20,825,322	12,135,449	12,135,449	20,065,134
Ending Working Capital (Fund Balance), June 30	15,634,193	12,135,449	6,207,861	5,034,636	7,503,700	5,262,339

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	17,227,922	15,634,193	20,825,322	12,135,449	12,135,449	20,065,134
Total Revenues	15,827,120	16,946,196	16,127,990	21,589,195	24,058,259	14,556,267
Total Resources	33,055,042	32,580,389	36,953,312	33,724,644	36,193,708	34,621,401
Requirements						
Total Expenditures	17,420,849	20,444,940	30,745,451	28,690,008	28,690,008	29,359,062
Ending Working Capital (Fund Balance)	15,634,193	12,135,449	6,207,861	5,034,636	7,503,700	5,262,339
Total Requirements	33,055,042	32,580,389	36,953,312	33,724,644	36,193,708	34,621,401

Reserves (Budgeted amounts only)						
Balance Available	0	5,702,076	4,819,959	4,253,576	4,253,576	5,123,314
Reserve	3,969,706	2,610,001	1,387,902	781,060	781,060	139,025
Total Reserves	3,969,706	8,312,077	6,207,861	5,034,636	5,034,636	5,262,339

This reporting fund provides for the operations of Epark Eugene, the City's municipal parking program. The reporting fund includes two subfunds: On-Street Parking Operations (525) and Off-Street Parking Operations (527). The Parking Fund's goals are to enhance neighborhood livability, facilitate economic activity, and reinvest parking revenue where it's collected. The program's primary service delivery area is downtown to campus, but Epark also enforces parking code and manages parking issues throughout the City of Eugene.

Service Categories: Parking; Capital; Public Buildings and Facilities

Legal limitations on use of Fund resources: None. Council policy determines use.

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

For FY18: The FY18 budget has three significant changes: (1) The potential sunset of the 12-block free parking investment for downtown development with the reinstallation of parking meters; (2) Capital project investments in the Overpark Garage for LED lights and security cameras; and, (3) the first year of a multiyear elevator modernization program. The Parking Fund will continue paying for a portion of downtown Police with an $838,350 transfer to the General Fund. The possible reinstallation of the downtown meters may generate revenue to partially fund and implement the downtown wayfinding plan in FY18 and in future years.

For fiscal years beyond FY18: The Parking Fund transfer for downtown Police is projected to remain at $838,350 per year in FY18 and beyond. The fund is expected to rebuild its reserves, which will be used to address an estimated $10 million backlog of parking structure capital maintenance, elevator modernization, equipment replacement, wayfinding, and seismic upgrades.

Important fund accomplishments, opportunities or challenges: This fund is self-sufficient with no outside subsidies, and is unique among municipal parking programs in supporting public safety services. Financial stability challenges for the fund since 2010 have been attributable in part to investments in downtown (foregoing $350,000 of annual meter revenue), increased transfers to the General Fund, and ongoing capital needs. As a result, the fund's Beginning Working Capital declined from $3 million in FY09 to $13,000 by FY15. The opportunity to rebuild reserves exists now that transfers to the General Fund have been phased out with the exception of resources for downtown public safety services.

Relationships with other funds: The Parking Fund helps to financially support staff in other funds including the General Fund, Road Fund, Community Development Block Grant Fund and the Facilities Fund.

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

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Rental	566,247	540,672	532,000	532,000	560,000	546,880
Charges for Services	4,553,260	4,645,822	4,782,940	4,782,940	4,688,140	4,942,940
Fines/Forfeitures	1,518,351	1,473,179	1,371,500	1,371,500	1,251,500	1,251,500
Miscellaneous	8,343	12,822	40,250	40,250	23,532	58,750
Total Revenues	6,646,201	6,672,495	6,726,690	6,726,690	6,523,172	6,800,070
Expenditures						
Central Services	344,232	394,324	407,673	407,673	407,673	401,966
Planning and Development	3,366,118	3,729,652	5,581,980	5,420,169	5,296,413	6,267,708
Public Works	47,163	76,401	84,443	76,628	76,628	78,727
Capital	0	0	50,000	50,000	50,000	298,200
Interfund Transfers	1,940,100	1,502,755	1,064,425	1,064,425	1,064,425	1,087,350
Total Expenditures	5,697,613	5,703,132	7,188,521	7,018,895	6,895,139	8,133,951
Excess (deficiency) of revenues over expenditures	**948,588**	**969,363**	**(461,831)**	**(292,205)**	**(371,967)**	**(1,333,881)**
Beginning Working Capital (Fund Balance), July 1	12,964	961,552	1,368,498	1,930,915	1,930,915	1,852,524
Ending Working Capital (Fund Balance), June 30	961,552	1,930,915	906,667	1,638,710	1,558,948	518,643

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	12,964	961,552	1,368,498	1,930,915	1,930,915	1,852,524
Total Revenues	6,646,201	6,672,495	6,726,690	6,726,690	6,523,172	6,800,070
Total Resources	6,659,165	7,634,047	8,095,188	8,657,605	8,454,087	8,652,594
Requirements						
Total Expenditures	5,697,613	5,703,132	7,188,521	7,018,895	6,895,139	8,133,951
Ending Working Capital (Fund Balance)	961,552	1,930,915	906,667	1,638,710	1,558,948	518,643
Total Requirements	6,659,165	7,634,047	8,095,188	8,657,605	8,454,087	8,652,594

Reserves (Budgeted amounts only)						
Balance Available	28,163	779,928	906,667	1,638,710	1,638,710	518,643
Total Reserves	28,163	779,928	906,667	1,638,710	1,638,710	518,643

Parking Services Fund (Fund 520) - Six-Year Financial Forecast, FY18 - FY23
Executive Summary

Major Issues for this Fund

The Parking Fund is able to cover its operating costs and highest priority capital maintenance needs and assumes the sunsetting of the downtown free parking program. This increased fund stability from prior years is also a result of ending one of the general fund transfers. The forecast assumes initial funding of the downtown wayfinding program. High priority capital investments in the downtown parking structures are reflected in the forecast along with gradual increased parking rates.

		Actual FY15	Actual FY16	Estimate FY17	Proposed FY18	Forecast FY19	FY20	FY21	FY22	FY23
Resources										
Beginning Working Capital	(1)	$12,964	$961,552	$1,930,915	$1,558,948	$1,143,516	$1,211,966	$1,325,716	$1,436,066	$1,544,316
Revenue	(2)									
Downtown On-Street	(3)	766,824	838,436	745,000	1,045,000	1,076,400	1,108,700	1,142,000	1,176,300	1,211,600
Downtown Off-Street	(4)	1,996,975	1,911,644	1,983,140	1,937,940	1,996,100	2,056,000	2,117,700	2,181,200	2,246,600
Campus District		1,774,630	1,899,232	1,960,000	1,960,000	2,018,800	2,079,400	2,141,800	2,206,100	2,272,300
Citations		1,518,351	1,471,847	1,251,500	1,251,500	1,289,000	1,327,700	1,367,500	1,408,500	1,450,800
Commercial Space Rentals		581,078	538,694	560,000	546,880	563,300	580,200	597,600	615,500	634,000
Other Revenue		8,343	12,642	23,532	58,750	60,500	62,300	64,200	66,100	68,100
Total Revenues		6,646,201	6,672,495	6,523,172	6,800,070	7,004,100	7,214,300	7,430,800	7,653,700	7,883,400
Total Resources		6,659,165	7,634,047	8,454,087	8,359,018	8,147,616	8,426,266	8,756,516	9,089,766	9,427,716
Requirements										
Expenditures	(2)									
Department Operating	(5)	3,757,513	4,200,377	5,780,714	5,880,152	5,242,900	5,400,200	5,562,200	5,729,100	5,901,000
Capital Expenditures	(6)	-	-	50,000	250,000	600,000	600,000	650,000	700,000	750,000
Non-Departmental										
General Fund Transfer (Police)	(7)	797,100	806,755	817,425	838,350	838,350	838,350	838,350	838,350	838,350
General Fund Transfer (Gen. Ops)	(8)	917,000	444,000	-	-	-	-	-	-	-
Other Transfers (CSA)		226,000	252,000	247,000	247,000	254,400	262,000	269,900	278,000	286,300
Total Non-Departmental		1,940,100	1,502,755	1,064,425	1,085,350	1,092,750	1,100,350	1,108,250	1,116,350	1,124,650
Total Expenditures		5,697,613	5,703,132	6,895,139	7,215,502	6,935,650	7,100,550	7,320,450	7,545,450	7,775,650
Annual Surplus/(Deficit)		948,588	969,363	(371,967)	(415,432)	68,450	113,750	110,350	108,250	107,750
Ending Fund Balance		961,552	1,930,915	1,558,948	1,143,516	1,211,966	1,325,716	1,436,066	1,544,316	1,652,066
Total Requirements		6,659,165	7,634,047	8,454,087	8,359,018	8,147,616	8,426,266	8,756,516	9,089,766	9,427,716
Target Balance Available	(9)	626,252	700,063	963,452	980,025	873,817	900,033	927,033	954,850	983,500
Amount Above or (Below) Target Balance		335,300	1,230,852	595,496	163,491	338,149	425,683	509,033	589,466	668,566

Notes:

(1) Fund is stabilized over forecast horizon for operations due to in part to a reduction in the General Fund Transfer and the proposed installation of downtown parking meters.
(2) Revenues and expenses are projected to grow by 3.0% annually over the forecast horizon.
(3) The forecast assumes installation of downtown meters and an additional $350,000 in ongoing revenues as a result.
(4) Downtown off-street parking system forecast assumes no rate increase for permits, hourly, or all-day parking in the surface lots and garages.
(5) FY18 Proposed Budget includes $924,000 of one-time expenses: (A) Overpark Garage investments of $495,000 for LED lighting retrofit, power washing, and security cameras; (B) $200,000 to replace one of the two elevators in the Parcade Garage; (C) $115,000 for security cameras in the Parcade Garage; and (D) $114,000 for a downtown wayfinding project.
(6) Parking Structure Facility Report (2016) identifies $10 million in deferred maintenance in the parking garages, but prioritizes $2.6 million for immediate work leading into the 2021 World Championships.
(7) Parking Fund transfer to the General Fund for downtown public safety services is fixed throughout the forecast at the FY18 amount.
(8) The General Fund transfer for general operations was eliminated in FY17.
(9) Target balance available per City policy is two months of operating expenditures, where operating expenditures exclude balance available, reserves, contingency and capital expenditures.

The purpose of this fund is to account for the construction, restoration, operation and maintenance of the stormwater system, and the restoration and maintenance of wetlands. It includes three subfunds: Stormwater Utility Fund – Capital (531), Stormwater Utility Fund – Operating (535) and Wetlands Mitigation Bank (536). Primary revenues are stormwater user fees and the sale of wetland mitigation credits.

Service Categories: Capital; Construction Permits; Stormwater; Urban Forestry; Transportation; Parks and Open Space

Legal limits on use of Fund resources: City Code 6.4111 provides that stormwater user fee revenue be primarily based upon and used for costs of stormwater services. Use of wetland mitigation revenue is restricted to appropriate projects within the wetland bank service area.

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

For FY18: The FY18 budget assumes a 4% increase in stormwater user fees to cover ongoing operations and maintenance, capital costs and to increase green infrastructure. Public Works takes pride in the Stormwater services provided to the community but is reviewing the costs in providing these services.

For fiscal years beyond FY18: Maintaining sufficient resources to support the program, while maintaining reasonable user fees, will continue to be a priority. Staff will continue to seek efficiencies and optimize interagency collaborations. The City plans to complete all remaining wetland mitigation bank projects over the next four years and sell all of its inventory of credits.

Important fund accomplishments, opportunities or challenges: Program objectives include clean water, healthy habitat for fish and wildlife, and reduced risk of flooding. Significant accomplishments over the years include the restoration of acres of wetlands and miles of waterway segments. Despite improving trends, water quality issues persist. The City's Clean Water Act National Pollutant Discharge Future permits are expected to further emphasize stormwater system retrofits, low-impact development and green infrastructure approaches for developing areas, water quality monitoring, evaluation of program effectiveness, and adaptive management to address problem pollutants. Program challenges include: managing the aging underground stormwater system, maintaining a growing inventory of green infrastructure, and stabilizing stream banks on Amazon Creek and the Willamette River.

Relationships with other funds: This fund supports non-growth related capital projects. The Systems Development and Special Assessment funds support the growth-related projects.

Forecast methodology for major revenue sources (top 75% of revenues): The user fee forecast is a function of anticipated rate increases and assumptions regarding system growth.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Licenses/Permits	118,960	116,420	111,000	111,000	134,072	111,000
Intergovernmental	242,012	179,568	0	1,096,893	1,110,227	0
Rental	22,227	33,321	29,777	29,777	17,440	0
Charges for Services	16,210,511	16,881,430	17,873,000	17,873,000	18,174,431	19,015,000
Fines/Forfeitures	3,960	480	0	0	1,260	0
Miscellaneous	72,549	41,853	60,225	60,225	66,097	58,725
Total Revenues	16,670,219	17,253,072	18,074,002	19,170,895	19,503,527	19,184,725
Expenditures						
Public Works	13,111,724	13,291,306	15,334,684	15,321,784	15,274,699	15,817,205
Interfund Transfers	1,005,000	1,086,000	1,154,000	1,154,000	1,154,000	1,111,000
Capital	3,707,102	2,070,440	7,174,728	6,358,274	6,358,274	8,193,347
Special Payments	450	350	15,000	15,000	500	15,000
Total Expenditures	17,824,276	16,448,096	23,678,412	22,849,058	22,787,473	25,136,552
Excess (deficiency) of revenues over expenditures	**(1,154,057)**	**804,976**	**(5,604,410)**	**(3,678,163)**	**(3,283,946)**	**(5,951,827)**
Beginning Working Capital (Fund Balance), July 1	7,306,277	6,152,220	7,839,161	6,957,196	6,957,196	9,210,358
Ending Working Capital (Fund Balance), June 30	6,152,220	6,957,196	2,234,751	3,279,033	3,673,250	3,258,531

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	7,306,277	6,152,220	7,839,161	6,957,196	6,957,196	9,210,358
Total Revenues	16,670,219	17,253,072	18,074,002	19,170,895	19,503,527	19,184,725
Total Resources	23,976,496	23,405,292	25,913,163	26,128,091	26,460,723	28,395,083
Requirements						
Total Expenditures	17,824,276	16,448,096	23,678,412	22,849,058	22,787,473	25,136,552
Ending Working Capital (Fund Balance)	6,152,220	6,957,196	2,234,751	3,279,033	3,673,250	3,258,531
Total Requirements	23,976,496	23,405,292	25,913,163	26,128,091	26,460,723	28,395,083

Reserves (Budgeted amounts only)						
Balance Available	1,140,382	2,136,936	2,234,751	3,279,033	3,279,033	3,258,531
Total Reserves	1,140,382	2,136,936	2,234,751	3,279,033	3,279,033	3,258,531

The purpose of this reporting fund is to account for the construction, operation, and maintenance of the wastewater collection and treatment system. The fund is comprised of three subfunds: Wastewater Capital Fund (532), Regional Wastewater Fund (533), and Wastewater Operations Fund (534). Primary sources of revenues are local and regional wastewater user fees. The regional treatment operation accounted in fund 533 is part of a separate intergovernmental entity managed by the Metropolitan Wastewater Management Commission. Wastewater user fees support planning, construction and operation of the wastewater system.

Service Categories: Wastewater Collection and Treatment; Capital; Construction Permits

Legal limitations on Fund resources: Partial restriction for outstanding regional wastewater system debt payments. City Code 6.411(1) provides that wastewater user fee revenue be primarily based upon and used for costs of operation of the wastewater services. Per the intergovernmental agreement, all regional revenues are required to be passed through to Metropolitan Wastewater Management Commission.

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

> **For FY18:** The budget assumes a 4% increase in local wastewater user fees and a 3% increase in regional user fees to meet expenses.
>
> **For fiscal years beyond FY18:** Maintaining an adequate fund balance and current service levels will require annual rate adjustments in years beyond FY18. Changing regulatory requirements will continue to present new operational and financial challenges.

Important fund accomplishments, opportunities or challenges: Regional treatment plant activities include continuing implementation of the 2005 Facilities Plan, while preparing for new water quality regulations anticipated in the next permit renewal cycle. Over 11 billion gallons of wastewater was treated in full compliance with permit standards in 2016. Materials and energy recovered from the treatment process continues to be turned into commodities. These include soil nutrients, heat, power, recycled water and poplar wood products.

Coordination with pavement rehabilitation is a primary focus to minimize future wastewater impacts from new pavement. Additionally, ongoing efforts are being made to evaluate, investigate and rehabilitate our aging system to maximize efficient operations and minimize inflow and infiltration in the system. The City follows the national Capacity Management, Operations and Maintenance Program guidelines to manage the system.

Relationships with other funds: The Wastewater Utility Fund supports the non-growth related elements of capital projects. The Systems Development and Special Assessment funds support the growth-related portion of wastewater capital requirements.

Forecast methodology for major revenue sources (top 75% of revenues): Local user fees generate over 95% of annual local wastewater revenues. The forecast for a given year's local wastewater revenue is a function of rate-per-kilogallon (kgal) and total volume in kgals.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	0	15,981	0	0	8,790	0
Rental	16,234	23,139	22,000	22,000	21,132	6,132
Charges for Services	46,299,032	48,844,875	56,405,060	58,350,263	52,753,312	55,432,786
Fines/Forfeitures	2,750	5,725	4,500	4,500	5,700	5,000
Miscellaneous	56,400	81,364	34,000	34,000	56,721	45,500
Total Revenues	46,374,416	48,971,084	56,465,560	58,410,763	52,845,655	55,489,418
Expenditures						
Public Works	19,414,411	20,662,900	28,151,830	27,532,916	23,286,112	25,179,845
Capital	1,574,966	2,494,629	5,491,684	4,519,591	4,519,591	6,270,937
Interfund Transfers	1,492,000	1,520,000	1,718,000	1,718,000	1,718,000	1,785,000
Special Payments	23,888,320	24,689,715	27,254,200	27,254,200	26,196,500	28,765,127
Total Expenditures	46,369,697	49,367,244	62,615,714	61,024,707	55,720,203	62,000,909
Excess (deficiency) of revenues over expenditures	**4,719**	**(396,160)**	**(6,150,154)**	**(2,613,944)**	**(2,874,548)**	**(6,511,491)**
Beginning Working Capital (Fund Balance), July 1	4,425,700	4,430,419	6,753,847	4,034,259	4,034,259	6,858,563
Ending Working Capital (Fund Balance), June 30	4,430,419	4,034,259	603,693	1,420,315	1,159,711	347,072

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,425,700	4,430,419	6,753,847	4,034,259	4,034,259	6,858,563
Total Revenues	46,374,416	48,971,084	56,465,560	58,410,763	52,845,655	55,489,418
Total Resources	50,800,116	53,401,503	63,219,407	62,445,022	56,879,914	62,347,981
Requirements						
Total Expenditures	46,369,697	49,367,244	62,615,714	61,024,707	55,720,203	62,000,909
Ending Working Capital (Fund Balance)	4,430,419	4,034,259	603,693	1,420,315	1,159,711	347,072
Total Requirements	50,800,116	53,401,503	63,219,407	62,445,022	56,879,914	62,347,981

Reserves (Budgeted amounts only)						
Balance Available	1,639,359	1,263,068	603,693	1,420,315	1,420,315	347,072
Total Reserves	1,639,359	1,263,068	603,693	1,420,315	1,420,315	347,072

Internal Service Funds - used to account for fiscal activities when goods or services are furnished internally to other departments on a cost reimbursement basis					
Reporting Fund Name and Number (listed alphabetically)	**Purpose**	**Primary Funding Sources**	**Primary Expenditures**	**Spending Restrictions**	**FY18 Adopted Budget Document Reference**
Facilities Services Fund (615)	To account for the different aspects of operation and maintenance of City-owned facilities.	Lease payments, facility maintenance rates, charges to capital funds and postage reimbursement.	Facility maintenance for Atrium Building; debt service on Atrium bonds, general facility maintenance for City buildings, and architectural and project management services performed by Facility Management Division personnel, postage expenditures.	Limited to the participating and benefiting funds that incurred the fees and charges for services, consistent with the cost-reimbursement goal of internal service funds. The Atrium Fund has an internal debt covenant to maintain a prudent debt reserve. There are no restrictions for the Facilities Maintenance and Facilities Professional Services subfunds.	Page 203
Fleet Services Fund (600)	To provide for a way to systematically set aside funding for the purchase of vehicles, equipment and radio infrastructure and maintenance.	Fleet and radio user charges.	Vehicle and radio purchases and equipment maintenance.	Limited to the participating and benefiting funds that incurred the fees and charges for services, consistent with the cost-reimbursement goal of internal service funds. For the General Fund there are no restrictions. For Non-General Funds, see restrictions for all funds, including: Municipal Airport Fund, Road Fund, Stormwater Utility Fund and Wastewater Utility Fund. The proceeds of department charges are retained in the fund to operate and maintain the system.	Page 206
Information Systems and Services Fund (610)	To account for the activity related to information systems and services for City departments, information systems for public safety and central business software applications.	User charges to other City funds for software support, hardware support, network services, telephones, printing, copying and postage and records management system charges to the City of Springfield.	Data processing and reproduction, equipment purchases and maintenance, postage, telephone and printing services, Public Safety and Justice software systems, and the purchase and implementation of central business software.	Limited to the participating and benefiting funds that incurred the fees and charges for services, consistent with the cost-reimbursement goal of internal service funds. Resources associated with the Records Management System (RMS) project may not be transferred out of this fund or otherwise used for other purposes under an intergovernmental agreement with the City of Springfield.	Page 210
Professional Services Fund (630)	To account for professional engineering services performed by Public Works personnel for other City funds and outside agencies.	User charges.	Engineering services.	Limited to the participating and benefiting funds that incurred the fees and charges for services, consistent with the cost-reimbursement goal of internal service funds.	Page 214
Risk and Benefits Fund (620)	To account for cost of the City's self-insurance programs including risk management, employee health and benefits, pension bond and other post-employee benefits.	Rates charged to all City funds and payment for insurance plans from active employees and retirees.	Property and liability insurance and claims, current and previous employee health and benefits, principal and interest on pension bonds, workers compensation and unemployment insurance.	Resources placed into the Employee Health and Benefits subfund may not be transferred out of this subfund or otherwise used for other purposes according to ORS 731.036(6). Expenditures from the Risk subfund are limited under EC 2.585. Pension bond reserves are prudent internal reserves to ensure payment of principal and interest on pension bonds. Reserves constitute funds from both the General Fund and non-General Funds. See restrictions on non-General Funds.	Page 216

This reporting fund includes three subfunds addressing different aspects of construction, operation and maintenance of City-owned facilities. The Atrium Fund (617) and Facilities Maintenance Fund (618) are used to account for general facility maintenance services in City buildings. The Facilities Professional Services Fund (635) is used to account for architectural and project management services performed by Facility Management Division personnel for other City funds.

Service Categories: Public Buildings and Facilities; Capital

Legal limitations on use of Fund resources: Limited to the participating and benefited funds that incur the fees and charges for service. There are no legal restrictions on General Fund resources. Restrictions do apply on fees and charges paid by non-general funds, consistent with the legal limitations on use of each funds' resources.

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

For FY18:
Atrium Fund (617): Due to the aging infrastructure within the building, capital and operating costs will increase in FY18, both for internal space remodels and rented space upgrades.

Facilities Maintenance Fund (618): Over the past few years the Facility Management Division was able to use the savings from past energy efficiency efforts to offset increases in costs. However, the prior reserves have been depleted, and the FY18 rate reflects the second year of a three-year strategy to restore the fund to the City's recommended reserve balance equal to two months of operating expenses.

Facilities Professional Services Fund (635): The Professional Services Fund is in good fiscal shape and currently has sufficient reserves.

For fiscal years beyond FY18:
Atrium Fund (617): This is a self-supporting fund and is required to have a capital reserve. The building is projected to remain 90% occupied through FY18.

Facilities Maintenance Fund (618): Maintaining an adequate General Capital Project Fund appropriation for building preservation projects has a long-term impact on this fund's major maintenance program. As building systems deteriorate, preventive maintenance will become less effective, and the frequency of more expensive and unplanned repairs will increase.

Inflationary factors and increasing equipment complexity, along with the current lower-than-industry standard of capital funding, are anticipated to cause rates to increase in the future.

Facilities Professional Services Fund (635): Constructing a new City Hall will continue to be a significant focus for Design and Construction staff in FY18. Maintaining aging facilities will be key to preserving the health of this fund. Implementing energy efficient solutions to pursue

organizational priorities and further reduce operational costs will continue to be another major focus.

Important fund accomplishments, opportunities or challenges:
Atrium Fund (617): The infrastructure is aging, and repairs, remodel and maintenance are outpacing annual revenues. In order to meet the demands for repairs and remodels capital reserves have been used.

Facilities Maintenance Fund (618): A number of successes have been achieved through energy conservation efforts and application of green building practices. Sustainable practices will be increasingly important due to the goals of the adopted Climate Recovery Ordinance. Facility preservation and maintenance have been identified as a priority by the City Council and reflects sound fiscal policy.

Facilities Professional Services Fund (635): Capital preservation and maintenance projects will have a strong focus on energy efficiencies for City buildings and structures which will help reach sustainability goals and result in cost savings.

Relationships with other funds:
Atrium Fund (617): The General Fund, Construction and Rental Housing Fund, Parking Services Fund, Solid Waste/Recycling Fund, and Urban Renewal Funds contribute revenue through lease rates.

Facilities Maintenance Fund (618): The Facility Maintenance Fund is supported by rates charged to building occupants across the City. The General Fund is responsible for about 68% of the total rates charged to City facilities.

Facilities Professional Services Fund (635): This fund has a direct relationship to City capital funds that support building construction projects, primarily the General Capital Projects Fund.

Revenue sources and forecast methodology (top 75% of revenues):
Atrium Fund (617): The forecast methodology for major revenue sources includes reviewing historical trends and projected economic changes for the area's lease market.

Facilities Maintenance Fund (618): Facility maintenance rates are set to recover the cost of services.

Facilities Professional Services Fund (635): Charges to capital funds provide the majority of operating revenue. Future revenue is dependent on the level of capital project activity.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Rental	571,850	629,243	548,600	548,600	538,600	529,554
Charges for Services	8,495,789	9,166,229	9,920,275	9,920,275	9,787,098	10,218,866
Miscellaneous	25,872	34,116	9,000	9,000	44,782	13,500
Total Revenues	9,093,511	9,829,588	10,477,875	10,477,875	10,370,480	10,761,920
Expenditures						
Central Services	8,314,600	8,665,980	9,565,120	9,530,545	9,110,988	10,092,109
Planning and Development	258,912	249,520	582,246	460,441	459,043	507,065
Debt Service	205,770	211,700	212,000	212,000	212,000	211,165
Capital	75,508	157,367	690,294	666,506	666,506	631,860
Interfund Transfers	524,598	433,000	421,000	421,000	421,000	477,000
Total Expenditures	9,379,388	9,717,567	11,470,660	11,290,492	10,869,537	11,919,199
Excess (deficiency) of revenues over expenditures	**(285,877)**	**112,021**	**(992,785)**	**(812,617)**	**(499,057)**	**(1,157,279)**
Beginning Working Capital (Fund Balance), July 1	3,795,140	3,509,263	3,705,214	3,621,284	3,621,284	3,585,082
Ending Working Capital (Fund Balance), June 30	3,509,263	3,621,284	2,712,429	2,808,667	3,122,227	2,427,803

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	3,795,140	3,509,263	3,705,214	3,621,284	3,621,284	3,585,082
Total Revenues	9,093,511	9,829,588	10,477,875	10,477,875	10,370,480	10,761,920
Total Resources	12,888,651	13,338,851	14,183,089	14,099,159	13,991,764	14,347,002
Requirements						
Total Expenditures	9,379,388	9,717,567	11,470,660	11,290,492	10,869,537	11,919,199
Ending Working Capital (Fund Balance)	3,509,263	3,621,284	2,712,429	2,808,667	3,122,227	2,427,803
Total Requirements	12,888,651	13,338,851	14,183,089	14,099,159	13,991,764	14,347,002

Reserves (Budgeted amounts only)						
Balance Available	2,192,613	2,205,878	2,175,929	2,272,167	2,272,167	2,015,803
Reserve	542,000	542,000	536,500	536,500	536,500	412,000
Total Reserves	2,734,613	2,747,878	2,712,429	2,808,667	2,808,667	2,427,803

The purpose of this reporting 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 and Acquisition Fund (616) and Fleet Operations 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. The replacement subfund builds a reserve over the life cycle of a vehicle until it is expended for the replacement of that vehicle.

Service Categories: Fleet and Radio Communications

Legal limitations on use of Fund resources: Limited to the participating and benefited funds that incur the fees and charges for services. There are no legal restrictions on General Fund resources. Restrictions do apply on fees and charges paid by non-general funds, consistent with the legal limitations on the use of each funds' resources.

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

For FY18: After several years of operating on a balance available that was below the two-month operating target, the Fleet Operations subfund is projected to meet that target in FY18. Fleet Services will be partnering with the City Manager's Office and a local consultant to focus on evaluating greenhouse gas reduction options specific to Fleet Services. Radio Communications staff will lead a staffing and service level review in FY18, which will include a gap analysis of the current voice and data wireless communications services. This service review will lead to a set of recommendations that the City can consider to leverage technology changes and meet changing operational needs for all City departments.

For fiscal years beyond FY18: Increases in parts and employee costs continue to rise above inflationary levels, as well as potential fuel price fluctuations, causing corresponding increases in the rate and reimbursable revenue charged to City departments. The results of the radio communication service analysis can lead to changes in how this service is delivered beyond FY18. Advances in fleet and radio equipment continue and technicians need to be provided with the necessary technical training and diagnostic tools to maintain the City's fleet. As the City constantly works on reducing its carbon footprint, Fleet staff will continue their 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 City's 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. Costs for the new facility are estimated to be about $25 million. Developing a funding strategy for the construction of this facility will be a major challenge. Fleet Services completed the recertification of ECO-Business program in FY16. Fleet Services was recognized as one of the 100 Best Fleets in North America for the eighth consecutive year in 2016.

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.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Rental	15,095	31,510	25,000	25,000	89,000	25,000
Charges for Services	9,194,235	9,317,623	9,199,129	9,199,129	9,094,000	9,410,443
Miscellaneous	420,909	468,684	634,000	634,000	429,195	780,000
Interfund Transfers	1,362,000	1,380,000	1,430,980	1,430,980	1,430,980	1,466,755
Total Revenues	10,992,239	11,197,817	11,289,109	11,289,109	11,043,175	11,682,198
Expenditures						
Public Works	9,104,879	8,135,384	16,094,990	18,361,069	7,713,848	18,157,111
Interfund Transfers	343,000	356,000	406,000	406,000	406,000	394,000
Total Expenditures	9,447,879	8,491,384	16,500,990	18,767,069	8,119,848	18,551,111
Excess (deficiency) of revenues over expenditures	**1,544,360**	**2,706,433**	**(5,211,881)**	**(7,477,960)**	**2,923,327**	**(6,868,913)**
Beginning Working Capital (Fund Balance), July 1	15,936,867	17,481,227	20,289,074	20,187,660	20,187,660	25,397,515
Ending Working Capital (Fund Balance), June 30	17,481,227	20,187,660	15,077,193	12,709,700	23,110,987	18,528,602

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	15,936,867	17,481,227	20,289,074	20,187,660	20,187,660	25,397,515
Total Revenues	10,992,239	11,197,817	11,289,109	11,289,109	11,043,175	11,682,198
Total Resources	26,929,106	28,679,044	31,578,183	31,476,769	31,230,835	37,079,713
Requirements						
Total Expenditures	9,447,879	8,491,384	16,500,990	18,767,069	8,119,848	18,551,111
Ending Working Capital (Fund Balance)	17,481,227	20,187,660	15,077,193	12,709,700	23,110,987	18,528,602
Total Requirements	26,929,106	28,679,044	31,578,183	31,476,769	31,230,835	37,079,713

Reserves (Budgeted amounts only)						
Reserve	11,402,272	16,249,496	14,629,159	11,879,943	11,879,943	17,157,656
Balance Available	211,000	451,498	448,034	829,757	829,757	1,370,946
Total Reserves	11,613,272	16,700,994	15,077,193	12,709,700	12,709,700	18,528,602

Fleet Services - Fund 600 Six-Year Financial Forecast FY18-FY23
Executive Summary

Major Issues for this Fund

The changes in fleet equipment have outgrown the present fleet and fueling facility, impacting operating rates in the future. In addition, the fleet facility does not meet current seismic and space requirements. A recent feasibility study estimated the replacement cost of the facility to be $25 million. The annual General Fund contribution for vehicle replacement has been under-funded due to fiscal pressures on the General Fund; some General Fund vehicles will be held past their projected life cycle. Increases in employee and parts costs are expected to rise above inflationary levels in future years, causing corresponding increases in the rate and reimbursable revenue charged to City departments. Unexpected fuel price fluctuations may also impact City departments through corresponding rate increases.

	Actual FY15	Actual FY16	Estimate FY17	Proposed FY18	Forecast* FY19	FY20	FY21	FY22	FY23
Resources									
Beginning Working Capital	$15,936,000	$17,481,000	$20,187,000	$23,111,000	$18,529,000	$15,088,000	$13,397,000	$14,512,000	$17,052,000
Revenues									
Operating Revenues	7,091,000	6,928,000	6,904,000	7,303,000	7,492,000	7,754,000	7,968,000	8,641,000	8,883,000
Capital Replacement Reserves	3,902,000	4,269,000	4,140,000	4,379,000	4,517,000	4,498,000	4,469,000	4,565,000	7,341,000
Total Revenues	10,993,000	11,197,000	11,044,000	11,682,000	12,009,000	12,252,000	12,437,000	13,206,000	16,224,000
Total Resources	26,929,000	28,678,000	31,231,000	34,793,000	30,538,000	27,340,000	25,834,000	27,718,000	33,276,000
Requirements									
Expenditures									
Department Operating	6,160,000	6,178,000	6,041,000	6,964,000	6,983,000	7,231,000	7,432,000	8,090,000	8,317,000
Capital Replacement Expenditures	2,945,000	1,957,000	1,673,000	8,906,000	8,063,000	6,297,000	3,465,000	2,140,000	2,150,000
Non-Departmental	343,000	356,000	406,000	394,000	404,000	415,000	425,000	436,000	447,000
Total Expenditures	9,448,000	8,491,000	8,120,000	16,264,000	15,450,000	13,943,000	11,322,000	10,666,000	10,914,000
Annual Operating Surplus/Deficit**	1,545,000	2,706,000	2,924,000	(4,582,000)	(3,441,000)	(1,691,000)	1,115,000	2,540,000	5,310,000
Replacement Reserve	16,905,000	19,218,000	21,684,000	17,158,000	13,612,000	11,813,000	12,817,000	15,241,000	20,433,000
Balance Available	576,000	969,000	1,427,000	1,371,000	1,476,000	1,584,000	1,695,000	1,811,000	1,929,000
Total Ending Fund Balance	17,481,000	20,187,000	23,111,000	18,529,000	15,088,000	13,397,000	14,512,000	17,052,000	22,362,000
Total Requirements	26,929,000	28,678,000	31,231,000	34,793,000	30,538,000	27,340,000	25,834,000	27,718,000	33,276,000
Target Balance Available***	1,084,000	1,089,000	1,075,000	1,226,000	1,231,000	1,274,000	1,310,000	1,421,000	1,461,000
Amount Above or (Below) Target	(508,000)	(120,000)	352,000	145,000	245,000	310,000	385,000	390,000	468,000

Notes:

*Forecast was prepared prior to adoption of FY18 Budget. FY18 Proposed amounts do not include adjustments for encumbrances or changes to proposed budget.

**The annual deficit in FY18-FY20 is due to vehicle purchases being larger than the annual contribution for replacement. This deficit draws down the fleet reserve, which is intended to buffer fluctuations in acquisitions. The higher acquisitions coming due are a result of extending vehicles beyond their life cycle, resulting in more replacement needs.

***Target balance available per City policy is two months of operating expenditures, excluding reserves, contingency and capital expenditures

This reporting fund includes three subfunds. The Information Systems and Services Fund (611) is to account for equipment and software acquisition, licensing and maintenance, networking and fiber infrastructure, data processing, security, IT emergency management support, telephone, and printing services provided to the City departments. User charges are intended to cover the cost of operations and supplies. The Public Safety Information Systems Fund (612) is for the purpose of implementing and maintaining a public safety Records Management System (RMS), a Computer-Aided Dispatch system (CAD), a City Prosecutor Case Management System (CMS), and a Municipal Court Management System. The Central Business Software Fund (613) is for the purpose of purchasing, implementing and maintaining City-wide business software applications (the Corporate Renovation Project).

Service Category: Information Technology Services, Financial Services

Legal limitations on use of Fund resources: This internal service fund's resources are contributed by other funds per the Information Systems and Services rate schedule based on each fund and organizational unit's share of the costs associated with delivery of information technology services. Charges associated with printing and multi-function device (MFD) services are charged to departments based on actual use of the services. These resources may not be used for purposes other than delivery of information technology and printing services. Resources associated with the Public Safety RMS and the CAD system may not be transferred out of this fund or otherwise used for other purposes per the restrictions associated with the use of the Public Safety Answering Point (PSAP) Fund resources. The PSAP Fund is one of the funds that support the Public Safety Information Systems Fund.

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

For FY18:

Information Systems and Services (611): The Information Services Division (ISD) has been using a lease model for purchasing computer hardware and other equipment, which has reduced information technology expenditures by departments. ISD continues to look for ways to lower equipment costs, lengthen equipment lifecycles, and use new technologies to lower overall expenses. A new rate model was implemented in FY17 and continues unchanged in FY18.

The FY18 budget for this subfund continues to reflect several cost efficiencies identified by ISD staff in previous years, including removal of contingency funds from the rate model, implementation of organizational changes in Print Services, and continued budget refinement for involved teams. The level of reserves in this subfund is projected to increase due to a combination of cost containment strategies implemented by ISD staff, as well as underspending in the preceding fiscal year. An internal service rate increase of 2.6%, which reflects normal operating cost increases, was approved by the Executive Team for FY18.

Public Safety Information Systems (612): The first phase of the Public Safety RMS/CAD project and the Municipal Court's CMS was implemented in FY14 and FY15. These systems are maintained using funds previously allocated to the Area Information Records System (AIRS) system contract. General Fund savings from the phase-out of the AIRS system were realized in FY14. The FY18 budget for this subfund includes funding for the support and maintenance of

the Public Safety RMS/CAD and Municipal Court systems, functionality enhancements for the RMS/CAD system, and maintenance of the City Prosecutor Case Management System.

Central Business Software (613): This fund continues to use planned contributions from the General Fund and other sources to accumulate the funding needed to pay for replacement of the corporate business software. A software implementation vendor was selected and a multi-phase implementation of the new software commenced in FY17; the new financial and budget systems are scheduled to go live in FY18, and the human resource systems are projected to go live in FY19.

For fiscal years beyond FY18:
Information Systems and Services (611): The most significant fiscal challenge for this fund will be achieving a structurally balanced budget where operating revenues meet or exceed recurring expenditures. Central Services staff, with the input from the IT Task Team, will continue working on improving the IT rate model and service delivery, as well as identifying additional efficiencies and savings to achieve a stable budget in this fund.

Public Safety Information Systems (612): The biggest fiscal challenge for this fund in future years will be to cover the future costs associated with an upgrade or replacement of the Public Safety RMS/CAD system and the Municipal Court case management system. It is anticipated that the reserves accumulated in this fund will be used to cover a substantial portion of this cost, but may not be sufficient to fund this project in its entirety.

Central Business Software (613): The corporate software upgrade is expected to be a multi-year project that will be completed by FY20. In February 2015, the Executive Team approved a strategy to fund this project over a five-year period using contributions from the General Fund, Telecommunications Fund, and other sources. Additional contributions to this fund to fully cover the projected costs of the Corporate Renovation Project will be made in the next three fiscal years within the existing operating budget.

Important fund accomplishments, opportunities or challenges:

Fund 611: ISD has begun a move toward internationally recognized best practices by having IT management and staff Control Objectives for Information and Related Technologies (COBIT5) and Information Technology Infrastructure Library (ITIL) certified. An IT Task Team (IT3) has been providing governance and input to ISD regarding strategic planning. These include improvements to the IT rate model, IT policy updates and Service Delivery/Service Level Agreements. A new ticket tracking system and inventory system that aligns with the ITIL practices was implemented in FY17. This has provided insight into the services required from the organization. Metrics will be reported to IT3 showing how ISD is performing in relation to the organizational IT goals that have been established.

Fund 612: The Public Safety RMS/CAD system continues with system maintenance work in FY18. Additional software modules and interfaces will be introduced in FY18 to help the Police, Municipal Court, and City Prosecutor manage and share casework flow along with some enhancements for the Fire and Emergency Services Department.

Fund 613: The Central Business Software Fund continues to build reserves to fully cover the projects costs of the Corporate Renovation Project. The new software implementation started in FY17 and is scheduled to be completed by FY20.

All Funds: FY18 will continue an IT Project Management process that is intended to provide better results for departments. ISD has introduced tools to closely monitor and track IT projects. The objective is to ensure that new services are carefully thought out, insuring strategies for implementing organization-wide IT solutions are considered with any new expenditures.

Relationships with other funds:
Information Systems and Services Fund (Fund 611) has relationships with all other funds that use information technology services that are paid for through the internal service charges.

Public Safety Information Systems Fund (Fund 612) has a relationship with the General Fund, the Telecommunications Fund, and the Public Safety Answering Point (PSAP) Fund that pay for service charges to Fund 612 for the RMS/CAD and CMS systems.

Central Business Software Fund (Fund 613) has a relationship with the General Fund, the Telecommunications Fund, and other funds that have been the source of contributions towards the future replacement or upgrade of the corporate software.

Revenue sources and forecast methodology (top 75% of revenues):
Fund 611 rate revenues are calculated to support the operating expenses in this fund, subject to the internal service fund rate increase limits established by the Executive Team. Printing and MFD charges and pass-through revenues are estimated based on historical experience and current trends.

Fund 612 revenues from the General Fund and Telecom Fund are calculated based on prior year's contribution plus CPI-U. The PSAP Fund contribution is based on its ability to pay due to the revenue constraints experienced by the PSAP Fund.

Fund 613 revenues are derived from the General Fund and other funds and are designed to cover the operating expenses and accumulate sufficient reserves for the corporate software replacement.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Charges for Services	7,329,286	6,930,032	6,959,546	6,959,546	8,976,798	7,049,845
Miscellaneous	33,902	60,289	35,000	35,000	122,763	5,000
Interfund Transfers	0	1,963,826	0	0	0	0
Total Revenues	7,363,188	8,954,147	6,994,546	6,994,546	9,099,561	7,054,845
Expenditures						
Central Services	5,257,557	6,264,249	14,818,678	13,468,105	9,167,084	13,762,115
Interfund Transfers	259,000	299,000	339,000	339,000	339,000	402,000
Total Expenditures	5,516,557	6,563,249	15,157,678	13,807,105	9,506,084	14,164,115
Excess (deficiency) of revenues over expenditures	**1,846,631**	**2,390,898**	**(8,163,132)**	**(6,812,559)**	**(406,523)**	**(7,109,270)**
Beginning Working Capital (Fund Balance), July 1	5,870,281	7,716,912	11,256,249	10,107,810	10,107,810	10,991,897
Ending Working Capital (Fund Balance), June 30	7,716,912	10,107,810	3,093,117	3,295,251	9,701,287	3,882,627

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	5,870,281	7,716,912	11,256,249	10,107,810	10,107,810	10,991,897
Total Revenues	7,363,188	8,954,147	6,994,546	6,994,546	9,099,561	7,054,845
Total Resources	13,233,469	16,671,059	18,250,795	17,102,356	19,207,371	18,046,742
Requirements						
Total Expenditures	5,516,557	6,563,249	15,157,678	13,807,105	9,506,084	14,164,115
Ending Working Capital (Fund Balance)	7,716,912	10,107,810	3,093,117	3,295,251	9,701,287	3,882,627
Total Requirements	13,233,469	16,671,059	18,250,795	17,102,356	19,207,371	18,046,742

Reserves (Budgeted amounts only)						
Reserve	3,823,962	755,599	1,364,919	1,364,919	1,364,919	1,617,024
Balance Available	2,207,718	2,056,841	1,728,198	1,930,332	1,930,332	2,265,603
Total Reserves	6,031,680	2,812,440	3,093,117	3,295,251	3,295,251	3,882,627

The purpose of this reporting fund is to account for professional engineering services performed by Public Works personnel for other City funds and outside agencies. In FY18, the two subfunds that comprise Fund 630, the Professional Services Fund (631) and the Parks and Open Space and Maintenance Professional Services Fund (632), are being combined into a single fund. Revenues in this fund are generated from charges for these services.

Service Categories: Infrastructure; Project and Information Management

Legal limitations on use of Fund resources: Limited to the participating and benefited funds that incurred the fees and charges for service. There are no legal restrictions on General Fund resources. Restrictions do apply on fees and charges paid by non-general funds, consistent with the legal limitations on use of each funds' resources.

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

For FY18:
This fund receives revenue primarily through billed charges to City capital projects. FY18 revenues are projected to remain healthy with capital project funding sources, services for development, and street and park bonds. The fees charged to capital projects are calculated using a full-cost recovery rate model.

For fiscal years beyond FY18: With funding sources such as the local gas tax, SDCs, and bonds, capital programs continue to be strong. Fund expenditures, revenues and billable hours will continue to be reviewed and monitored in future years.

Important fund accomplishments, opportunities or challenges: As an internal service fund, the purpose of this fund is to function as a cost-reimbursement mechanism, while avoiding significant surpluses or deficits.

Relationships with other funds: This fund has a direct relationship with all City capital funds, as the capital funds provide the professional services operating revenue through internal service fund charges.

Forecast methodology for major revenue sources (top 75% of revenues): Future revenue levels are dependent on the level of capital project activity, which will vary from year to year.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Charges for Services	5,847,679	5,904,649	6,216,132	6,408,978	5,844,946	6,872,859
Miscellaneous	23,756	24,656	1,000	1,000	29,000	15,000
Total Revenues	5,871,435	5,929,305	6,217,132	6,409,978	5,873,946	6,887,859
Expenditures						
Public Works	5,499,979	5,978,436	6,297,219	6,554,918	6,554,918	6,642,967
Interfund Transfers	571,000	665,000	888,000	888,000	888,000	920,000
Total Expenditures	6,070,979	6,643,436	7,185,219	7,442,918	7,442,918	7,562,967
Excess (deficiency) of revenues over expenditures	**(199,544)**	**(714,131)**	**(968,087)**	**(1,032,940)**	**(1,568,972)**	**(675,108)**
Beginning Working Capital (Fund Balance), July 1	4,556,820	4,357,276	3,690,363	3,643,145	3,643,145	2,145,997
Ending Working Capital (Fund Balance), June 30	4,357,276	3,643,145	2,722,276	2,610,205	2,074,173	1,470,889

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,556,820	4,357,276	3,690,363	3,643,145	3,643,145	2,145,997
Total Revenues	5,871,435	5,929,305	6,217,132	6,409,978	5,873,946	6,887,859
Total Resources	10,428,255	10,286,581	9,907,495	10,053,123	9,517,091	9,033,856
Requirements						
Total Expenditures	6,070,979	6,643,436	7,185,219	7,442,918	7,442,918	7,562,967
Ending Working Capital (Fund Balance)	4,357,276	3,643,145	2,722,276	2,610,205	2,074,173	1,470,889
Total Requirements	10,428,255	10,286,581	9,907,495	10,053,123	9,517,091	9,033,856

Reserves (Budgeted amounts only)						
Reserve	2,168,270	2,225,204	1,576,066	1,576,066	1,576,066	388,512
Balance Available	1,667,683	1,287,389	1,146,210	1,034,139	1,034,139	1,082,377
Total Reserves	3,835,953	3,512,593	2,722,276	2,610,205	2,610,205	1,470,889

The purpose of this reporting fund is to account for costs of the City's self-insurance programs. This fund includes four subfunds: the Risk Management Fund (622); Employee Health and Benefits Fund (623); Pension Bond Fund (624) and Other Post Employment Benefits Fund (625).

Service Categories: Human Resource and Risk Services; Financial Services

Legal limitations on use of Fund resources: Limited by Eugene City Code 2.585 which states the Risk and Benefits Fund's purpose is to receive, maintain and carry-over from year to year an amount sufficient to meet the City's future liabilities, including risk and employee benefits claims costs, incurred but not reported losses, larger than anticipated judgements, premiums, program administration and contingencies. Code also requires all insurance premium refunds, rebates and dividends to be placed in the fund.

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

For FY18:
Risk Management Fund (622): The Oregon tort claim liability limit is currently $1.38 million per claim for local public bodies and will continue to increase incrementally, exposing the City to potential additional claims liability. However, the projected claims experience over the last several years has been lower than expected enabling Risk to keep the FY18 overall departmental Risk rates flat compared to the FY17 rates. FY18 rates are also designed to cover expenses for an additional 0.5 FTE in the Emergency Management Program.

Employee Health and Benefits Fund (623): For FY18, budget rates increased 5% over FY17 rates.

The major issues facing the Employee Health and Benefits Fund are: 1) a large enrollment of retirees and their dependents whose claims costs are consistently higher than active employees' claims costs; 2) large retiree subsidies required annually to account for the difference between the premiums retirees pay and the claims costs that group incurs, as discussed below; and 3) significant increases in pharmacy claims costs driven by expensive specialty prescription drugs needed to treat serious health conditions.

In FY16, retirees paid $2.1 million in premiums but accounted for $4.1 million in expenses, including claims, administration and stop loss fees, resulting in a retiree subsidy of $2.0 million which was transferred from Fund 623 to Fund 625 to cover retiree costs. The Other Post-Employment Benefits (OPEB) 625 Fund transfer is projected to be $1.9 million in FY17. (See the Fund 625 discussion below.)

Pension Bond Fund (624): The City issued Pension Obligation Bonds in FY02 to pay off the estimated Public Employees Retirement System (PERS) unfunded actuarial liability as of April 1, 2002. Departments are charged via the payroll system to cover annual debt payments.

Other Post Employee Benefits (OPEB) Fund (625): This fund accounts for retiree health insurance premiums and claim costs separately from active employees. Oregon state law

requires public employers to allow retired employees to continue to purchase health insurance coverage for themselves and their eligible dependents through the employers' plans, at the group rates, until they are Medicare eligible. Retirees on the City's plans pay 100% of the group rated premium, but claims costs for the retiree group are consistently higher than the premium paid, resulting in an "implicit subsidy" of the premium. As of June 30, 2016, the actuarial valuation to determine the cost of this implicit subsidy projected the Actuarial Accrued Liability at $13.2 million and the net OPEB obligation at $3.1 million. An actuarial valuation is prepared every two years to update the liability and net OPEB obligation.

Fiscal years beyond FY18:
Risk Management Fund (622): The long-range forecast projects a 5% per year increase from FY18 – FY23, for all fund costs, including claims and insurance premiums. Actual claims experience can vary greatly from year to year.

Employee Health and Benefits Fund (623): The City's annual health care cost increases are projected to significantly exceed the CPI in the future, with a 5.5% increase in the medical trend rate projected in FY19 and 5% in FY20.

Catastrophic claims, overall medical cost inflation, increasing prescription drug costs, an aging workforce and a large enrollment of retired employees remain key factors in continuing to drive the health plan costs upward. In addition, new taxes required by the Patient Protection and Affordable Care Act are expected to increase plan costs in coming years.

OPEB Fund (625): The City is not required to pre-fund the implicit subsidy for retiree health insurance.

Important fund accomplishments, opportunities or challenges:

Risk Management Fund (622): This fund's biggest challenges are claims experience and claims volatility, which varies by program area from year to year. FY14 through FY16 saw positive claims experience in the workers' compensation, liability and unemployment programs.

In FY16, Risk Services programs achieved $643,313 in program savings from recoveries and grants, including recoveries from third parties for damage to City property, the Workers' Compensation Employer-at-Injury Program and the Emergency Management Performance Grant. Risk will continue to pursue recovery and grant opportunities in future years.

Employee Health and Benefits Fund (623): The City continues to focus on cost containment through collective bargaining, and continues to work with the employee groups through the Benefits Study Group on various programs which could help improve health and reduce health care costs in the future. The City implemented a Wellness Incentive Program for non-represented employees to encourage healthy behaviors, create a positive impact on participants and also reduce claims costs.

The City of Eugene has been recognized as one of Oregon's Healthiest Employers annually from 2010 through 2016 by the Portland Business Journal in recognition of the City's comprehensive health and wellness programs which contribute to lower health care costs.

OPEB Fund (625): As mentioned on the previous page, retirees and their dependents are legally entitled to continue coverage under the City's health plans until they are Medicare eligible and this group's health care costs are consistently higher than the premiums they pay to the City. In FY16 retirees received an "implicit subsidy" of $2.0 million which was transferred from Fund 623 to Fund 625 to offset retiree health care costs which exceeded their premium payments.

Relationships with other funds: Funds 622, 623, and 624 receive revenue through rates charged to all funds. Fund 625 receives revenue from the retirees and their dependents who continue to purchase health insurance coverage through the City of Eugene. In addition, Fund 625 receives revenue from Fund 623 to offset retiree health plan costs that exceed the retiree premiums.

Revenue sources and forecast methodology (top 75% of revenues): Fund 622 and 623 departmental charges are set to cover the costs of the programs, which are based on projections of claims, insurance premiums, and administrative costs. In addition, for Fund 623, revenues are generated from active employees who pay a portion of their health insurance premiums and from the premiums paid by terminated employees who are entitled by federal law to continue purchasing health care coverage through the City's plans. For Fund 625, revenues are generated from retirees and their dependents who purchase health coverage through the City, and from departmental charges necessary to cover the full cost of the retiree program through the OPEB transfer from Fund 623. Pension Bond Fund (624) charges are collected from each department based on the number of employees and the amount needed to pay the debt service.

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Intergovernmental	461,800	295,781	210,000	210,000	210,000	200,000
Charges for Services	37,611,662	39,822,736	41,426,983	41,426,983	40,294,340	43,998,513
Miscellaneous	659,975	1,012,479	259,320	259,320	660,107	333,795
Total Revenues	38,733,437	41,130,996	41,896,303	41,896,303	41,164,447	44,532,308
Expenditures						
Central Services	30,895,899	33,078,813	35,845,849	35,845,849	35,001,419	38,017,440
Debt Service	5,784,373	6,069,373	6,364,500	6,364,500	6,364,500	6,674,500
Interfund Transfers	152,000	129,000	156,000	156,000	156,000	224,000
Total Expenditures	36,832,272	39,277,186	42,366,349	42,366,349	41,521,919	44,915,940
Excess (deficiency) of revenues over expenditures	**1,901,165**	**1,853,810**	**(470,046)**	**(470,046)**	**(357,472)**	**(383,632)**
Beginning Working Capital (Fund Balance), July 1	10,966,627	12,867,792	11,611,923	14,721,602	14,721,602	14,432,427
Ending Working Capital (Fund Balance), June 30	12,867,792	14,721,602	11,141,877	14,251,556	14,364,130	14,048,795

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	10,966,627	12,867,792	11,611,923	14,721,602	14,721,602	14,432,427
Total Revenues	38,733,437	41,130,996	41,896,303	41,896,303	41,164,447	44,532,308
Total Resources	49,700,064	53,998,788	53,508,226	56,617,905	55,886,049	58,964,735
Requirements						
Total Expenditures	36,832,272	39,277,186	42,366,349	42,366,349	41,521,919	44,915,940
Ending Working Capital (Fund Balance)	12,867,792	14,721,602	11,141,877	14,251,556	14,364,130	14,048,795
Total Requirements	49,700,064	53,998,788	53,508,226	56,617,905	55,886,049	58,964,735

Reserves (Budgeted amounts only)						
Reserve	6,799,591	6,812,752	6,813,473	6,963,777	6,963,777	6,961,697
Balance Available	2,764,149	4,638,566	4,328,404	7,287,779	7,287,779	7,087,098
Total Reserves	9,563,740	11,451,318	11,141,877	14,251,556	14,251,556	14,048,795

This page intentionally left blank.

Table of Contents

Reader's Guide 223

Service Area Charts 225

Service Budget Reconciliation 226

Public Safety Services
- Charts 229
- Service Description 230
- Budget Information 231
- Animal Services 235
- Call Taking and Dispatch 235
- Fire and Emergency Medical Services 236
- Investigations 237
- Municipal Court 239
- Patrol 240
- Police Records Management and Analysis 241
- Social Services 242
- Fire and Emergency Medical Services Department Administration 243
- Police Department Administration 243

Infrastructure and Planning Services
- Charts 245
- Service Description 246
- Budget Information 249
- Airport 258
- Construction Permits 259
- Greater Downtown Services 260
- Housing Opportunities and Economic Prosperity 261
- Infrastructure Project Management 262
- Land Use Planning 263
- Metropolitan and Community Planning 264
- Parking 265
- Parks and Open Space 267
- Public Buildings and Facilities 268
- Stormwater 269
- Transportation 270
- Urban Forestry 271
- Waste Prevention/Green Building and Business Licensing 272
- Wastewater Collection and Treatment 272
- Zoning and Nuisance Administration 273
- Planning and Development Department Administration 274
- Public Works Department Administration 274

Service View

Culture and Recreation Services
Charts 275
Service Description 276
Budget Information 278
Adaptive Recreation 282
Adult and Senior Services 283
Aquatics 284
Athletics 285
Cultural Services 285
Library 287
Youth and Family Recreation 288
LRCS Administrative Services 289

Central Business Functions
Charts 291
Service Description 292
Budget Information 293
Civic Leadership and Collaboration Services 296
Financial Services 297
Fleet and Radio Communication Services 298
Human Resources and Risk Services 299
Human Rights and Neighborhood Involvement 300
Information Technology Services 301
Central Services Department Administration 302

The Service View presents the City's Operating Budget organized by the services the public receives, rather than by the way the City is internally structured by departments. Presenting a service view of the Operating Budget helps citizens understand the cost of services they receive and the results the services are intended to produce. The service budget:

- Describes the wide range of services provided by the City;
- Shows how services compare in terms of staff and budgeted resources; and
- Provides a quick reference regarding which departments and funds are involved in providing a service.

The City's services have been divided into 44 categories, and grouped under four areas: Public Safety Services, Infrastructure and Planning Services, Culture and Recreation Services, and Central Business Functions.

All service categories provide the following budget information:

- **Expenditures by Department**
  Personnel Services – Wages, fringe benefits, social security, retirement, long-term disability, worker's compensation, unemployment insurance, and temporary help.

  Materials and Services – Operating expenditures not classified as personnel services or capital outlay; including such expenditures as utilities, printing, data processing, telephones, rent, advertising, and contractual services.

  Capital Outlay – Equipment with a useful life of more than one year and a cost greater than $5,000, such as specialized computer equipment.

- **Expenditures by Fund**
  See the Fund Summary section for information about individual funds.

- **General Fund Revenue**
  Money generated by the service through fines, fees, grants, intergovernmental contracts, etc., which contribute to the General Fund.

- **Number of Full-Time Equivalents (FTE) by Fund**
  A full-time position is 40 hours per week for the entire fiscal year and is designated as 1.0 FTE. FTE figures do not equate to number of persons working for the City on a regular basis. For example, 1.0 FTE could represent two half-time employees. The figures also do not include temporary employees.

Department Administration Service Categories

Department Administration services include budgeted expenses for: department executive manager; budget coordinator; department financial analysts (if any); executive assistant; personnel analysts (if any); administrative staff for above positions; technical (computer support) staff (if any); organizational development staff (if any); materials and services associated with above positions; and civil legal services. Graphics and public information staff may be allocated centrally or to the direct services, depending on how the department is organized. Risk rates, facilities costs, lease costs, and division administrative staff have been allocated to the appropriate direct service category.

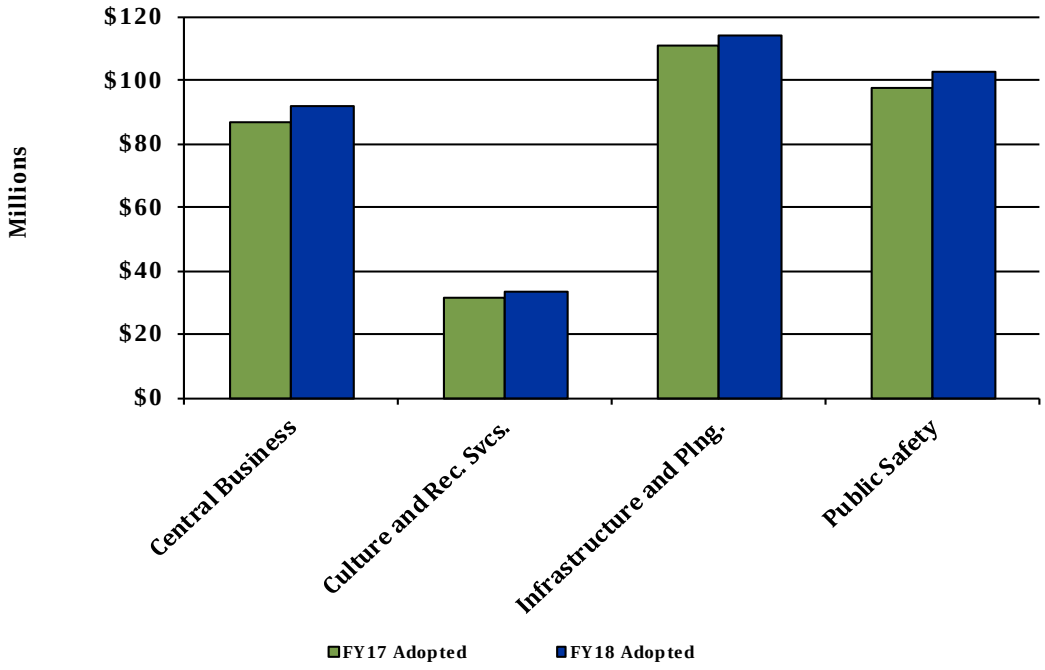
Service Description

The City organization has always been committed to seeking ways to improve service. However, like other public organizations in prior decades, Eugene had not consistently measured and reported service results. In 1995, the Council adopted, as part of its Government Goal, the strategy to improve the effectiveness and efficiency of services and programs. Staff began working to complete a profile of each service in 1995, completing profiles for all services in 1998. The service profile includes information about why the service exists, who it serves, how it needs to change, and the community expectations regarding the service. Service profiles are generally updated every four years (the timeframe of strategies).

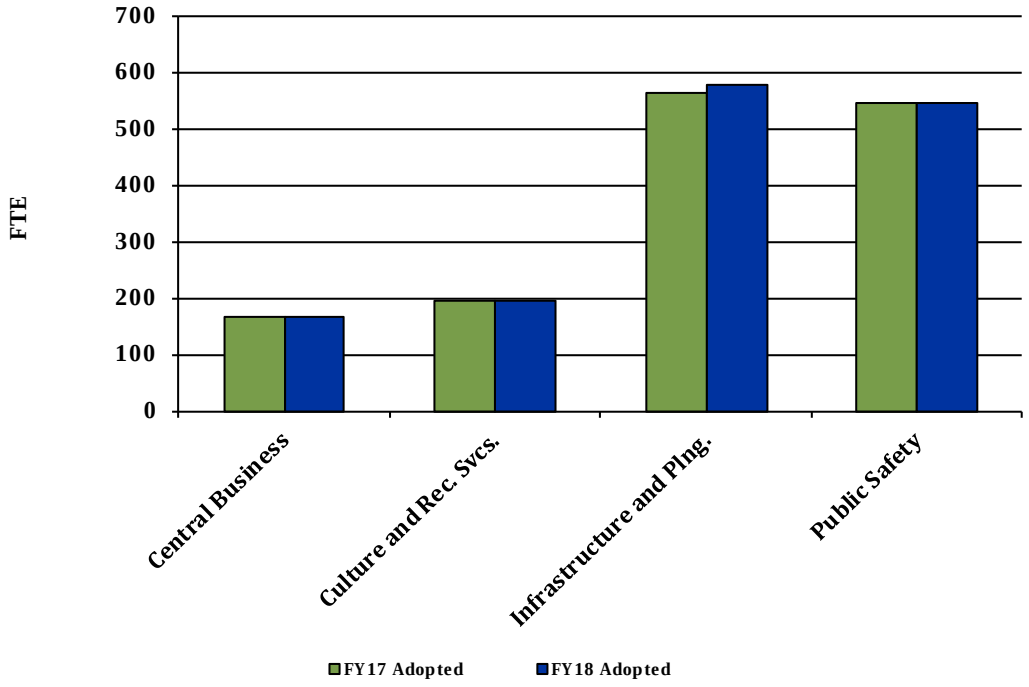
The process of developing the service profile brings together a team representing the whole service. This team works to reach agreement on purpose, direction, and measurements for a service, culminating in a profile representing a strategic plan for service improvement covering the next four years. The product of this effort is reviewed and adopted by the citizen members of the Budget Committee. Service Profiles are not included in the budget document, but can be found on the City's website at www.eugene-or.gov/budget.

(Note: A profile is not produced for Social Services since this service consists of payments to an outside agency. Department Administration categories also do not have service profiles).

Budget by Service Area



Budgeted FTE by Service Area



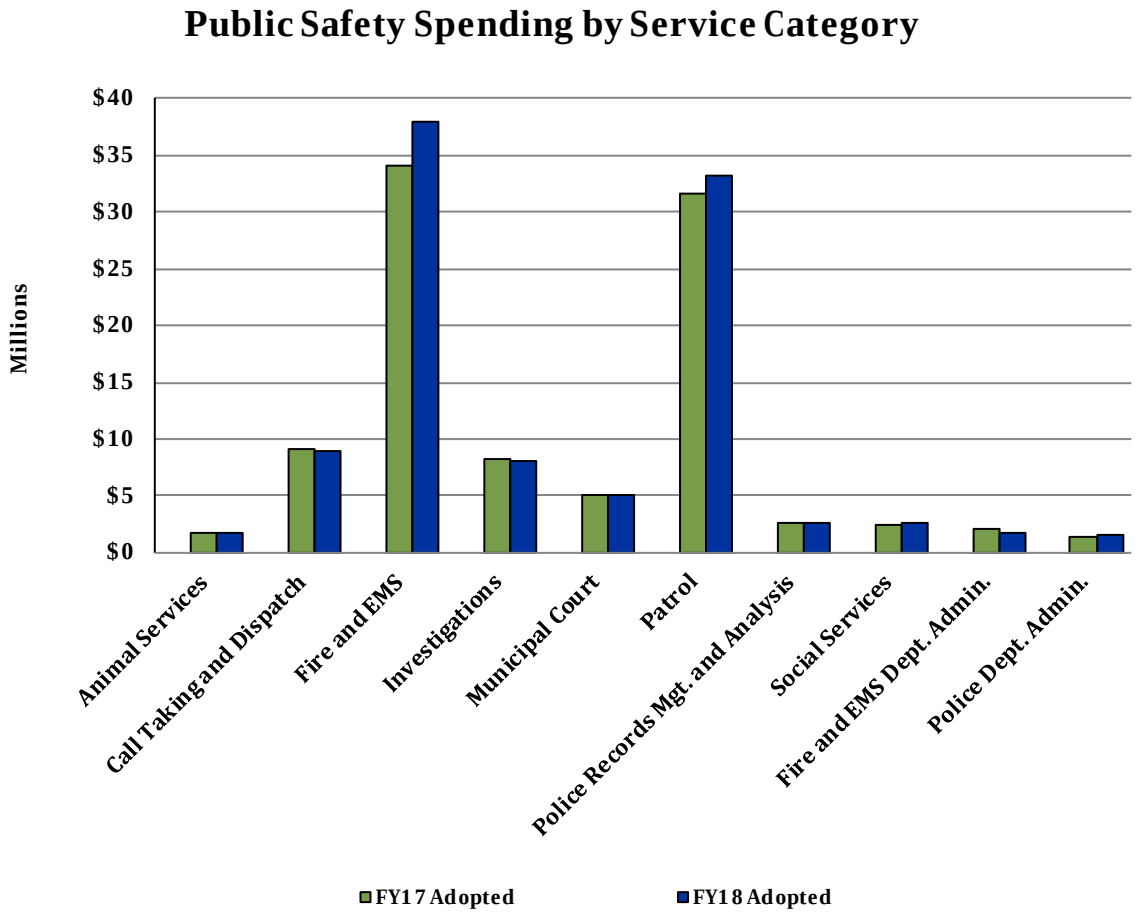
Service Budget Reconciliation to Department Operating Budgets – FY18

Department/Service Category	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Central Services					
Public Safety Services					
Animal Services	$792,644	$792,644	$0	$792,644	3.75
Municipal Court	1,736,500	5,103,682	0	5,103,682	19.70
Subtotal	2,529,144	5,896,326	0	5,896,326	23.45
Infrastructure and Planning Services					
Parking	0	0	397,966	397,966	3.55
Public Buildings and Facilities	0	830,056	10,096,109	10,926,165	57.50
Subtotal	0	830,056	10,494,075	11,324,131	61.05
Central Business Functions					
Financial Services	84,000	3,948,584	572,858	4,521,442	26.00
Civic Leadership and Collaboration Svcs.	800	4,910,309	0	4,910,309	24.80
Human Resource and Risk Svcs.	5,000	2,084,113	37,962,425	40,046,538	29.85
Information Technology	0	5,576,838	16,093,631	21,670,469	49.25
Human Rights and Neighborhood Involvement	0	918,142	0	918,142	5.15
Central Services Admin.	0	2,049,321	0	2,049,321	3.00
Subtotal	89,800	19,487,307	54,628,914	74,116,221	138.05
Total Central Services	**$2,618,944**	**$26,213,689**	**$65,122,989**	**$91,336,678**	**222.55**
Fire and Emergency Medical Services					
Public Safety Services					
Fire and Emergency Medical Services	$3,450,579	$29,458,642	$7,821,154	$37,279,796	188.74
Fire and EMS Department Admin.	0	780,330	868,923	1,649,253	10.00
Subtotal	3,450,579	30,238,972	8,690,077	38,929,049	198.74
Infrastructure and Planning Services					
Airport	0	0	919,653	919,653	5.26
Construction and Rental Housing	0	0	333,961	333,961	2.00
Subtotal	0	0	1,253,614	1,253,614	7.26
Total Fire and Emergency Medical Services	**$3,450,579**	**$30,238,972**	**$9,943,691**	**$40,182,663**	**206.00**

Department/Service Category	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Library, Recreation and Cultural Services					
Culture and Recreation Services					
Adaptive Recreation	$122,000	$854,020	$19,000	$873,020	4.36
Adult and Senior Services	258,000	1,151,492	81,845	1,233,337	6.20
Aquatics	932,000	3,191,747	4,000	3,195,747	10.85
Athletics	410,000	568,655	0	568,655	3.36
Cultural Services	4,803,900	8,192,580	20,000	8,212,580	36.13
Library	478,540	11,118,670	2,682,896	13,801,566	105.00
LRCS Administrative Services	0	1,003,933	0	1,003,933	3.00
Youth and Family Recreation	1,206,000	4,650,639	21,000	4,671,639	27.18
Total Library, Recreation and Cultural Services	**$8,210,440**	**$30,731,736**	**$2,828,741**	**$33,560,477**	**196.08**
Planning and Development					
Public Safety Services					
Social Services	$0	$1,053,655	$1,591,776	$2,645,431	0.00
Infrastructure and Planning Services					
Construction and Rental Housing	0	0	7,860,936	7,860,936	46.85
Housing Opportunities and Economic Prosperity	28,262	674,417	2,299,081	2,973,498	11.47
Greater Downtown Services	376,000	1,128,567	0	1,128,567	4.63
Land Use Planning	319,127	1,285,287	0	1,285,287	9.70
Metro and Community Planning	0	1,351,918	0	1,351,918	6.30
Parking	0	0	6,267,708	6,267,708	15.00
Infrastructure Project Management	0	0	0	0	0.00
Public Buildings and Facilities	0	0	507,065	507,065	0.30
Waste Prevent./Green Bldg. and Bus. Lic.	79,500	73,153	1,115,198	1,188,351	5.05
Zoning and Nuisance Admin.	59,100	611,281	0	611,281	4.55
Planning and Dev. Dept. Admin.	0	1,025,622	0	1,025,622	3.80
Subtotal	861,989	6,150,245	18,049,988	24,200,233	107.65
Total Planning and Development	**$861,989**	**$7,203,900**	**$19,641,764**	**$26,845,664**	**107.65**

Department/Service Category	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Police					
Public Safety Services					
Animal Services	$230,000	$915,786	$0	$915,786	3.00
Call Taking/Dispatch	1,350,000	6,822,998	2,158,200	8,981,198	58.50
Investigations	25,325	8,136,656	0	8,136,656	47.66
Patrol	1,280,350	33,239,125	0	33,239,125	183.50
Police Records Mgmt. and Analysis	30,000	2,569,001	0	2,569,001	25.50
Police Department Admin.	2,000	1,595,759	0	1,595,759	7.00
Subtotal	2,917,675	53,279,325	2,158,200	55,437,525	325.16
Infrastructure and Planning Services					
Airport	0	0	634,276	634,276	3.00
Total Police	**$2,917,675**	**$53,279,325**	**$2,792,476**	**$56,071,801**	**328.16**
Public Works					
Infrastructure and Planning Services					
Airport	$0	$0	$9,033,831	$9,033,831	39.91
Construction and Rental Housing	0	0	1,635,599	1,635,599	12.20
Infrastructure Project Management	0	0	6,642,967	6,642,967	42.29
Parking	0	0	78,727	78,727	0.00
Parks and Open Space	109,028	4,405,217	149,792	4,555,009	26.92
Stormwater	0	0	14,224,319	14,224,319	75.41
Transportation	0	204,980	11,761,244	11,966,224	57.88
Urban Forestry	15,000	105,201	1,762,169	1,867,370	11.30
Wastewater Collection and Treatment	0	0	24,991,584	24,991,584	123.84
Public Works Dept. Admin.	0	1,658,959	0	1,658,959	7.65
Subtotal	124,028	6,374,357	70,280,232	76,654,589	397.40
Culture and Recreation Services					
Athletics	0	88,673	0	88,673	0.75
Central Business Functions					
Fleet and Radio Comm. Srvcs.	0	0	18,157,111	18,157,111	29.20
Total Public Works	**$124,028**	**$6,463,030**	**$88,437,343**	**$94,900,373**	**427.35**
Total All Departments and Services	**$18,183,655**	**$154,130,652**	**$188,767,004**	**$342,897,656**	**1,487.79**

Charts



Service Category	FY17 Adopted	FY18 Adopted
Animal Services	$1,649,220	$1,708,430
Call Taking and Dispatch	9,074,018	8,981,198
Fire and EMS	34,056,737	37,929,796
Investigations	8,168,280	8,136,656
Municipal Court	5,013,512	5,103,682
Patrol	31,690,144	33,239,125
Police Records Mgt. and Analysis	2,529,983	2,569,001
Social Services	2,388,305	2,645,431
Fire and EMS Dept. Admin.	2,013,382	1,649,253
Police Dept. Admin.	1,385,263	1,595,759
	$97,968,844	$103,558,331

Service Description

Public Safety Services include Fire and Emergency Medical Services, Patrol, Investigations, Call Taking and Dispatch, Police Records Management and Analysis, Animal Services, Municipal Court and contracts for human services.

Fire and Emergency Medical Services are provided to promote accident and fire prevention, save lives, protect property, mitigate environmental harm and reduce damage or injuries when emergencies do occur. Services include fire suppression; specialized rescue; hazardous materials response and mitigation; basic and advanced life support first response emergency medical care and ambulance transport; fire prevention, education and life safety outreach education; fire code enforcement; plan review; hazardous materials management; fire investigations; specialized training; logistical support, operations analysis, planning and record keeping.

The Eugene Police Department responds to calls for assistance; provides proactive problem management using data-led policing; conducts prevention programs through community policing partnerships with citizens, schools and community businesses and organizations; enforces traffic laws; conducts crime investigations; manages recovered stolen and pawned property; and assists in the prosecution of offenders.

Police communications personnel answers calls for emergency services and dispatches emergency medical personnel, police officers and firefighters. Calls from both inside and outside Eugene are relayed to appropriate police or fire agencies. Staff also answers non-emergency calls from Eugene, refers non-emergency calls to the appropriate public or social service agencies, provides dispatching services for external agencies on contract, and receives and responds to requests for information and other radio communications from police, firefighters and emergency medical technicians.

The City Animal Services program licenses dogs and cats, enforces animal welfare regulations and provides shelter for impounded animals. The City also operates a low-cost spay/neuter clinic. The clinic performs spay and neuter services to help control Eugene's overall companion animal population. In addition, the clinic offers basic health vaccinations for dogs and cats.

Municipal Court has jurisdiction over violations of the City Code within the city limits. The violations processed include all major and minor state traffic laws, parking laws, and violations of City ordinances. Court proceedings are subject to the general laws of the State of Oregon which govern the justice courts. Municipal Court manages a contractual relationship with the City of Springfield and Lane County for the provision of corrections services, as well as contracts for judicial and indigent defense services.

The City’s Prosecutor’s Office prosecutes misdemeanors and violations that occur within the city limits of Eugene, and are in violation of City Code. The Prosecutor’s Office also handles any appeals from Municipal Court filed in Lane County Circuit Court.

Eugene, Springfield and Lane County fund social services by contributing to a joint fund, which contracts with non-profit agencies for services to primarily low-income and homeless citizens.

Budget Information

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
FUNDING SOURCE					
General Fund	$80,598,109	$84,910,879	$86,536,375	$89,491,612	$90,468,278
Other Funds	10,102,053	10,259,100	11,432,469	12,114,701	13,090,053
Total	$90,700,162	$95,169,979	$97,968,844	$101,606,313	$103,558,331

OPERATING COSTS

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Animal Services					
Expenditures by Department					
Central Services					
Personnel Services	$284,432	$220,230	$333,590	$333,590	$344,962
Materials and Services	448,891	459,939	442,565	442,565	447,682
Subtotal	$733,323	$680,169	$776,155	$776,155	$792,644
Police					
Personnel Services	$221,835	$280,753	$279,267	$279,267	$309,033
Materials and Services	499,581	564,277	593,798	593,798	606,753
Capital outlay	26,295	0	0	0	0
Subtotal	$747,711	$845,030	$873,065	$873,065	$915,786
Total	$1,481,034	$1,525,199	$1,649,220	$1,649,220	$1,708,430
Expenditures by Fund					
General	$1,481,034	$1,525,199	$1,649,220	$1,649,220	$1,708,430
General Fund Revenue	$1,095,375	$1,070,457	$1,006,155	$1,006,155	$1,022,644
Number of Full-time Equivalents					
General	6.50	6.75	6.75	6.75	6.75
Call Taking and Dispatch					
Expenditures by Department					
Police					
Personnel Services	$6,589,402	$7,082,378	$6,978,861	$7,078,861	$7,444,649
Materials and Services	2,123,181	2,195,096	2,095,157	2,545,157	1,536,549
Capital Outlay	1,118,037	28,800	0	0	0
Total	$9,830,620	$9,306,274	$9,074,018	$9,624,018	$8,981,198

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Fire and EMS					
Expenditures by Department					
Fire and Emergency Medical Svcs.					
Personnel Services	$26,854,809	$28,611,126	$29,451,411	$29,593,842	$32,880,303
Materials and Services	4,511,608	5,495,321	4,537,501	5,256,942	5,049,493
Capital Outlay	274,186	9,391	67,825	67,825	0
Total	$31,640,603	$34,115,838	$34,056,737	$34,918,609	$37,929,796
Expenditures by Fund					
General	$25,331,341	$27,470,072	$27,420,884	$27,918,586	$29,458,642
Ambulance Transport	6,309,262	6,645,766	6,635,853	7,000,023	8,471,154
Total	$31,640,603	$34,115,838	$34,056,737	$34,918,609	$37,929,796
General Fund Revenue	$2,454,522	$2,569,689	$2,393,104	$2,671,365	$3,450,579
Number of Full-time Equivalents					
General	161.60	163.10	163.10	163.10	163.10
Ambulance Transport	25.64	25.64	25.64	25.64	25.64
Total	187.24	188.74	188.74	188.74	188.74
Investigations					
Expenditures by Department					
Police					
Personnel Services	$6,307,448	$6,889,254	$6,935,949	$6,935,949	$7,126,978
Materials and Services	966,636	1,135,417	1,232,331	1,351,431	1,009,678
Capital Outlay	8,584	107,952	0	20,000	0
Total	$7,282,668	$8,132,623	$8,168,280	$8,307,380	$8,136,656
Expenditures by Fund					
General	$7,282,668	$8,132,623	$8,168,280	$8,307,380	$8,136,656
General Fund Revenue	$33,729	$51,230	$16,000	$16,000	$25,325
Number of Full-time Equivalents					
General	47.66	47.66	47.66	47.66	47.66

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Municipal Court					
Expenditures by Department					
Central Services					
Personnel Services	$1,523,380	$1,764,885	$1,877,297	$2,238,360	$1,965,013
Materials and Services	3,278,729	3,154,264	3,136,215	3,486,031	3,138,669
Total	$4,802,109	$4,919,149	$5,013,512	$5,724,391	$5,103,682
Expenditures by Fund					
General	$4,802,109	$4,919,149	$5,013,512	$5,724,391	$5,103,682
General Fund Revenue	$2,075,430	$1,916,922	$1,738,000	$1,938,000	$1,736,500
Number of Full-time Equivalents					
General	18.70	19.70	19.70	19.70	19.70
Patrol					
Expenditures by Department					
Police					
Personnel Services	$23,837,827	$25,399,314	$25,904,597	$26,456,358	$26,934,860
Materials and Services	5,737,452	5,447,647	5,785,547	6,191,913	6,304,265
Capital Outlay	291,640	142,378	0	61,487	0
Total	$29,866,919	$30,989,339	$31,690,144	$32,709,758	$33,239,125
Expenditures by Fund					
General	$29,866,919	$30,989,339	$31,690,144	$32,709,758	$33,239,125
General Fund Revenue	$1,732,519	$1,637,433	$1,165,000	$1,901,021	$1,280,350
Number of Full-time Equivalents					
General	183.50	184.50	184.50	183.50	183.50
Police Records Mgt. and Analysis					
Expenditures by Department					
Police					
Personnel Services	$1,950,204	$2,138,364	$2,424,129	$2,424,129	$2,463,189
Materials and Services	101,249	105,929	105,854	105,854	105,812
Total	$2,051,453	$2,244,293	$2,529,983	$2,529,983	$2,569,001
Expenditures by Fund					
General	$2,051,453	$2,244,293	$2,529,983	$2,529,983	$2,569,001
General Fund Revenue	$30,427	$35,411	$0	$0	$30,000
Number of Full-time Equivalents					
General	25.50	25.50	25.50	25.50	25.50

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Social Services					
Expenditures by Department					
Planning and Development					
Personnel Services	$1,225	$22,924	$0	$0	$0
Materials and Services	1,483,473	1,409,349	2,388,305	2,544,787	2,645,431
Total	$1,484,698	$1,432,273	$2,388,305	$2,544,787	$2,645,431
Expenditures by Fund					
General	$1,107,578	$1,039,229	$899,000	$1,187,420	$1,053,655
Community Development	377,120	393,044	1,489,305	1,357,367	1,591,776
Total	$1,484,698	$1,432,273	$2,388,305	$2,544,787	$2,645,431
Fire and EMS Dept. Admin.					
Expenditures by Department					
Fire and Emergency Medical Svcs.					
Personnel Services	$930,535	$1,157,459	$1,622,342	$1,622,342	$1,257,379
Materials and Services	397,155	384,109	391,040	391,040	391,874
Total	$1,327,690	$1,541,568	$2,013,382	$2,013,382	$1,649,253
Expenditures by Fund					
General	$632,270	$752,166	$1,174,820	$1,174,820	$780,330
Ambulance Transport	695,420	789,402	838,562	838,562	868,923
Total	$1,327,690	$1,541,568	$2,013,382	$2,013,382	$1,649,253
General Fund Revenue	$15,000	$5,037	$0	$0	$0
Number of Full-time Equivalents					
General	6.06	5.56	5.56	5.56	5.56
Ambulance Transport	4.44	4.44	4.44	4.44	4.44
Total	10.50	10.00	10.00	10.00	10.00
Police Dept. Admin.					
Expenditures by Department					
Police					
Personnel Services	$705,192	$705,065	$1,007,467	$1,007,467	$1,072,632
Materials and Services	227,174	258,357	346,715	546,237	523,127
Capital Outlay	0	0	31,081	31,081	0
Total	$932,366	$963,422	$1,385,263	$1,584,785	$1,595,759
Expenditures by Fund					
General	$932,366	$963,422	$1,385,263	$1,584,785	$1,595,759
General Fund Revenue	$2,185	$9,062	$2,000	$2,000	$2,000
Number of Full-time Equivalents					
General	6.81	6.81	6.81	6.81	7.00

Animal Services

Description

In FY13, the City of Eugene Police Department began enforcing City animal welfare ordinances, providing animal field services and licensing dogs. The City has contracted with a community partner for sheltering, lost pet and adoption services.

Through the City Manager's Office, the City also directly operates the low-cost Spay/Neuter Clinic. The clinic acts as a successful prevention strategy to help control Eugene's pet population. In addition to operating at full capacity for spay/neuter surgeries, the clinic offers basic health vaccinations for dogs and cats.

Mission

The mission of Animal Services is to provide a safety net for lost, injured and neglected animals; protect public safety; help control pet overpopulation; and provide low-cost veterinary services.

Outcomes

- Get lost, sick and injured animals to medical care.
- Investigate cases of animal abuse and neglect.
- Reduce injuries from animal bites by classifying potentially dangerous dogs.
- Prevent safety hazards caused by loose pets.
- License Eugene dogs and cats.
- Increase community awareness around animal-related issues.
- Help reduce dog and cat overpopulation.
- Provide low-cost veterinary services.

Call Taking and Dispatch

Description

Central Lane 9-1-1 is responsible for regional emergency services, connecting citizens with the public safety assistance they need for approximately 89% of Lane County. Trained Communication Specialists calmly guide callers through crises, obtain and relay vital information, and provide radio support to police, fire and emergency medical responders.

Central Lane 9-1-1 also manages non-emergency calls for Eugene Police and non-urgent medical transport requests for four public ambulance providers. Call takers triage all calls and either route to the appropriate dispatch entity so that public safety responders can be sent, answer and/or resolve questions over the phone, or refer the caller on to other public agencies or resources for further assistance. Dispatchers keep track of response unit availability and location, direct response teams safely into crisis situations, supply arrest and other information in the field, and coordinate backup resources from other jurisdictions as needed.

Emergency call taking is partially funded by the State 9-1-1 telephone tax. Non-emergency call taking and City of Eugene dispatch services are paid for through the General Fund. Dispatch services provided to other public safety agencies are reimbursed via contracts for service.

Mission

Central Lane 9-1-1 is the communications gateway for regional emergency services. The division contributes to the Eugene Police Department's mission: "In fulfillment of the public trust, the Eugene Police Department works in partnership with our community to promote safety and security, enforce laws, prevent crimes, and safeguard the constitutional rights of all people."

Outcomes

- The safety of the public and their property is improved by responding to calls in a timely and professional manner.
- The safety of the public and public safety personnel is improved by handling calls and providing timely and effective dispatch of personnel, equipment, and resources.
- A well-trained and well-equipped staff is available to respond to the incoming call load.
- Public safety issues are resolved, and a feeling of safety and assurance is increased by providing information and referral in a courteous and effective manner.

Fire and Emergency Medical Services

Description

Eugene's Fire and Emergency Medical Services is an all-hazard response agency that provides continuous 24-hour fire suppression, rescue, special hazard mitigation and emergency medical response to situations that threaten life, property and the environment. In addition, the Fire Marshal's Office investigates and determines the cause of fires and promotes fire and hazard prevention through public education, code enforcement and building plans review. By Charter, the service supports the Toxics Right-to-Know Program, which tracks chemical consumption and release from local manufacturers.

Emergency response services are delivered from 10 fire stations strategically located throughout the community's service area. An 11th fire station, located at the Eugene Airport, is dedicated to aircraft rescue and firefighting (ARFF) services and is accounted for in Airport services. Fire and emergency medical first response is provided to all city residents and, by contract, to five adjacent fire protection districts outside of Eugene. The service benefits from having a web of mutual and automatic aid agreements with neighboring departments, which increases coverage and surge capacity. The most comprehensive of these agreements is between the cities of Eugene and Springfield and includes the integrated response system that allows for seamless emergency response between the two cities and several cooperative intergovernmental agreements (IGAs), allowing the fire departments to operate as a single entity.

Beginning in July of 2007, Eugene's service began the process of merging with the City of Springfield Fire and Life Safety Department. Since that time, the service has progressed into an integrated and shared system between the two cities, which operates under a single Fire Chief and integrated

management team. The Eugene Springfield Fire Department protects the two cities and seven contract fire protection districts and serves a combined population of about 240,000 residents, living within 94.3 square miles. The combined workforce has 305 FTE that staff 16 fire stations. The merged system receives its funding from two separate municipal governments, and generates a significant amount of its own funding through an ambulance enterprise fund, fire protection contract districts and fees for permits, inspections and services.

On August 4, 2014, the system completed the merger process for operations with the integration of its emergency responder workforce. Today, integrated crews can be found across the system as well as an integrated administration, Fire Marshal's Office and Training Section. The merger has improved service effectiveness and created cost-saving efficiencies through the elimination of redundant positions, mostly through attrition. The system also enjoys economies of scale in the procurement of materials, supplies and services. Administration is set to be merged by the end of FY18.

Mission

To serve our communities by protecting and preserving life, property and the environment through prevention, education, emergency medical services, rescue and fire suppression services.

Outcomes

- Safer community through effective prevention and public education.
- Level of response reflects the Standards of Coverage risk analysis.
- Effective apparatus and equipment configuration meets response needs.
- Stability of ambulance transport services in service area with adequate response and transport capacity.
- New operational efficiencies within service community.
- Good relationships with neighboring jurisdictions and agencies.
- Training and professional development prioritized.
- Needed infrastructure development and logistical support available.
- Organizational excellence is promoted and documented.
- Strong interdepartmental relationships.
- Strong internal relationships.

Investigations

Description

The Investigations Division includes the Violent Crimes Unit, the Property Crimes and Forgery/Fraud Unit, Arson Investigation, and the Special Investigations Unit. In addition, two detectives are assigned to the Inter-Agency Narcotics Enforcement Team (INET). INET is a multi-jurisdictional team comprised of detectives from different Lane County law enforcement agencies. It is supervised by the Oregon State Police and overseen by a board of directors. The Investigations Division conducts in-depth investigations of crimes against persons, financial crimes, crimes against property, processes crime scenes and prepares court documents. Reports

of crime often require specialized follow-up investigation to gather evidence, determine witnesses to a crime, identify involved persons and prepare cases for prosecutorial review, prosecution and trial.

In addition, the Evidence Control Unit and the Forensics Evidence Unit reside within the Investigations Division. Forensics Evidence and Evidence Control provides investigative services for the Eugene Police Department and for many county, state, and federal agencies to assist in the processing of evidence. In 2013, the Forensics Evidence Unit became an accredited team, furthering its ability to provide quality services to area law enforcement agencies.

Investigation of violent felonies and violent misdemeanors are handled through the Violent Crimes Unit (VCU). VCU is responsible for investigating all crimes against persons, such as homicide, sexual assault, robbery, assaults, domestic violence and large-scale incidents requiring a major on-scene investigative effort as a team. The unit has one detective who solely handles domestic violence cases and works closely with victim support services. In addition, two detectives share ad hoc duties with the Interagency Deadly Force Investigations Team (IDFIT), the inter-agency group which conducts investigations on officer involved lethal use of force incidents.

The Property Crimes Unit is responsible for the follow-up investigation of the crimes of burglary, theft, unauthorized use of vehicles, animal abuse, criminal mischief and associated lesser crimes. Financial Crimes provides follow-up investigation of the crimes of identity theft, forgery, theft (by deception), fraudulent use of credit card, criminal mistreatment (financial abuse), tampering with drug records and computer crimes.

Cases are assigned for investigative follow-up based on solvability factors, and investigators use various appropriate methods of investigation. Detectives also perform a public education role in an effort to reduce the volume of crime.

A major focus for the division is the reduction of property crimes. The Property Crimes, Financial Crimes and Vice Narcotics units are integrally involved in investigating prolific property offenders.

Mission

The Investigations Division contributes to the Eugene Police Department's mission: "In fulfillment of the public trust, the Eugene Police Department works in partnership with our community to promote safety and security, enforce laws, prevent crimes, and safeguard the constitutional rights of all people."

Outcomes

- Provide appropriate and effective follow-up investigations to violent, property, financial crimes and arson crimes occurring in the City of Eugene.
- Conduct thorough, timely and professional forensic assistance to aid in the success of investigations and prosecutions.

- Thorough handling, documentation and storing of evidence and property, so that chain of custody is intact, and evidence is preserved.
- Gang-related crimes are investigated, and the department participates in a regional strategy to reduce (high-level) drug and gang-related crimes and their impact on the community.

Municipal Court

Description

Eugene Municipal Court was established by City Charter to adjudicate violations of the City's municipal laws occurring within city limits. The City also adopted the State Vehicle Code by ordinance, which gives the Municipal Court jurisdiction over these offenses within the city limits. On average, the Court handles 13,000 violations, 4,500 misdemeanors and 62,000 parking citations annually. Municipal Court provides fair and reasonable adjudication of cases and, where appropriate, imposition of sanctions. Court sanctions may include fines, time in jail, community service, work crew, diversion/probation or other alternative programs depending upon the severity of the offense and the defendant's history with the Court. Alternative programs operated by the Municipal Court include, but are not limited to, the Mental Health Court and the Community Court.

The Presiding Judge is appointed by the City Council and appoints additional judges as needed. At the present time, the Presiding Judge is part-time and has appointed one part-time Associate Judge and five part-time Assistant Judges. Court staff is responsible for the flow of all cases through the Court, maintenance and retention of court records, collection of fines and enforcement of Court sanctions.

The City Prosecutor's Office prosecutes criminal and violation offenses of the Eugene Municipal Code and State Vehicle Code in Eugene Municipal Court and, if necessary, on appeal to the Lane County Circuit Court. The Prosecutor contracts with additional outside attorneys as necessary to process the cases filed in the Municipal Court.

The Municipal Court operations budget includes costs for judicial salaries, court operations, interpreters, juries, jail space at the Lane County and the City of Springfield jails, and the attorney contracts for public defender services. An attorney must be made available to indigent defendants who are charged with jailable offenses. The City Prosecutor represents the City in all cases brought before a municipal judge.

Mission

We provide a neutral forum that ensures defendants the constitutional right to due process through effective and efficient adjudication of cases, ensuring enforcement of sanctions.

Outcomes

- Provide for a safe community.
- Enhance the quality of life of citizens.
- Contribute to an effective criminal justice system.
- Ensure due process rights of all citizens.
- Provide efficient and effective City services.
- Encourage defendants to be accountable and responsible.

Patrol

Description

The Patrol Division combines incident response, crime prevention and preliminary criminal investigations using data-led and community policing practices to protect the public's safety. Special project and contract activities include foot and bike patrols, problem-directed patrols and services to the University of Oregon neighborhood, the Eugene Airport and the 4J and Bethel school districts. The Eugene Police Department emphasizes the delivery of police services through partnerships with citizens, social service agencies, civic groups, businesses, neighborhoods and other parts of the community, all of whom are involved in decisions of prioritization of scarce resources.

The Patrol Division is comprised of uniformed Patrol, Downtown, SWAT, K9, Traffic Enforcement, Safer Schools, Crisis Negotiations and Crime Prevention Teams. These units are responsible for the day-to-day law enforcement efforts of the department such as responding to calls for service, data-led policing initiatives, deploying school resource officers, preliminary crime investigation, investigation of fatal accidents, crime prevention and the operations of community public safety stations. The special teams provide a variety of services designed to handle hostage situations, civil disturbances, traffic enforcement and other crimes that require special training and equipment above and beyond routine patrol activities.

Services are provided using data-led policing as a three-pronged approach to proactively focus on where crimes occur, the chronic offenders who perpetrate those crimes and crime prevention. Community partners in law enforcement include, but are not limited to, Neighborhood Watch, Seniors and Law Enforcement Together (SALT), Crime Prevention Specialists, School Resource Officers, Community Service Officers, Safe and Sound, CAHOOTS and the illegal camping work group.

Mission

The Patrol Division contributes to the Eugene Police Department's mission: "In fulfillment of the public trust, the Eugene Police Department works in partnership with our community to promote safety and security, enforce laws, prevent crimes, and safeguard the constitutional rights of all people."

Outcomes

- Calls for service are answered promptly to provide effective and efficient community service.
- Resources are identified and allocated appropriately through data-led policing strategies to reduce and prevent crime.
- The community receives effective crime prevention services.
- Crime and the fear of crime are reduced throughout the community through a highly visible police presence.
- Follow-up investigations are provided for low-level criminal and nuisance activities that require attention beyond initial call response and preliminary investigation.

Police Records Management and Analysis

Description

Police Records Management and Analysis is composed of into two units: the Records unit collects and maintains police records using automated systems and manual processes; and the Computer and Data Support unit maintains Information Technology (IT) systems and security.

For most of the community, Records represents the public reception area for Police Services with walk-in counter and telephone contacts. This section processes requests to release police and criminal justice records (via public records requests), disseminates police information, processes sex offender registrations, processes vehicle tow transactions and provides reports to the public, other city departments, and public agencies. The section supports other City services outside of traditional business hours by collecting base fines, security release fees and parking payments for Eugene's Municipal Court, as well as providing referrals to other public service agencies. In addition, the unit provides timely, accurate and complete records for police patrol and investigations through: completing police reports; completing warrant entries and clearances; completing stolen vehicle, guns and property entries; validating data; routing police reports to other criminal justice agencies; and confirming warrants. Accuracy is critical; the Records unit is regularly audited by State and Federal agencies for accuracy and completeness.

The Computer and Data Support unit has a growing responsibility of access security for police IT systems and for the research, development and maintenance of technology systems to enhance the productivity of the Police Department. This unit manages police-specific software as well as the body worn camera systems and in car video systems.

Mission

Eugene Police Records Management and Analysis contributes to the Eugene Police Department's mission: "In fulfillment of the public trust, the Eugene Police Department works in partnership with our community to promote safety and security, enforce laws, prevent crimes, and safeguard the constitutional rights of all people."

Outcomes

- 24-hours a day access to public safety services for police operations, the public, and the broader criminal justice community.
- Law enforcement records that are accurate and promptly available for use in the justice system are maintained.
- The integrity of the Eugene Police Department's law enforcement data systems is assured.
- A high level of customer service when interacting with the public and employees is provided.
- Police IT hardware and software programs are maintained and available for use.

Social Services

Description

Eugene, Springfield and Lane County fund social services by contributing to a joint fund administered by Lane County with oversight by the Human Services Commission. The County contracts with nonprofit agencies for services to low-income, disabled and homeless citizens. Services include food, shelter, medical attention and protection from abuse and neglect. The contracting agencies promote self-sufficiency and help to reduce the need for additional City services. On occasion, the City will contract directly with social service providers for high priority services or pilot projects.

In response to the growing need for safe places for people who are experiencing homelessness to sleep, the Eugene City Council approved the Dusk to Dawn Program in November, 2015. Dusk to Dawn provides a legal place for homeless people to sleep between the hours of 4:30 p.m. and 7:30 a.m. The program is managed by St. Vincent de Paul of Lane County.

Social Service Contract Detail

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY18 Adopted Budget
General Fund				
Human Services Commission	$860,000	$860,000	$935,000	$810,000
St. Vincent de Paul Lindholm Weekend Hours	75,000	75,000	75,000	0
St. Vindent de Paul Homeless Camping	89,000	69,486	89,000	89,000
St. Vincent de Paul Homeless Camping Portable Restrooms	51,038	34,743	50,000	0
Dusk to Dawn Program	0	0	0	154,655
General Fund Total	$1,075,038	$1,039,229	$1,149,000	$1,053,655
Community Development Fund				
Human Services Commission	$350,000	$350,000	$350,000	$350,000
Social Services Capital Projects	27,719	20,511	621,767	1,151,396
Community Development Fund Total	$377,719	$370,511	$971,767	$1,501,396
All Funds Total	$1,452,757	$1,409,740	$2,120,767	$2,555,051

Fire and Emergency Medical Services Department Administration

Description

The Fire and Emergency Medical Services Department Administration sets the direction for the department to meet goals set forth by the City Manager and City Council. The service coordinates responses to the public and other government entities regarding requests for service and information. Staff provides strategic and financial planning; financial and system analysis; budget development and coordination; office administration; contract and grant administration; reporting and data analysis; GIS mapping; project management and information management.

Mission

Fire and Emergency Medical Services Department Administration contributes to the Fire Department's mission: "To serve our communities by protecting life, preserving property, and safeguarding the environment through prevention, education, rescue, fire suppression and emergency medical services."

Outcomes

- Executive leadership is provided to the department, coordinating its activities with the established goals, objectives and priorities of the Mayor, Council and the City's Executive Team.
- A comprehensive planning and reporting framework is provided to assist the department in establishing strategic plans, operating plans and the standards of coverage risk analysis report.
- Service priorities, initiatives, accomplishments and challenges are communicated to the public.
- Policy oversight is provided to ensure that the department meets professional and employment standards, contractual agreements and legal responsibilities.
- Resources are managed appropriately to provide services to the public within budget authority.

Police Department Administration

Description

The Police Department Administration is composed of two divisions: Office of the Chief and Operations Support. These divisions provide overall guidance, direction and support to the operating divisions of the Police Department; ensure that department services and projects support City Council goals and strategic priorities and respond to community concerns; coordinate services to support the shared priorities of the executive management team; develop and provide information to operating divisions that affects department operations; and assist divisions in establishing and measuring the goals and objectives of the strategic plan. Operations Support staff provide financial services including payroll, facilities management, recruiting and retention of employees, Volunteers in Policing and other services that support the organization as

a whole. The Office of the Chief includes Internal Affairs, liaison to the Police Commission, strategic planning, Council and citizen liaise, policy and accreditation, training and the Public Information Office.

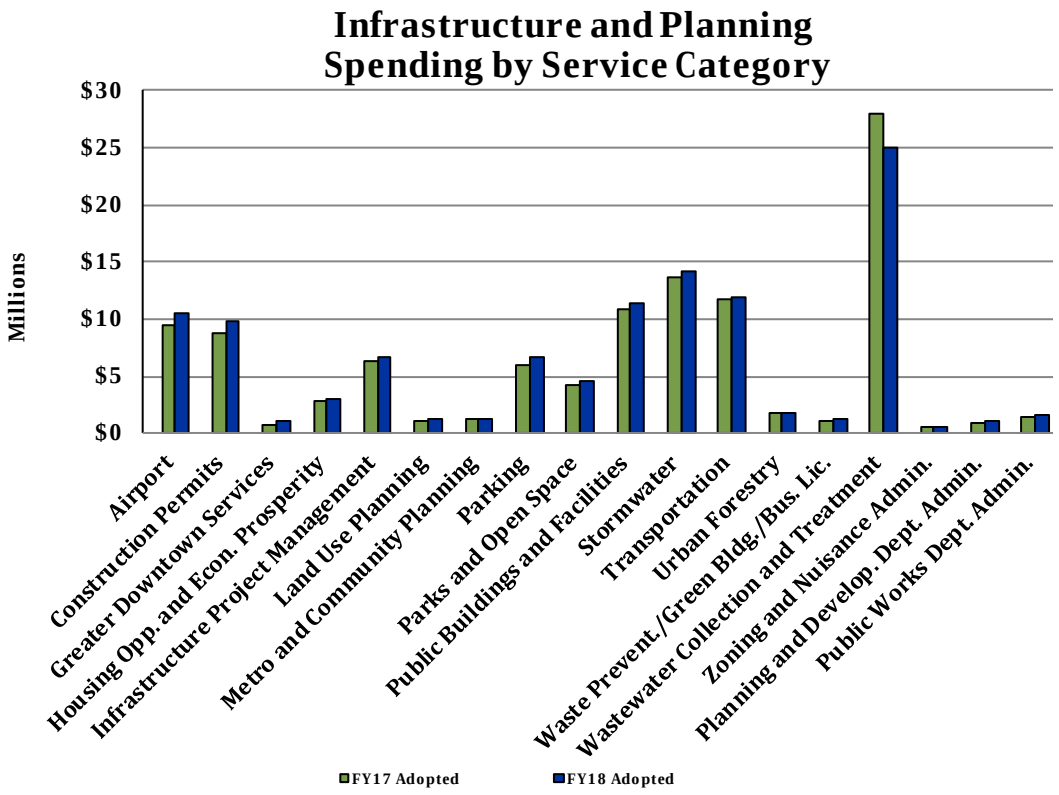
Mission

Police Department Administration units contribute to the Eugene Police Department's mission: "In fulfillment of the public trust, the Eugene Police Department works in partnership with our community to promote safety and security, enforce laws, prevent crimes, and safeguard the constitutional rights of all people."

Outcomes

- Executive leadership is provided to the department, coordinating its activities with the established goals, objectives and priorities of the Mayor, Council and the City's Executive Team.
- A comprehensive planning framework is provided to assist the department to establish a strategic plan and clear and accountable reporting mechanisms.
- The Police Department's service priorities, accomplishments and challenges are communicated to the public.
- Policy guidance and oversight are provided to ensure that the Eugene Police Department meets all professional and employment standards, contractual agreements and legal responsibilities.
- The Police Department's resources are managed appropriately to provide police services to the public within the allocated budget authority.
- A liaison is provided and support is given to the Eugene Police Commission, facilitating its role as community policy advisor to the City of Eugene and the Police Department.

Charts



Service Category	FY17 Adopted	FY18 Adopted
Airport	$9,496,203	$10,587,760
Construction Permits	8,700,784	9,830,496
Greater Downtown Services	755,816	1,128,567
Housing Opp. and Econ. Prosperity	2,853,879	2,973,498
Infrastructure Project Management	6,377,080	6,642,967
Land Use Planning	1,182,531	1,285,287
Metro and Community Planning	1,355,444	1,351,918
Parking	6,069,496	6,744,401
Parks and Open Space	4,310,817	4,555,009
Public Buildings and Facilities	10,796,458	11,433,230
Stormwater	13,722,341	14,224,319
Transportation	11,770,777	11,966,224
Urban Forestry	1,829,289	1,867,370
Waste Prevent./Green Bldg./Bus. Lic.	1,040,317	1,188,351
Wastewater Collection and Treatment	27,955,105	24,991,584
Zoning and Nuisance Admin.	599,070	611,281
Planning and Develop. Dept. Admin.	835,212	1,025,622
Public Works Dept. Admin.	1,470,761	1,658,959
	$111,121,380	$114,066,843

Service Description

The Infrastructure and Planning Services category includes development and maintenance of the City's physical infrastructure (transportation systems, public buildings, parks, and wastewater and stormwater collection and treatment facilities); operation of the Eugene Airport; land use planning; construction and other permit services; community development; and parking management.

At the Airport, the City operates the terminal and airfield facility, provides short and long-term parking, plans and implements airfield improvements and manages space for private aviation-related businesses. The Airport serves a southern Willamette Valley regional population of over 721,000. The Airport strives to provide service to customers within a one-hour drive to the north of Eugene and a two-hour drive to the south. On a daily basis, the airport serves approximately 2,400 commercial airline passengers. Commercial airlines serving the Eugene Airport provide around 54 arrivals and departures daily. Annually, the Eugene Airport accommodates around 63,000 total aircraft operations. Daily volume of aircraft traffic varies from 100-500 aircraft operations per day, depending on weather and other factors.

Eugene's transportation system provides mobility and access for its citizens over a broad network of streets, alleys, sidewalks, and bike paths that cover the City's 44 square miles and connect with state and county roadways. The system entails 547 miles of streets, 43 miles of alleys, over 767 miles of sidewalks and pedestrian ways, and 12,750 sidewalk access ramps provide the essential network for travel by automobile, truck, bus, foot, and bicycle. The system includes approximately 240 traffic signals, 9,700 street and bike path lights, 19,300 traffic signs, 9,700 street name signs, and 579 lane miles of roadway striping. Additionally, 42 miles of separated off-street bike paths and over 150 lane miles of painted on-street bike lanes provide routes for commuter bicycling and walking, as well as recreational cycling, jogging, and other uses.

Eugene's publicly owned and managed stormwater system includes approximately 39 miles of streams and other waterways, more than 38 miles of roadside ditches and culverts, approximately 600 miles of enclosed stormwater pipe, more than 15,000 catch basins, over 3,800 pipe inlet/outlet structures, over 9,400 manholes, about 290 vegetated stormwater facilities, 65 mechanical stormwater facilities, and 3,000 acres of wetlands in west Eugene that are owned and managed in partnership with other agencies.

The City manages wastewater collection and treatment facilities on a regional basis by providing sewers for wastewater collection and conveyance from homes and businesses in Eugene, Santa Clara, and River Road to the regional treatment plant.

City planning services are aimed at preserving the quality of Eugene's environment (both natural and built), including the character of its neighborhoods and public infrastructure. The planning process is designed to encourage all community members to participate in community visioning.

The Planning Division manages the development review process involving over 200 land use applications per year. Evaluation of these applications requires a balancing of community interests to ensure orderly development consistent with City objectives. Such efforts involve extensive interaction with various stakeholders as well as the general public.

The Parking Services program includes transportation and economic development planning, enforcement, employee permitting, meters, residential parking zones and permits, parking lots, parking structures, adjudication, maintenance, and downtown security. The program's primary service delivery area is downtown to campus, but it also enforces parking code and mitigates parking issues throughout the city of Eugene. The program manages 2,600 structured parking spaces, 980 on-street parking spaces, and 350 surface lot spaces in the downtown area. There are an additional 4,000 parking spaces in the residential parking permit program in the campus to downtown service areas. Parking Services is a self-sufficient program and receives no operational subsidies, which is unique for municipal parking programs. In fact, Eugene's Parking Services program is one of few municipal parking funds that provide support to the General Fund for downtown public safety services.

Several City services are administered through the Permit and Information Center including: development-related public outreach and education; construction permitting, plan review, and inspections; land use applications; fire code permits and reviews; Public Works development-related permits and reviews; sign permits and enforcement; private property tree permits and enforcement; green building education and promotion; natural resource protection enforcement; Oregon building code enforcement; zoning and nuisance complaints and code enforcement; rental housing program; waste prevention/green building program; and the business license program which includes liquor licenses, tobacco licenses, payday loan lender licenses, permits for tailgating, and licensing for companies and drivers who provide passenger and medical transport services.

The rental housing program ensures minimum habitability standards to safeguard the health, property and public well-being of owners, occupants and users of rental housing. The program's current focus is on issues involving structural integrity, plumbing, heating, weatherproofing, security, smoke detectors and visible mold caused by faulty plumbing or weatherproofing.

Community Development services provide support for promotion of construction of affordable housing; administration of housing rehabilitation loan programs for low income housing and commercial and business development loan programs to create jobs for lower income residents; planning and development efforts to support economic prosperity and a healthy, vibrant downtown; and management of the Riverfront and Downtown Urban Renewal districts. Community Development also provides funding for human services operations, human services capital projects, access for low-income residents and promotes fair housing.

The Facility Management Division coordinates an array of activities to design, build, operate, and maintain City-owned buildings and facilities. The City has approximately 2 million square feet of facilities, which includes Police headquarters, community centers, fire stations, libraries, performing arts venues, parking garages, swimming pools, park structures, and general City office buildings. The current General Fund inventory comprises more than 100 buildings and structures totaling nearly 1 million square feet, with a replacement value of $300 million. Facility Management programs include project management for the design and construction of new and remodeled City facilities; maintenance and repair of City facilities; building operations, including custodial services; energy management and green building programs; downtown and Parks Blocks maintenance and public space infrastructure improvements; inter-departmental courier and mail service, security, including access control, security alarms, and fire alarms; facility strategic planning; and facility condition assessment.

The City maintains over 4,800 acres of parkland, landscape beds, sports fields, playgrounds, picnic shelters, turf, grounds, preserved natural areas, and hard surface areas. The City also plans for and manages major changes in the park and landscape system, such as acquiring new parks and open space, major renovation of existing parks, and significant changes in park use.

The City regulates trees on private lands through administration of the City Tree Preservation Ordinance. The City also has direct maintenance responsibility for all trees within the public right-of-way (approximately 100,000 trees), on parkland, and within the City-owned natural forested areas.

Budget Information

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
FUNDING SOURCE					
General Fund	$10,382,262	$11,393,027	$11,979,228	$13,925,702	$13,354,658
Other Funds	76,333,786	82,320,407	99,142,152	98,868,685	100,712,185
	$86,716,049	$93,713,434	$111,121,380	$112,794,387	$114,066,843

OPERATING COSTS

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Airport					
Expenditures by Department					
Public Works					
Personnel Services	$3,426,852	$3,767,745	$4,137,950	$4,137,950	$4,431,191
Materials and Services	2,780,478	2,820,808	3,726,027	3,961,274	4,491,640
Capital Outlay	139,277	61,442	175,000	175,000	111,000
Subtotal	$6,346,607	$6,649,995	$8,038,977	$8,274,224	$9,033,831
Fire and Emergency Med. Svcs.					
Personnel Services	$799,697	$827,052	$875,708	$875,708	$914,301
Materials and Services	5,962	3,237	4,963	4,963	5,352
Subtotal	$805,659	$830,289	$880,671	$880,671	$919,653
Police					
Personnel Services	$508,076	$545,849	$560,874	$560,874	$620,000
Materials and Services	4,339	5,358	15,681	15,681	14,276
Subtotal	$512,415	$551,207	$576,555	$576,555	$634,276
Total	$7,664,681	$8,031,491	$9,496,203	$9,731,450	$10,587,760
Expenditures by Fund					
Municipal Airport	$7,664,681	$8,031,491	$9,496,203	$9,731,450	$10,587,760
Number of Full-time Equivalents					
Municipal Airport	45.67	45.67	47.17	47.17	48.17

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Construction Permits					
Expenditures by Department					
Fire and Emergency Med. Svcs.					
Personnel Services	$262,929	$278,300	$291,248	$291,248	$318,291
Materials and Services	11,867	11,648	15,656	15,656	15,670
Subtotal	$274,796	$289,948	$306,904	$306,904	$333,961
Planning and Development					
Personnel Services	$4,400,685	$4,722,068	$5,265,146	$5,265,146	$5,944,847
Materials and Services	793,903	958,555	1,547,760	1,607,307	1,886,089
Capital Outlay	0	7,945	0	0	30,000
Subtotal	$5,194,588	$5,688,568	$6,812,906	$6,872,453	$7,860,936
Public Works					
Personnel Services	$1,101,911	$1,127,030	$1,356,457	$1,356,457	$1,357,863
Materials and Services	149,933	108,296	224,517	219,999	277,736
Subtotal	$1,251,844	$1,235,326	$1,580,974	$1,576,456	$1,635,599
Total	$6,721,228	$7,213,842	$8,700,784	$8,755,813	$9,830,496
Expenditures by Fund					
Construction and Rental Housing	$5,794,332	$6,290,780	$7,478,558	$7,538,105	$8,541,089
Systems Dev. Capital Projects	301,802	267,337	463,377	458,859	533,577
Stormwater Utility	494,314	504,162	562,124	562,124	567,569
Wastewater Utility	130,780	151,563	196,725	196,725	188,261
Total	$6,721,228	$7,213,842	$8,700,784	$8,755,813	$9,830,496
Number of Full-time Equivalents					
Construction and Rental Housing	45.45	48.45	49.35	49.35	52.35
Systems Dev. Capital Projects	1.95	1.95	2.50	2.50	2.50
Stormwater Utility	4.60	4.60	4.60	4.60	4.60
Wastewater Utility	1.40	1.40	1.60	1.60	1.60
Total	53.40	56.40	58.05	58.05	61.05
Greater Downtown Services					
Expenditures by Department					
Planning and Development					
Personnel Services	$183,679	$287,848	$263,464	$688,426	$580,981
Materials and Services	387,669	336,398	492,352	626,198	547,586
Total	$571,348	$624,246	$755,816	$1,314,624	$1,128,567
Expenditures by Fund					
General	$569,198	$624,246	$755,816	$1,314,624	$1,128,567
Community Development	2,150	0	0	0	0
Total	$571,348	$624,246	$755,816	$1,314,624	$1,128,567
General Fund Revenue	$301,515	$280,512	$376,000	$376,000	$376,000
Number of Full-time Equivalents					
General	1.62	1.63	1.63	1.63	4.63

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Housing Opp. and Econ. Prosperity*					
Expenditures by Department					
Planning and Development					
Personnel Services	$1,089,837	$1,108,381	$1,253,482	$1,253,482	$1,340,454
Materials and Services	315,744	848,889	1,600,397	1,297,893	1,633,044
Capital Outlay	0	74,126	0	0	0
Total	$1,405,581	$2,031,396	$2,853,879	$2,551,375	$2,973,498
Expenditures by Fund					
General	$544,446	$637,793	$646,210	$646,210	$674,417
Community Development	861,135	1,393,603	2,207,669	1,905,165	2,299,081
Total	$1,405,581	$2,031,396	$2,853,879	$2,551,375	$2,973,498
General Fund Revenue	$38,285	$38,730	$30,000	$30,000	$28,262
Number of Full-time Equivalents					
General	3.69	3.68	3.68	3.68	3.68
Community Development	7.54	7.54	7.79	7.79	7.79
Total	11.23	11.22	11.47	11.47	11.47

* In previous Adopted Budget documents, this service was called Affordable Housing. The FY18 Adopted Budget reflects the revised service name.

Infrastructure Project Management*					
Expenditures by Department					
Planning and Development					
Personnel Services	$4,325	$6,383	$0	$11,879	$0
Materials and Services	257,133	49,107	79,861	2,296	0
Subtotal	$261,458	$55,490	$79,861	$14,175	$0
Public Works					
Personnel Services	$4,649,980	$4,969,234	$5,281,463	$5,281,463	$5,642,185
Materials and Services	849,999	1,003,601	1,015,756	1,251,352	960,782
Capital Outlay	0	5,601	0	22,103	40,000
Subtotal	$5,499,979	$5,978,436	$6,297,219	$6,554,918	$6,642,967
Total	$5,761,437	$6,033,926	$6,377,080	$6,569,093	$6,642,967
Expenditures by Fund					
Community Development	$261,458	$55,490	$79,861	$14,175	$0
Professional Services	5,499,979	5,978,436	6,297,219	6,554,918	6,642,967
Total	$5,761,437	$6,033,926	$6,377,080	$6,569,093	$6,642,967
Number of Full-time Equivalents					
Professional Services	40.54	41.54	42.29	42.29	42.29

* In previous Adopted Budget documents, this service was called Infrastructure Project and Information Management. The FY18 Adopted Budget reflects the revised service name.

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Land Use Planning					
Expenditures by Department					
Planning and Development					
Personnel Services	$879,927	$986,399	$1,048,133	$1,048,133	$1,178,158
Materials and Services	119,751	266,710	134,398	219,342	107,129
Total	$999,678	$1,253,109	$1,182,531	$1,267,475	$1,285,287
Expenditures by Fund					
General	$999,678	$1,253,109	$1,182,531	$1,267,475	$1,285,287
General Fund Revenue	$307,368	$321,688	$208,000	$208,000	$319,127
Number of Full-time Equivalents					
General	8.70	8.70	8.70	8.70	9.70
Metro and Community Planning					
Expenditures by Department					
Planning and Development					
Personnel Services	$665,422	$773,211	$986,317	$986,317	$999,560
Materials and Services	218,447	158,826	369,127	1,116,810	352,358
Total	$883,869	$932,037	$1,355,444	$2,103,127	$1,351,918
Expenditures by Fund					
General	$883,869	$932,037	$1,355,444	$2,103,127	$1,351,918
General Fund Revenue	$20,344	$524	$0	$450,000	$0
Number of Full-time Equivalents					
General	6.30	6.30	6.30	6.30	6.30

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Parking					
Expenditures by Department					
Central Services					
Personnel Services	$239,834	$273,145	$293,350	$293,350	$306,156
Materials and Services	101,303	118,099	109,723	109,723	91,810
Subtotal	$341,137	$391,244	$403,073	$403,073	$397,966
Planning and Development					
Personnel Services	$977,893	$1,073,433	$1,372,420	$1,372,420	$1,419,315
Materials and Services	2,388,225	2,656,219	4,209,560	4,047,749	4,848,393
Subtotal	$3,366,118	$3,729,652	$5,581,980	$5,420,169	$6,267,708
Public Works					
Personnel Services	$35,848	$43,959	$45,000	$45,000	$50,000
Materials and Services	11,315	32,442	39,443	31,628	28,727
Subtotal	$47,163	$76,401	$84,443	$76,628	$78,727
Total	$3,754,418	$4,197,297	$6,069,496	$5,899,870	$6,744,401
Expenditures by Fund					
Parking Services	$3,754,418	$4,197,297	$6,069,496	$5,899,870	$6,744,401
Number of Full-time Equivalents					
Parking Services	18.05	18.05	18.05	18.05	18.55
Parks and Open Space					
Expenditures by Department					
Public Works					
Personnel Services	$2,590,299	$2,757,257	$2,714,991	$2,718,973	$2,942,635
Materials and Services	1,674,500	1,733,219	1,595,826	1,695,826	1,612,374
Total	$4,264,799	$4,490,476	$4,310,817	$4,414,799	$4,555,009
Expenditures by Fund					
General	$4,079,657	$4,357,966	$4,162,030	$4,266,012	$4,405,217
Road	75,603	68,072	18,787	18,787	19,792
Systems Dev. Capital Projects	109,539	64,438	130,000	130,000	130,000
Total	$4,264,799	$4,490,476	$4,310,817	$4,414,799	$4,555,009
General Fund Revenue	$125,178	$174,723	$100,252	$85,752	$109,028
Number of Full-time Equivalents					
General	27.07	26.57	26.77	26.77	26.77
Road	0.83	0.15	0.15	0.15	0.15
Total	27.90	26.72	26.92	26.92	26.92

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Public Buildings and Facilities					
Expenditures by Department					
Central Services					
Personnel Services	$4,509,367	$4,664,847	$5,317,828	$5,317,828	$5,489,155
Materials and Services	4,333,479	4,651,681	4,896,384	4,961,909	5,437,010
Capital Outlay	14,009	18,489	0	0	0
Subtotal	$8,856,855	$9,335,017	$10,214,212	$10,279,737	$10,926,165
Planning and Development					
Personnel Services	$13,152	$36,457	$37,001	$37,001	$38,480
Materials and Services	237,038	213,171	545,245	423,440	468,585
Subtotal	$250,190	$249,628	$582,246	$460,441	$507,065
Total	$9,107,045	$9,584,645	$10,796,458	$10,740,178	$11,433,230
Expenditures by Fund					
General	$539,193	$665,957	$644,492	$744,592	$830,056
Parking Services	3,096	3,081	4,600	4,600	4,000
Facilities Services	8,564,756	8,915,607	10,147,366	9,990,986	10,599,174
Total	$9,107,045	$9,584,645	$10,796,458	$10,740,178	$11,433,230
General Fund Revenue	$0	$0	$6,000	$6,000	$0
Number of Full-time Equivalents					
General	3.50	3.50	3.50	3.50	3.50
Facilities Services	54.30	54.30	54.30	54.30	54.30
Total	57.80	57.80	57.80	57.80	57.80
Stormwater					
Expenditures by Department					
Public Works					
Personnel Services	$7,018,369	$7,211,499	$7,961,749	$7,961,749	$8,362,530
Materials and Services	4,728,668	4,687,712	5,760,592	5,801,672	5,804,290
Capital Outlay	0	0	0	0	57,499
Total	$11,747,037	$11,899,211	$13,722,341	$13,763,421	$14,224,319
Expenditures by Fund					
Stormwater Utility	$11,747,037	$11,899,211	$13,722,341	$13,763,421	$14,224,319
Number of Full-time Equivalents					
Stormwater Utility	76.88	76.76	75.41	75.41	75.41

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Transportation					
Expenditures by Department					
Public Works					
Personnel Services	$5,607,988	$5,883,608	$6,587,351	$6,607,351	$6,790,048
Materials and Services	4,227,651	6,075,286	5,183,426	5,712,170	5,176,176
Capital Outlay	62,315	32,296	0	0	0
Total	$9,897,954	$11,991,190	$11,770,777	$12,319,521	$11,966,224
Expenditures by Fund					
General	$186,204	$229,209	$198,445	$260,663	$204,980
Road	9,479,136	11,531,917	11,340,244	11,826,770	11,515,901
Stormwater Utility	232,614	230,064	232,088	232,088	245,343
Total	$9,897,954	$11,991,190	$11,770,777	$12,319,521	$11,966,224
General Fund Revenue	$40	$10	$0	$0	$0
Number of Full-time Equivalents					
General	0.95	0.95	0.95	0.95	0.95
Road	54.00	54.13	54.38	54.38	54.88
Stormwater Utility	2.05	2.05	2.05	2.05	2.05
Total	57.00	57.13	57.38	57.38	57.88
Urban Forestry					
Expenditures by Department					
Public Works					
Personnel Services	$996,210	$1,078,239	$1,192,321	$1,192,321	$1,202,350
Materials and Services	412,814	468,470	636,968	565,847	665,020
Total	$1,409,024	$1,546,709	$1,829,289	$1,758,168	$1,867,370
Expenditures by Fund					
General	$9,204	$28,433	$57,967	$57,967	$105,201
Road	762,784	861,844	953,191	936,050	982,195
Stormwater Utility	637,036	656,432	818,131	764,151	779,974
Total	$1,409,024	$1,546,709	$1,829,289	$1,758,168	$1,867,370
General Fund Revenue	$2,040	$80	$0	$14,500	$15,000
Number of Full-time Equivalents					
General	0.00	0.50	0.50	0.50	0.50
Road	5.68	6.23	6.23	6.23	6.23
Stormwater Utility	4.45	4.57	4.57	4.57	4.57
Total	10.13	11.30	11.30	11.30	11.30

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Waste Prevention/Green Bldg. and Bus. Lic.					
Expenditures by Department					
Planning and Development					
Personnel Services	$450,114	$501,784	$654,564	$654,564	$739,953
Materials and Services	284,156	291,310	385,753	420,936	448,398
Total	$734,270	$793,094	$1,040,317	$1,075,500	$1,188,351
Expenditures by Fund					
General	$70,242	$86,179	$71,250	$71,250	$73,153
Solid Waste and Recycling	664,028	706,915	969,067	1,004,250	1,115,198
Total	$734,270	$793,094	$1,040,317	$1,075,500	$1,188,351
General Fund Revenue	$89,197	$189,417	$79,500	$79,500	$79,500
Number of Full-time Equivalents					
General	0.60	0.60	0.60	0.60	0.60
Solid Waste and Recycling	4.35	4.35	4.45	4.45	4.45
Total	4.95	4.95	5.05	5.05	5.05
Wastewater Collection and Treatment					
Expenditures by Department					
Public Works					
Personnel Services	$11,477,835	$12,077,475	$13,217,265	$13,217,265	$13,926,724
Materials and Services	6,795,332	7,137,999	10,089,740	8,120,852	9,676,000
Capital Outlay	1,011,186	1,297,301	4,648,100	5,998,074	1,388,860
Total	$19,284,353	$20,512,775	$27,955,105	$27,336,191	$24,991,584
Expenditures by Fund					
Stormwater Utility	$723	$1,437	$0	$0	$0
Wastewater Utility	19,283,631	20,511,338	27,955,105	27,336,191	24,991,584
Total	$19,284,353	$20,512,775	$27,955,105	$27,336,191	$24,991,584
Number of Full-time Equivalents					
Wastewater Utility	121.34	121.34	121.34	121.34	123.84
Zoning and Nuisance Admin.					
Expenditures by Department					
Planning and Development					
Personnel Services	$422,319	$437,816	$505,390	$505,390	$510,245
Materials and Services	71,609	76,483	93,680	138,680	101,036
Total	$493,928	$514,299	$599,070	$644,070	$611,281
Expenditures by Fund					
General	$493,928	$514,299	$599,070	$644,070	$611,281
General Fund Revenue	$53,581	$89,174	$53,850	$53,850	$59,100
Number of Full-time Equivalents					
General	4.55	4.55	4.55	4.55	4.55

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Planning and Develop. Dept. Admin.					
Expenditures by Department					
Planning and Development					
Personnel Services	$543,594	$482,579	$547,515	$623,515	$655,011
Materials and Services	351,628	291,038	287,697	445,436	370,611
Total	$895,222	$773,617	$835,212	$1,068,951	$1,025,622
Expenditures by Fund					
General	$886,466	$773,724	$835,212	$1,068,951	$1,025,622
Facilities Services	8,756	-107	0	0	0
Total	$895,222	$773,617	$835,212	$1,068,951	$1,025,622
General Fund Revenue	$627	$368	$0	$0	$0
Number of Full-time Equivalents					
General	3.30	3.30	3.30	3.30	3.80
Total	3.30	3.30	3.30	3.30	3.80
Public Works Dept. Admin.					
Expenditures by Department					
Public Works					
Personnel Services	$952,470	$1,081,434	$1,087,882	$1,087,882	$1,129,797
Materials and Services	167,707	208,640	382,879	392,879	529,162
Total	$1,120,177	$1,290,074	$1,470,761	$1,480,761	$1,658,959
Expenditures by Fund					
General	$1,120,177	$1,290,074	$1,470,761	$1,480,761	$1,658,959
General Fund Revenue	$16	$57	$0	$0	$0
Number of Full-time Equivalents					
General	7.65	7.65	7.65	7.65	7.65

Airport

Description

The Eugene Airport is located at the intersection of Airport Road and Douglas Drive in northwest Eugene, approximately ten miles from the city center. The Airport consists of airside facilities: runways, taxiways, and ramp area; and landside facilities: the terminal building, roadways, parking and aircraft storage facilities, and other traveler and visitor related facilities. The majority of personnel are involved in maintenance and operations of the airfield and terminal systems. Other major activities include emergency services such as Aircraft Rescue and Firefighting; inspection and enforcement of Federal Aviation Administration (FAA) and Transportation Security Administration (TSA) regulations; negotiating and managing contracts with airlines and tenants; and air service development activities. Major revenue sources for the Eugene Airport include airline revenue, receipts from parking, car rentals, terminal concessions and rental income.

The Airport serves a southern Willamette Valley regional population of approximately 721,000. The Airport strives to provide service to customers within a one-hour drive to the north of Eugene and a two-hour drive to the south. The Eugene Airport has an excellent record in terminal and flight safety, and has performed very well in FAA certification inspections and TSA security audits.

Mission

Develop, operate and maintain the Airport in a professional manner, while providing our region with:

- Exemplary services to all of our customers;
- Fiscally prudent management;
- Exceptional air service;
- Economic development; and
- An extremely productive and fulfilled workforce that provides a positive first and last impression of the Eugene Airport and our region.

Outcomes

- Meet regional demand for commercial and private air transportation facilities in a safe, secure and cost-efficient manner.
- Support regional economic development.
- Provide a facility and services that enhance the community's quality of life.
- Generate revenues that will support operating, maintenance and capital improvement costs.

Construction Permits

Description

The Construction Permits service staff reviews plans, issues permits and conducts inspections of construction activities to ensure that all construction and development meets applicable federal, state and City regulations. The area of responsibility includes all of the properties within the City of Eugene and the urban growth boundary. Staff also provides general development assistance, public information and other property-related services to the public.

Plan review involves checking proposed projects for local, state and federal requirements. These regulations include structural, mechanical, plumbing and electrical codes, fire prevention, land use and zoning, public infrastructure, wetlands and other environmental issues. Also, systems development charges are assessed during plan review and based on project impacts to the City's transportation, parks and other public infrastructure. Following plan approval, a permit is issued authorizing construction activity to begin.

Field inspectors verify construction activity for adherence to state and local codes and to ensure that all activity components meet standards. Enforcement staff takes action when construction activities are performed improperly or without proper permits.

The rental housing program ensures minimum habitability standards to safeguard the health, property and public well-being of owners, occupants and users of rental housing. The program's current focus is on issues involving structural integrity, plumbing, heating, weatherproofing, security, smoke detectors and visible mold caused by faulty plumbing or weatherproofing.

Mission

Our mission is to preserve and improve the public's safety, health, welfare, and environment through the timely and consistent review and inspection of construction projects to ensure they meet federal, state and local standards.

Outcomes

- Ensure public health and safety through properly planned and installed plumbing, electrical, and mechanical systems.
- Ensure sufficient structural integrity of buildings to withstand natural disasters.
- Minimize loss of property and life due to fires.
- Promote orderly, attractive development compatible with the public infrastructure and consistent with local land use policies.
- Provide timely and consistent service to customers.

Greater Downtown Services

Description

The focus of Greater Downtown Services is on reinforcing the economic impact, attractiveness and development potential of downtown Eugene, as a cultural, economic and governmental center for the region. "Greater Downtown" includes the Downtown Plan area, the riverfront and the north side of Franklin Boulevard Corridor to the I-5 Bridge, and the area included in the City's two Urban Renewal Districts.

By enhancing the safety, vitality and prosperity of downtown, Greater Downtown Services address policy goals in the pillars of Envision Eugene, the Regional Prosperity Economic Development Plan, the Downtown Plan, and the Downtown and Riverfront Urban Renewal Plans.

Greater Downtown Services provides planning and development assistance, with the overall aim of supporting a high-quality, walkable and compact urban core. Projects encompass or consist of both public and private initiatives, including housing, commercial, office, retail, public facilities, and infrastructure. Two tax exemption programs, Multi-Unit Property Tax Exemption (MUPTE) and the Vertical Housing Development Zone, support housing and mixed-use development. Greater Downtown Services also administers public safety services and public space management contracts with Downtown Eugene Inc., the University Small Business Association and Saturday Market.

Greater Downtown Services administers a number of loan programs that encourage business growth and development in the Greater Downtown area. The Downtown Revitalization Loan Program provides funding and assistance for business and property development within the boundary of the Downtown Urban Renewal District. The Riverfront Renewal Loan program encourages capital investment in the Riverfront Urban Renewal District; and the Arts and Business Loan Program, a collaboration with the Arts and Business Alliance, provides financing support for artists and arts related businesses.

Ongoing service objectives include encouraging the development of new downtown housing, redevelopment of vacant commercial and retail properties, and coordination and facilitation of public projects. Specific private projects include the "Whole Foods block" and adjacent area redevelopment near 8th Avenue and High Street, new housing throughout downtown, and the redevelopment of the riverfront property. Public projects include development of a world-class riverfront park; creation of a permanent home for the Lane County Farmers' Market; design of a new City Hall that reestablishes the civic heart of downtown; a high-speed fiber internet network throughout downtown; activating downtown public spaces with physical improvements and programming, such as Broadway Plaza and the Park Blocks; redevelopment of the vacant former downtown Lane Community College (LCC) campus; and increasing and improving downtown parking facilities.

Mission

The mission of Greater Downtown Services is to create an economically strong, sustainable, vibrant, inviting and authentic downtown Eugene.

Outcomes

- A positive climate for local business investment and compact urban growth.
- Increased higher density and high value development, including commercial and residential uses.
- Creation of a compact, mixed-use urban core.
- Redevelopment of vacant and underutilized property.
- Creation of a downtown riverfront neighborhood.
- A connection between the core of downtown and the riverfront.
- Infrastructure to support a walkable, safe, prosperous and inviting downtown.
- A world-class downtown in time for the 2021 World Championships.

Housing Opportunities and Economic Prosperity

Description

Housing Opportunities and Economic Prosperity services encompass a range of programs and efforts to enhance Eugene's economic prosperity, create quality affordable housing opportunities and sustain supportive human services.

Services focused on the community's economic prosperity goals are designed to help businesses grow and succeed, create new jobs, elevate wages for individuals, improve the economic self-sufficiency of community members, build partnerships that enhance and maximize opportunities for entrepreneurs to accelerate ideas and technologies, leverage private investment and remove project and private investment barriers and gaps that exist within the community. The City's Business Development Fund and Emerging Business Loan Pool programs provide gap financing to local businesses that are starting, expanding and creating new jobs. The programs are structured to promote diverse business ownership, revitalize neighborhoods and leverage additional private investment within the community. Additionally, the City partners with Lane County, the City of Springfield, Eugene Chamber of Commerce, University of Oregon, Oregon State University, the Technology Association of Oregon, Lane Workforce Partnership, Greater Eugene Inc. and other entities to advance economic prosperity through programs such as the Regional Accelerator and Innovation Network (RAIN Eugene), Fertilab, the Pacific Northwest Manufacturing Partnership and the Southern Willamette Angel Network.

The City also manages the West Eugene Enterprise Zone and the Multi-Unit Property Tax Exemption (MUPTE) program. The Enterprise Zone provides short-term tax exemptions on new industrial investments that facilitate the creation of new jobs, diversify the local economy and help grow the community's tax base over time. MUPTE is designed to encourage transit-oriented, multi-family housing development in support of Envision Eugene goals related to compact urban development and preservation of neighborhood livability. The City also manages the Eugene Brownfield Assessment Coalition program, which seeks to assist property owners, developers and potential purchasers in responsibly returning brownfield properties to productive uses.

The City seeks to create a range of stable, safe and affordable housing opportunities for area residents through a suite of funding, programs and supportive policies. City programs provide

financial and regulatory incentives for the development of permanent, transitional and emergency housing by nonprofit partner organizations.

The City also provides funding for human services operations and human services capital projects to improve services and access to low-income residents and neighborhoods. These efforts are supported with a combination of federal grants received by the City of Eugene as well as other City funds.

These services are guided through the Eugene-Springfield 2010 Consolidated Plan and One Year Action Plan, City Code, the Regional Prosperity Economic Development Plan, Envision Eugene and other policies.

Mission

To stimulate and create conditions for economic prosperity, reduce poverty and improve access to employment, housing and human services.

Outcomes

- Stimulate business growth, job creation and elevated wages for community members.
- Continued implementation of the Regional Prosperity Economic Development Plan.
- Make key investments that support entrepreneurial development and growth of key industries within the community.
- Leverage City resources with private investments and strategic partnerships.
- Stimulate new multi-unit housing consistent with Envision Eugene goals.
- Make strategic investments to improve low-income neighborhoods and other areas.
- Increase the supply of affordable housing.
- Conserve and improve existing affordable owner and renter housing stock.
- Remove barriers to affordable and supportive housing.
- Support a human services delivery system that helps low-income people achieve dignity, well-being and self-sufficiency.

Infrastructure Project Management

Description

The Infrastructure Project Management service is composed of two major processes:

- Planning, designing and managing construction of infrastructure projects; and
- Creating, recording, managing and providing infrastructure information.

Planning, designing and managing construction of capital infrastructure projects: Capital infrastructure projects include preservation, maintenance and expansion of the City's infrastructure systems including: transportation system of streets, alleys, bridges, sidewalks and shared-use paths; wastewater collection system; stormwater system of pipe and open waterways and treatment facilities; airport facilities; and park and open space system facilities.

The infrastructure asset base is built either publicly, using City resources for planning, design and construction management, or privately through review, approval and acceptance of privately constructed public infrastructure projects for new development.

Support processes for capital projects include real estate appraisal and acquisition; land use review; rate setting and financing mechanisms for improving and maintaining the infrastructure; environmental assessment for capital projects; and long-term planning associated with the Capital Improvement Program (CIP).

Creating, recording, managing and providing infrastructure information: Documentation of the built infrastructure (final version of plans and maps) is recorded in infrastructure management systems and Geographic Information System (GIS) supporting asset management, system design, operation and maintenance activities and providing information to the public.

Mission

We work in partnership with citizens, the City Council, City departments and external agencies to plan, design and manage construction of infrastructure. We provide information, analysis, planning, landscape architecture and engineering services in a professional, innovative and cost-effective manner, balancing the development needs of a changing community with preservation of the natural environment.

Outcomes

- Create, enhance, modify, preserve and/or repair the City's infrastructure.
- Respond to the infrastructure needs of the community while preserving and enhancing the natural environment.
- Implement capital elements of long-range comprehensive plans for the City's infrastructure.
- Provide accurate and timely information for decisions regarding the City's infrastructure.

Land Use Planning

Description

Staff implements adopted land use plans by administering and updating the City's Land Use Code. Of these duties, the primary responsibility is the processing of land use applications. Staff also responds to inquiries from the public about various aspects of the Land Use Code and staffs the planning counter at the City Permit and Information Center. The administration and updating of the Land Use Code involves not only the area within the City limits but also the unincorporated area outside the City limits and inside the urban growth boundary. Staff in this section also assists in the adoption and implementation of land use-related projects prepared by other work sections within the City.

Land use applications include a variety of land use change or development requests, such as zone changes, planned unit developments, conditional use permits and subdivisions. The land use permit process generally involves pre-application meetings with the applicant, reviewing the

application for completeness, coordinating with other affected City departments, facilitating neighborhood understanding and involvement, and preparing a staff report for a decision or recommendation based on the approval criteria. Decisions are usually made either administratively by the Planning Director or through a public hearing process by a hearings official. Decisions can be appealed to the City of Eugene Hearings Official or the Planning Commission who provide oversight for the processing and decision-making aspect of land use permits.

Mission

Land Use Planning staff facilitates the orderly development and conservation of land, and promotes a more livable and sustainable community by implementing adopted plans, policies and codes through the land use application process. Land Use Planning staff strives to balance and respond to both public and private interests and provide accurate, consistent and timely information and land use decisions.

Outcomes

- Implement growth management policies and Envision Eugene.
- Manage development to maintain and increase community livability, and to promote sustainability.
- Balance community and development expectations in processing land use applications.
- Facilitate meaningful public participation in the land use application process.
- Facilitate development that incorporates quality urban design and protection of historic and natural resources.
- Ensure that development standards of the Land Use Code are met with each development.

Metropolitan and Community Planning

Description

Metropolitan and Community Planning provides long-range planning for the Eugene community and the metropolitan area in conjunction with our partners from Springfield and Lane County. Metropolitan and Community Planning activities fulfill four primary functions: (1) developing comprehensive community goals related to growth, resource management and community character; (2) developing implementation tools to realize those goals; (3) fulfilling state and federal statutory requirements related to growth management and resource protection; and (4) interagency/interdepartmental coordination, public education and outreach regarding these goals and statutes.

Community planning consists of developing long-range plans for sustainable and compatible residential, commercial and industrial development; efficient transportation systems; and natural resource protection and management.

The primary document for guiding this work is the Envision Eugene Comprehensive Plan. This Plan works with other planning documents such as the Climate and Energy Action Plan; the

Eugene-Springfield Affordable Housing Consolidated Plan; the Parks, Recreation and Open Space Plan; the Joint Elected Officials Regional Prosperity Plan; the Metropolitan Area General Plan; and the in-progress Eugene Transportation System and Parks and Recreation System Plans to provide a coordinated vision and service delivery across a variety of disciplines and jurisdictional boundaries.

Metropolitan planning involves inter jurisdictional planning with Springfield and Lane County. These activities address regional land use and growth management needs, including State and Federal mandates such as House Bill 3337 (which requires the separation of urban growth boundaries for Eugene and Springfield) and House Bill 2001 (which mandates regional scenario planning for greenhouse gas reduction).

Mission

Metropolitan and Community Planning works to preserve important resources for future generations, promote livability in Eugene and to engage citizens in directing the future of Eugene. We assist citizens, the Planning Commission, City Council and the Historic Review Board to develop and adopt policies, plans and implement mechanisms that ensure a sustainable and high quality of life with managed growth for the city and region.

Outcomes

- Provide ample economic opportunities for all community members.
- Provide housing affordable to all income levels.
- Plan for climate change and energy resiliency.
- Promote compact urban development and efficient transportation options.
- Protect, repair and enhance neighborhood livability.
- Protect, restore and enhance natural resources.
- Provide for adaptable, flexible and collaborative implementation.

Parking

Description

The Parking Services program manages parking throughout the City of Eugene. The program's primary service area is four square miles between downtown and the campus parking district. All parking expenses and revenues are accounted for in the Parking Services Enterprise Fund.

Parking Services plays a critical role in promoting economic development and enhancing neighborhood livability and is strategically located in the Planning and Development Department. Eugene's Parking Services is one of the few municipal parking programs that manages an off-street parking system (surface lots and garages), an on-street system (meters, 2-hour signs, residential parking permit zones), makes an annual contribution to the General Fund for downtown public safety services and supports nearly every city department.

On-street parking represents about 7% of the 15,000 total downtown parking spaces. Almost all on-street downtown parking is parallel parking due to narrow travel lane widths. This contributes to a safer pedestrian and bicycling environment. However, it does limit customer parking in front of downtown businesses. Downtown parking has been shaped by the Parking Exempt Zone that encourages lot-line to lot-line development by not requiring on-site parking for development. The City has six parking structures to accommodate downtown parking demand. The number of surface parking lots managed by the City has been steadily reduced with the development of downtown buildings.

In the campus parking district, the City manages about 650 on-street metered parking spaces next to Northwest Christian University, Peace Health Hospital and the University of Oregon and over 3,000 time-limited parking spaces in the area's three residential neighborhoods.

Outside of the primary service area, Parking Services responds to complaints of vehicles stored on the street. Many of the calls from neighbors are about abandoned vehicles, which are removed after due process. In cases concerning storage of a large vehicle (e.g. motor home or trailer) on the street, Parking Services provides mediation services to resolve the complaint.

Parking Services works with several other City programs, including Planning, Neighborhood Services, Transportation, Community Development, Traffic Maintenance, Building Permits, Police and Municipal Court, to deliver services and to ensure an effective parking system throughout the city. Parking Services works directly with the public and regularly meets and partners with the neighborhood associations and major institutions to address current parking issues and plan for future parking needs.

Mission

Our mission is to supply, allocate and manage adequate, safe parking to meet the needs of the business and residential communities in a manner that supports the transportation system, Envision Eugene, and City Council and community goals.

Outcomes

- Support orderly development and compact development consistent with Envision Eugene.
- Support alternative modes of transportation.
- Support a viable economy, vital downtown and healthy business climate.
- Provide an attractive and appropriately conserved physical environment.
- Maintain residential neighborhood livability.
- Maintain a financially stable parking system.

Parks and Open Space

Description

This service plans, develops, and maintains over 4,800 acres of parks and open space. The parks and open space system includes gardens, sports fields and courts, children's play areas, picnic shelters, walking, biking, and hiking trails, and natural resource areas.

There is a wide range of public park and open space areas operated and maintained by service staff, volunteers and inter-agency partners. These areas can be grouped into several categories. *Neighborhood parks* provide accessible recreational, social activities, and general open space. They typically include features such as playground apparatus, hard surface play areas, picnic tables, open turf, natural areas, and trees. Neighborhood parks are the basic building block of the City's park system, providing the fundamental park components of children's play, open space, and family and neighborhood gathering areas. The City strives to provide a neighborhood park within a half-mile of all city residents. *Community parks* provide large areas for facilities and activities that attract a high number of participants and may include lighted athletic fields, off-street parking, skateparks, and other recreational facilities. These parks draw from multiple neighborhoods within the city. Examples are Amazon Park, Bethel Park, Petersen Park, and youth sports parks. *Natural area parks* make up approximately half of the City's park system. Spencer Butte, Meadowlark Prairie, and Delta Ponds are among the community's largest natural areas. Other park types managed by this service include linear parks, such as the Willamette River Greenway, metropolitan parks such as Hendricks Park, Skinner Butte Park and Alton Baker Park, and the grounds of community centers, such as Campbell Senior Center.

This service also addresses major changes in the park and open space system, such as acquiring new parks and open space to keep pace with growth, renovating existing parks to meet maintenance and safety standards, and addressing significant changes in park use and community needs.

Mission

Strengthening our community by preserving and enhancing our parks and open space system, and providing diverse recreation experiences.

Outcomes

- Provide opportunities to enjoy nature and the outdoors.
- Build environmental stewardship through volunteer, environmental education, and outdoor recreation opportunities.
- Distribute parks, open space and recreation services equitably throughout the community.
- Build and maintain sustainable parks, recreation, and open space infrastructure.
- Protect and enhance diverse, healthy, and interconnected ecosystems.
- Build a sense of community by developing strong community partnerships.

Public Buildings and Facilities

Description

This service includes an array of activities to maintain and preserve the asset value of City-owned buildings and facilities. City facilities that are within the scope of this service category total approximately two million square feet and include Police headquarters, community centers, fire stations, a library, performing arts venues, parking garages, downtown core area/park blocks, swimming pools and park structures, as well as general City office buildings. The current General Fund inventory consists of more than 100 buildings and structures totaling nearly 1 million square feet, with a replacement value of $300 million. Staff oversees design, construction and maintenance of both General Fund facilities and buildings housing non-General Fund services. The Facility Management Division is also leading the effort to improve downtown maintenance and enhance downtown public spaces.

A key management practice is to improve and maintain the condition of facilities, thereby maximizing the life of each building and preserving the public investment in City facilities. Providing pleasant, functional public areas and work spaces supports the delivery of quality public services. Planned preventive maintenance reduces the number of emergency repairs and service disruptions, thus contributing to improved service delivery to the City's customers and stakeholders.

The primary processes in this service are Facility Strategic Planning, Design and Construction, and Operations and Maintenance. Facility Strategic Planning includes capital planning, asset preservation planning and space planning. Design and Construction provides building design and construction project management. These services are budgeted in the Professional Services Fund.

Operations and Maintenance includes custodial services, security and access control, the Downtown/Park Blocks Program, carpentry, electrical work, energy management, HVAC maintenance, painting, plumbing, pool maintenance, roofing, public art maintenance, and courier and mailroom services. Operations and Maintenance are budgeted in the Facilities Services Fund.

Mission

Our mission is to build, maintain, operate and manage City facilities. We are a skilled team of professionals who work collaboratively to help achieve the goals of those we serve. Foremost, we are responsible and accountable stewards of the City's facilities.

Outcomes

- Help City staff deliver quality services to the public by providing and maintaining pleasant, healthy and effective work spaces.
- Reduce the impact of City facilities on the environment through sustainable design, maintenance and operating practices.
- Maintain the overall asset value of the inventory of City facilities.
- Modify City facilities to stay current with changing citizen needs.
- Provide safe, secure and functional buildings and work spaces.

- Achieve operational savings by actively conserving energy in building systems and promoting conservation practices by building users.
- Maximize the public's investment in facilities through effective long-range capital and space planning and efficient use of space.

Stormwater

Description

Eugene's publicly owned and managed stormwater system includes approximately 39 miles of streams and other waterways, more than 38 miles of roadside ditches and culverts, approximately 600 miles of enclosed stormwater pipe, more than 15,000 catch basins, over 3,800 pipe inlet/outlet structures, over 9,400 manholes, about 290 vegetated stormwater facilities, 65 mechanical stormwater facilities, and 3,000 acres of wetlands in west Eugene that are owned and managed in partnership with other agencies.

Operations and maintenance of the public piped stormwater system includes cleaning, inspection, repair, and replacement of pipes, catch basins, manholes, and mechanical water quality facilities. Work on the major open waterways involves planting native trees and shrubs, controlling non-native and invasive vegetation, stabilizing and repairing stream banks, removing debris and sediment, and restoring habitat. Street sweeping, leaf pick-up and recycling, and care of vegetated water quality facilities are also part of stormwater maintenance.

In addition to stormwater system operation and maintenance, services include: the protection, enhancement, and restoration of wetlands and waterways; public outreach and education; volunteer coordination; erosion prevention; stormwater management for industrial sites; spill response; stormwater discharge compliance enforcement; water quality monitoring; implementation of stormwater development standards; master planning; construction of capital improvements; inspection of over 400 privately owned maintained vegetated and mechanical water quality facilities for proper maintenance; and the administration of the City's municipal stormwater permit.

Mission

The mission of the Stormwater service is to manage stormwater systems in a way that meets the needs of the community and promotes wise stewardship of the urban and natural environment. We accomplish this by providing drainage services and by protecting and enhancing water quality and related natural resources in a cost-effective and environmentally beneficial manner that complies with regulatory requirements.

Outcomes

- Protect and improve water quality.
- Minimize property loss due to flooding.
- Ensure adequate drainage of streets and urban improvements to allow their intended use.
- Preserve and enhance community stormwater-related natural resources including wetlands and waterways.

Transportation

Description

Operation and maintenance of the City's transportation system include ongoing preventive maintenance and repair of asphalt and concrete surfaces; snow and ice operations; traffic signal, sign and streetlight operations and preventive maintenance; required maintenance of lane lines and pavement markings; and graffiti removal.

System preservation and enhancement include most major work done on transportation facilities that is intended to extend their useful life, and/or to improve the capacity, safety, cost effectiveness, or other aspects of the system.

Transportation planning supports other activities in the service, including reviewing land use plans, coordinating community involvement and conceptual design for street improvement projects, identifying funding for transportation improvements and managing studies to determine how to make the transportation system function more safely and efficiently. Other elements of transportation planning include development of traffic-calming projects, enhancement and promotion of the City's walking and biking infrastructure, and involvement with the City's efforts to develop plans for mixed-use centers.

Mission

Provide a safe and efficient multi-modal transportation system that is responsive to users and community goals.

Outcomes

- Enhance neighborhood and community livability.
- Facilitate compact urban growth.
- Provide a safe and efficient transportation system.
- Facilitate the movement of goods, services, and people.
- Provide access to public and private land.
- Provide opportunities for choosing alternative (non-automotive) modes of travel.
- Provide access to recreational opportunities.
- Educate the public about transportation issues to enable better participation and decision-making.
- Provide a corridor for utilities.

Urban Forestry

Description

Eugene's urban forest provides environmental, social and health benefits for its citizens through a growing canopy along city streets, in parks and natural areas, and on private property. Approximately 100,000 street trees are located along 547 miles of city streets. Planted and naturally-seeded trees are found in Eugene's park system, which consists of more than 4,600 acres of parks and open space. Trees increase property values and livability through their beauty; their presence along roads calms and slows traffic and increases the life of asphalt pavement; trees improve water quality by reducing stormwater runoff through interception, absorption and filtration; they clean the air by absorbing pollutants and particulates and give oxygen to breathe; and they provide energy savings by shading and cooling the urban environment.

Public safety is a high priority in this service. Response to public calls about tree hazards involves inspection, investigative reporting, processing for public comment, and mitigation pruning or removal of about 200 to 300 dangerous trees per year. Enhancement of the urban forest is also important, with around 1,000 trees planted annually.

Maintenance activities include hazard abatement, storm and emergency response, street and sidewalk clearance pruning, traffic vision and sign clearance pruning, and request pruning. Staff also provide enhancement, planning and preservation services, which include the NeighborWoods and Tree Stewards volunteer planting and pruning programs, new development tree establishment, hazard detection and removal, and street tree removal permit review and enforcement.

Mission

To preserve, maintain and improve Eugene's urban forest to enrich the lives of all Eugene's citizens and visitors.

Outcomes

- Maintain balance between public safety and tree health.
- Increase the value of the landscape by preservation of natural forested areas and through effective management of street trees.
- Increase, protect and preserve the public tree canopy cover.
- Enhance public education about trees.
- Improve the management of forested ecosystems within Eugene's parklands.

Waste Prevention/Green Building and Business Licensing

Description

The City of Eugene regulates garbage and recycling collection inside city limits under Chapter 3 of the Eugene City Code. Each waste hauler obtains a business license from the City to collect

garbage, recycling, and yard debris material. In addition, staff provides educational programs, materials and workshops on waste prevention and recycling to meet the goals of the 1991 Oregon Recycling Act. Funding partially supports operation of the Green Building program, which provides technical assistance, educational outreach and incentives related to energy efficiency, renewable energy and sustainable building projects.

This program is fully supported by license fee revenues collected from waste haulers. Revenues have been supplemented in the past with grant money for specific programs.

The City of Eugene also licenses public passenger vehicle companies and certifies drivers, issues business licenses for retail tobacco sales and payday loan lenders, reviews liquor license applications for compliance with Oregon Liquor Control Commission (OLCC) regulations under Chapter 3 of the Eugene City Code, and issues permits authorizing tailgating at local venues. The Business License Program is also fully supported through fees generated within the program.

Mission

We provide a system for reliable and responsible waste and recycling collection that values natural resources and promotes waste prevention and recovery. With the goal of protecting the public's health, safety and welfare, we review and license specific businesses.

Outcomes

- Sustain a stable collection service for the public that minimizes impacts to the natural and/or built environment.
- Reduce waste generated by all segments of the community.
- Support strong collection, disposal, recycling and recovery infrastructure.
- Provide and/or support ongoing recycling education and waste prevention to Eugene residents and businesses.
- Protect the public's health, safety and welfare with regard to public passenger vehicle operations, payday loan operations and liquor license review.

Wastewater Collection and Treatment

Description

The greater metropolitan area of Eugene and Springfield generates up to 13 billion gallons of sanitary and commercial wastewater annually. To manage this wastewater, the City of Eugene provides sewers for the collection and conveyance of wastewater from homes and businesses in Eugene, Santa Clara, and River Road to the regional treatment plant. The City of Springfield provides wastewater collection and conveyance from homes and businesses in Springfield, and also has jurisdiction over the wastewater generated in the Glenwood area.

The cities of Eugene and Springfield joined together with Lane County in 1977 to build a regional treatment complex for all wastewater generated in the greater metropolitan area. The City of Eugene operates and maintains this regional complex under contract with the Metropolitan

Wastewater Management Commission (MWMC). The complex includes the Eugene/Springfield Water Pollution Control Facility, Biosolids Management Facility, Beneficial Reuse Site, and regional wastewater pumping stations and pressure lines and gravity sewers.

Within the Eugene metropolitan area, the City of Eugene also administers the Industrial Pretreatment Program which regulates all non-residential wastewater discharges into the local wastewater collection system. Regulatory activities include developing pollutant limits for industrial discharges, responding to violations of pretreatment permits, and conducting inspections of industrial wastewater discharges.

Mission

The mission of the Wastewater System Service is to efficiently and effectively monitor, regulate, collect, and treat wastewater from the community to protect public health and the environment.

Outcomes

- Protection of public health.
- Protection of the environment.
- Support for the residential, commercial, and industrial activities of the community.
- Compliance with legal and regulatory requirements.
- Efficient, effective service to the rate payers and community.

Zoning and Nuisance Administration

Description

Zoning and Nuisance Administration staff provides information to the general public and individuals affiliated with specific development projects, reviews building permit plans for conformance with city zoning standards and determines land use compatibility. Compliance staff investigates complaints in the areas of tree and natural resource preservation, nuisance standards such as junk and debris, development standards for property and buildings, smoking standards, camping, lighting, signs and such zoning issues as animals and home occupations.

Mission

To promote uses, development and property maintenance that support community standards.

Outcomes

- Maintain and improve community livability.
- Support healthy neighborhoods.
- Enhance community beautification.
- Protect natural resources.
- Ensure compliance with state and local codes, policies and goals.

Planning and Development Department Administration

Description

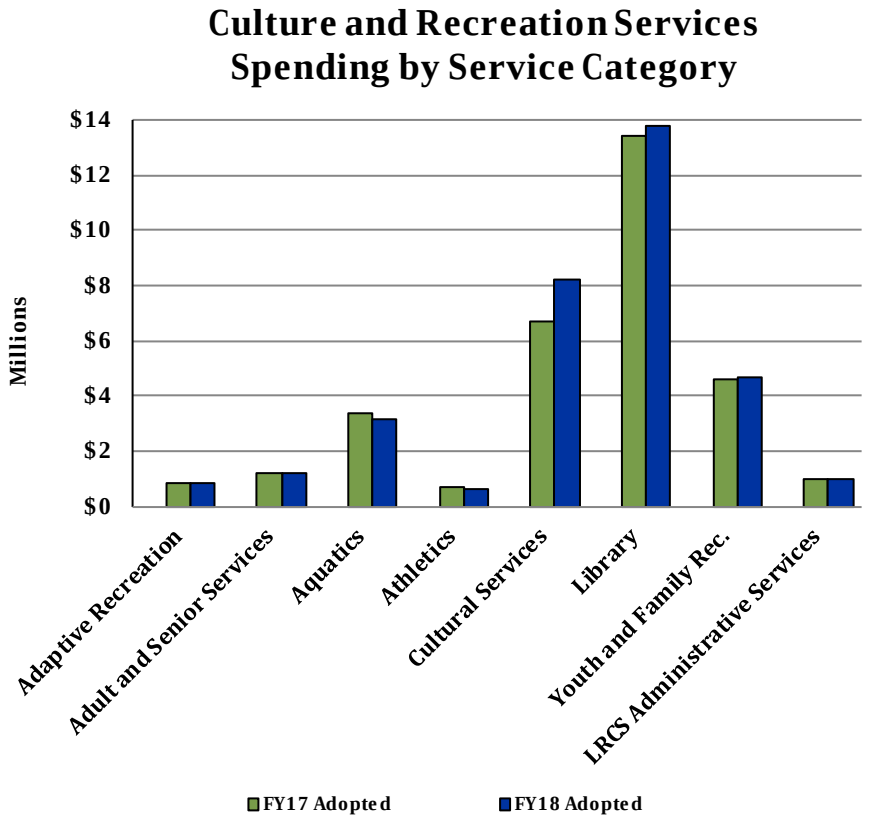
Planning and Development Department Administration ensures that the projects and services of the divisions support City Council goals and reflect the priorities of the City Council. Administration staff act as liaison to the City Manager, City Council, and other departments, oversee the budget, personnel, strategic planning, technology, management of the parking program, community outreach and participation, property management, and implement continuous improvement activities for the department.

Public Works Department Administration

Description

Public Works Department Administration acts as liaison between the City Manager and the operating divisions to ensure that programs and practices are consistent with City-wide goals; provides information to division managers about reports, studies, and legal requirements that affect department operations; develops and monitors department operating policies and procedures to provide proper and consistent service to the public; assists divisions in establishing goals and measurable objectives to guide and evaluate operating performance. Administration staff provide budget coordination, capital project expenditure tracking, grant management and financial analysis. Staff also provide centralized human resource management within the department and manage the department's public affairs program.

Charts



Service Category	FY17 Adopted	FY18 Adopted
Adaptive Recreation	$878,694	$873,020
Adult and Senior Services	1,204,032	$1,233,337
Aquatics	3,361,003	3,195,747
Athletics	675,293	657,328
Cultural Services	6,683,083	8,212,580
Library	13,408,064	13,801,566
Youth and Family Rec.	4,596,633	4,671,639
LRCS Administrative Services	1,033,283	1,003,933
	$31,840,085	$33,649,150

Service Description

A broad range of unique recreational, cultural, artistic, and life-long learning opportunities are available through services provided by the Library, Recreation and Cultural Services Department.

The Eugene Public Library supports an informed community, lifelong learning, and the love of reading by promoting access for all City residents to the universe of ideas and information. Services include:

- Services are provided at the Downtown location and at two Branch libraries, online 24/7 at the Library's website, and through targeted outreach programs to diverse populations. On November 3, 2015, City of Eugene voters approved a five-year levy to fund expanded library services.

- State-of-the-art tools provide access for people who might otherwise have difficulty accessing library resources, including patrons who are blind or who have visual impairments, physical or learning disabilities, and are deaf or hard-of-hearing.

- On average, 3 million items are checked out each year by almost 100,000 cardholders.

- The Library offers programs for all ages, with a special focus on children's literacy, by offering programs that develop reading skills while having fun, such as storytimes and music programs. Special events for all ages, such as Summer Reading programs and monthly "First Friday" activities, help attract residents to downtown.

- Eugene Public Library has been rated a "Star Library", placing it among the top 3% of public libraries nationwide for continued excellence in delivering key services per dollar.

Recreation activities and services are provided year-round to meet the recreation, fitness and wellness needs of Eugene citizens. Services include:

- Life-long learning, fitness, outdoor trips and social service programs for older adults.

- Recreation programs adapted to serve people with disabilities and facilitation services that assist with the inclusion of people with disabilities into their programs.

- Aquatic programs at Sheldon, Echo Hollow and Amazon Pools such as recreation swims, swim lessons, fitness and wellness activities, competitive teams and in-service training.

- Diverse neighborhood-based and citywide recreational and educational programs for children, adults and families. Events and services are coordinated by staff at Amazon, Campbell, Hilyard, Petersen Barn, River House, and Sheldon community centers.

- Outdoor recreation and environmental education activities that provide introductory opportunities, elevated outdoor skill building and multiday camps and trips for all ages.

- Athletic leagues for adults and coordination of athletic fields and facilities for youth sports leagues.

The Cultural Services Division is the primary conduit through which the City strengthens its commitment to arts and outdoors and aligns resources to support the vision for an accessible and thriving cultural sector that is integral to the social and economic well-being of the community. Services include:

- Cultural Sector Development: Catalytic leadership to support the community vision for arts and culture through promotion, coordination, and development of assets and relationships to strengthen the cultural sector's contribution to a thriving Eugene. This work includes a partnership with Lane Arts Council which manages the community arts grant program.

- Venue Asset Management: Management and operation of two City-owned public assembly facilities. Annually, the Hult Center hosts over 900 activities with attendance over 150,000 for performances by six resident companies and touring commercial entertainers, local community events, and conference-related activities. Cuthbert Amphitheater is a 5,000-seat outdoor venue leased to venue managers and annually hosts 12-16 events with total attendance around 40,000.

- Community Events: Community programming and outreach brings accessible arts and culture to all residents. Annually, the "EUGFun" live music and event series collaborates with local community groups and artists, serving over 18,000 residents. The Community Events team oversees the City of Eugene Special Events Policy team and acts as a lead in collaborations with community event producers, athletic events and competitions as well as developing catalytic programs that encourage cultural tourism.

- Public Art: This program provides asset management and growth of the City's collection of art, implementation of Eugene's Public Art Master Plan, engagement in the downtown revitalization initiative and temporary art. The program oversees the 20x21 EUG Mural Project, an initiative to commission 20 world class murals by the 2021 World Championships.

Budget Information

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
FUNDING SOURCE					
General Fund	$25,906,153	$26,962,577	$29,066,024	$30,938,724	$30,820,409
Other Funds	230,846	353,471	2,774,061	2,999,000	2,828,741
	$26,136,999	$27,316,048	$31,840,085	$33,937,724	$33,649,150

OPERATING COSTS

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Adaptive Recreation					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$496,187	$525,921	$572,096	$572,096	$575,031
Materials and Services	259,315	264,467	306,598	321,638	297,989
Total	$755,502	$790,388	$878,694	$893,734	$873,020
Expenditures by Fund					
General	$749,598	$780,390	$859,694	$874,734	$854,020
Library, Parks and Recreation	5,904	9,998	19,000	19,000	19,000
Total	$755,502	$790,388	$878,694	$893,734	$873,020
General Fund Revenue	$119,987	$122,788	$122,000	$122,000	$122,000
Number of Full-time Equivalents					
General	4.36	4.36	4.36	4.36	4.36
Adult and Senior Services					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$714,404	$774,148	$792,564	$792,564	$805,597
Materials and Services	310,404	359,752	411,468	655,207	427,740
Total	$1,024,808	$1,133,900	$1,204,032	$1,447,771	$1,233,337
Expenditures by Fund					
General	$1,019,331	$1,125,420	$1,144,971	$1,163,771	$1,151,492
Library, Parks and Recreation	5,477	8,480	59,061	284,000	81,845
Total	$1,024,808	$1,133,900	$1,204,032	$1,447,771	$1,233,337
General Fund Revenue	$294,054	$307,859	$258,000	$258,000	$258,000
Number of Full-time Equivalents					
General	6.20	6.20	6.20	6.20	6.20

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Aquatics					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$1,457,005	$1,558,967	$1,677,266	$1,677,266	$1,663,069
Materials and Services	1,451,213	1,471,124	1,648,737	1,705,137	1,532,678
Capital Outlay	25,770	0	35,000	35,000	0
Total	$2,933,988	$3,030,091	$3,361,003	$3,417,403	$3,195,747
Expenditures by Fund					
General	$2,933,988	$3,030,091	$3,357,003	$3,413,403	$3,191,747
Library, Parks and Recreation	0	0	4,000	4,000	4,000
Total	$2,933,988	$3,030,091	$3,361,003	$3,417,403	$3,195,747
General Fund Revenue	$1,002,727	$977,054	$932,000	$932,000	$932,000
Number of Full-time Equivalents					
General	10.85	10.85	10.85	10.85	10.85
Athletics					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$327,994	$322,043	$409,872	$409,872	$402,831
Materials and Services	144,493	148,896	179,417	194,457	165,824
Subtotal	$472,487	$470,939	$589,289	$604,329	$568,655
Public Works					
Personnel Services	$56,373	$69,814	$73,012	$73,012	$75,685
Materials and Services	12,118	17,958	12,992	12,992	12,988
Capital Outlay	14,024	0	0	0	0
Subtotal	$82,515	$87,772	$86,004	$86,004	$88,673
Total	$555,002	$558,711	$675,293	$690,333	$657,328
Expenditures by Fund					
General	$555,002	$558,711	$675,293	$690,333	$657,328
General Fund Revenue	$354,350	$342,388	$410,000	$410,000	$410,000
Number of Full-time Equivalents					
General	3.86	4.11	4.11	4.11	4.11

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Cultural Services					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$2,696,350	$3,202,769	$3,961,980	$3,961,980	$4,128,048
Materials and Services	2,154,361	2,677,657	2,721,103	3,981,122	3,935,732
Capital Outlay	48,147	0	0	115,000	148,800
Total	$4,898,858	$5,880,426	$6,683,083	$8,058,102	$8,212,580
Expenditures by Fund					
General	$4,898,858	$5,876,118	$6,663,083	$8,038,102	$8,192,580
General Capital Projects	0	4,308	20,000	20,000	20,000
Total	$4,898,858	$5,880,426	$6,683,083	$8,058,102	$8,212,580
General Fund Revenue	$2,465,722	$3,369,706	$3,759,400	$4,577,400	$4,803,900
Number of Full-time Equivalents					
General	31.25	31.25	36.13	36.13	36.13
Library					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$7,075,906	$7,545,230	$9,482,425	$9,482,425	$9,698,158
Materials and Services	3,062,176	3,319,013	3,925,639	3,930,371	4,103,408
Capital Outlay	539,224	22,645	0	45,301	0
Total	$10,677,306	$10,886,888	$13,408,064	$13,458,097	$13,801,566
Expenditures by Fund					
General	$10,470,053	$10,567,613	$10,757,064	$10,807,097	$11,118,670
Library Local Option Levy	0	0	2,384,000	2,384,000	2,415,896
Library, Parks and Recreation	207,253	319,275	267,000	267,000	267,000
Total	$10,677,306	$10,886,888	$13,408,064	$13,458,097	$13,801,566
General Fund Revenue	$443,886	$477,802	$568,540	$568,540	$478,540
Number of Full-time Equivalents					
General	86.60	86.60	86.60	86.60	86.60
Library Local Option Levy	0.00	0.00	18.40	18.40	18.40
Total	86.60	86.60	105.00	105.00	105.00

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Youth and Family Rec.					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$3,305,698	$3,247,784	$3,542,971	$3,657,471	$3,571,431
Materials and Services	1,001,138	986,971	1,053,662	1,136,382	1,043,958
Capital Outlay	0	0	0	0	56,250
Total	$4,306,836	$4,234,755	$4,596,633	$4,793,853	$4,671,639
Expenditures by Fund					
General	$4,294,625	$4,223,345	$4,575,633	$4,772,853	$4,650,639
Library, Parks and Recreation	12,211	11,410	21,000	21,000	21,000
Total	$4,306,836	$4,234,755	$4,596,633	$4,793,853	$4,671,639
General Fund Revenue	$1,334,731	$1,352,257	$1,206,000	$1,320,500	$1,206,000
Number of Full-time Equivalents					
General	27.43	27.18	27.18	27.18	27.18
LRCS Administrative Services					
Expenditures by Department					
Library, Rec. and Cultural Svcs.					
Personnel Services	$471,553	$456,622	$553,084	$553,084	$554,716
Materials and Services	492,252	344,268	480,199	625,347	449,217
Capital Outlay	20,894	0	0	0	0
Total	$984,699	$800,890	$1,033,283	$1,178,431	$1,003,933
Expenditures by Fund					
General	$984,699	$800,890	$1,033,283	$1,178,431	$1,003,933
General Fund Revenue	$70	$70	$0	$0	$0
Number of Full-time Equivalents					
General	3.00	3.00	3.00	3.00	3.00

Adaptive Recreation

Description

Adaptive Recreation Services (ARS) is the primary public provider of recreation services for people with disabilities in the Eugene area. ARS programs are designed to improve the quality of life for persons experiencing disabilities through positive use of leisure time. Persons with disabilities include those with developmental disabilities, physical disabilities, mental health challenges and vulnerable populations. Additionally, over 50% of ARS participants with disabilities are unemployed and living at Federal low-income earning levels.

ARS is based at the Hilyard Community Center, and services include recreational and educational programs, health and wellness classes, seasonal camps, visual and performing arts, and recreation equipment adapted to serve people with disabilities. Inclusion services and training are also provided to make recreation activities accessible to all members of the community.

ARS maintains active partnerships with local and regional community support groups, nonprofit agencies and public commissions. Staff provides training, consultation and adapted equipment to other city departments and community groups to facilitate the inclusion of people with disabilities in their programs and compliance with the Americans with Disabilities Act (ADA). ARS has been identified by the University of North Carolina at Greensboro in their report "Search for Best Practices in Inclusive Recreation" as a model for inclusive recreation for municipalities, has been awarded the National Therapeutic Recreation Society Organizational Citation and recognized by local and regional organizations for their contributions to people with disabilities.

Mission

Adaptive Recreation Services provides diverse recreation programs and services that enhance the quality of life for people with disabilities.

Outcomes

For people with disabilities:

- Contribute to the wellness, fitness, health and safety of the community, and provide life-long recreation.
- Provide affordable fitness and adaptive recreation.
- Improve self-esteem, empowerment and increased personal safety.
- Improve independence, socialization and social interaction skills.
- Increase quality of life, physical and cognitive function and overall health.
- Promote equal access to recreation activities through inclusion services.
- Improve support systems including stronger families, friendships, volunteer opportunities, etc.
- Prevent secondary disabilities to patrons with disabilities such as depression, obesity, arthritis, and hypertension.

For the community:

- Enhance the quality of life of people with disabilities with ongoing assessments that respond to adaptive recreation needs.
- Maintain affordable recreation services for patrons and respite for caregivers.
- Maintain a resource of certified and trained adaptive recreation leaders, disability resource staff and fitness leaders who meet or exceed industry standards.
- Ensure ADA compliance for City programs.
- Reduce health care costs for the community by offering wide-ranging healthy programs.

Adult and Senior Services

Description

Adult and Senior Services meets the needs of older adults for maintaining their health, independence, social connections, support networks and quality of life. Active lifestyle programs such as skiing, canoeing, kayaking, hiking, and wood-working serve as an attraction for both younger and older senior adults. Services such as legal services, insurance counseling, meal information, adult education classes and van trips are offered on a regular basis. Access to community social services is provided to Eugene seniors on a limited basis through program outreach staff. Programs and services are currently provided through the Campbell and Petersen Barn community centers. Additional older adult programs are offered at Amazon and Sheldon community centers, as well as Echo Hollow, Sheldon, and Amazon pools.

Mission

Adult and Senior Services' mission is to promote and maintain health and well-being, enhance quality of life, strengthen support networks, and recognize and assist individuals in remaining active, productive and independent by offering recreational programs and services to achieve this goal.

Outcomes

- Strategize the development of programs and facilities that meet the growing need of the older adult and senior community.
- Improve programs that promote health and well-being.
- Contribute to the quality of life for older adults in our community.
- Provide experiences that allow for finding companionship through activities and informal drop-in programs.
- Provide opportunities to realize creative capacities, experience personal growth, development and achievement.
- Collaborate with local social services agencies to strengthen support networks within the greater Eugene community.
- Provide opportunities for individuals to remain active, productive and independent.

Aquatics

Description

Eugene's aquatic and fitness centers provide year-round availability and access to a broad variety of programs and facilities that promote water safety and lifelong fitness in an environment that is safe, accessible, inclusive, welcoming and fun.

Eugene's three pools, Echo Hollow, Sheldon and Amazon (a seasonal facility), offer five main program areas: Learn to Swim programs, Recreational Swimming, Fitness and Wellness, Competitive programs and In-Service Training.

Aquatics Services provide affordable, accessible and convenient opportunities to people of all ages and abilities for recreation, personal development and physical activity through significant programs for youth and families, including: Learn to Swim classes, recreation swims, family swims, lap swims, aquatic fitness classes, land-based fitness classes, fitness centers (Sheldon and Echo Hollow), custom services for special groups, physical education classes to schools, in-service trainings, special events and competitive aquatics for swim teams and water polo teams.

Mission

Provide diverse, accessible, inclusive and high-quality aquatic and fitness services in a safe, clean, welcoming and fun environment.

Outcomes

- Maintain the current inventory of aquatics facilities to meet the current needs of the Eugene community.
- Strategize the future renovation of aging aquatics facilities to meet the growing community needs and the building of new aquatics facilities in geographic locations that are currently unserved.
- Contribute to the wellness, fitness, health and safety of the community, and provide lifelong recreation.
- Prevent aquatic tragedies by teaching people to be safe in and around the water.
- Provide affordable aquatic and fitness recreation.
- Provide pool access to competitive youth swim teams and clubs teams.
- Continue to create entry level job opportunities as lifeguards and swim instructors resulting in career development for area youth.
- Increase the functionality of day-to-day life for seniors and people with disabilities.
- Provide lifeguard certification courses, and create a resource of certified and trained aquatics and fitness leaders who meet or exceed industry standards.

Athletics

Description

Athletics Services programs promote and facilitate active lifestyles, physical fitness, mental well-being and social interaction by serving adults and youth through league sports and other organized sports activities. In addition, Athletics Services coordinates the use and funds a portion of the maintenance of all City-owned and co-owned athletic fields and facilities in order to ensure a safe and available playing environment for the entire Eugene community. Athletic Services offers organized sports activities for adults, including men's, women's, and coed league competition for softball, volleyball, basketball, ultimate Frisbee, outdoor soccer, and manages the contract with a private vendor to operate the Alton Baker Park Disc Golf Course.

Mission

Athletics Services creates and facilitates recreational and competitive sports opportunities, promotes active lifestyles and encourages physical fitness, mental well-being and social interaction. Athletics Services' philosophy is that well-balanced, healthy people contribute to a productive and thriving community.

Outcomes

- Maintain the current inventory of outdoor sports facilities that serve the Eugene community.
- Strategize with community partners the future development of outdoor sports facilities as determined by the growing needs of the Eugene community.
- Maintain partnership with local school districts and to cooperatively share and coordinate the use of sports facilities with all local youth sports organizations.
- Contribute to the quality of life of the community.
- Promote ongoing fitness and health of all citizens.
- Contribute to social integration and sense of community.
- Contribute to the economic health of the community.

Cultural Services

Description

The Cultural Services Division is the primary conduit through which the City strengthens its commitment to arts and outdoors and aligns resources to support the vision for an accessible and thriving cultural sector that is integral to the social and economic well-being of the community. The Division's scope of services includes:

Cultural Sector Development: Catalytic leadership to support the community vision for arts and culture through promotion, coordination, and development of assets and relationships to strengthen the cultural sector's contribution to a thriving Eugene. This work includes a partnership with Lane Arts Council which manages the community arts grant program.

Venue Asset Management: Management and operation of two City-owned public assembly facilities. Annually, the Hult Center hosts over 900 activities with attendance over 150,000 for performances by six resident companies and touring commercial entertainers, local community events, and conference-related activities. The Hult Center maintains a significant permanent visual art collection. Cuthbert Amphitheater is a 5000-seat outdoor venue leased to venue managers and annually hosts 12-16 events with total attendance around 40,000. This program also manages contracts and acts as the City liaison for the Cuthbert Amphitheater.

Community Events: Community programming and outreach bring accessible arts and culture to all residents. Annually, the "EUGFun" live music and event series collaborates with local community groups and artists and serves over 18,000 residents. The Community Events team oversees the City of Eugene Special Events Policy team and acts as a lead in collaborations with community event producers, athletic events and competitions as well as developing catalytic programs that encourages cultural tourism.

Public Art: This program provides asset management and growth of the City's collection of art, implementation of Eugene's Public Art Master Plan, engagement in the downtown revitalization initiative and temporary art. The program oversees the 20x21 EUG Mural Project, an initiative to commission 20 world class murals by the 2021 World Championships.

According to the 2010 Americans for the Arts Economic Prosperity study, Cultural Services' annual industry impact to the region based on dollars spent by this organization and event-related spending by arts and culture audiences is estimated at: $12.3 million in total expenditures; 1,700 full-time equivalent jobs supported by these expenditures; $6.4 million in household income (total dollars paid to community residents); $552,000 in local government revenue; and $599,000 in state government revenue as a result of the expenditures made.

Mission

To enrich the cultural life of the region.

Outcomes

- Provide a broad selection of performances by local and non-local artists and companies.
- Ensure the community has reasonable access to Hult Center events.
- Encourage arts and educational activities for children and adults.
- Seek new patrons and build future audiences.
- Use facilities in support of the visual arts.
- Make facilities available for expanded cultural opportunities, compatible community events and conference activities.
- Manage the Hult Center in accordance with the highest industry standards and in a fiscally sound manner.

Library

Description

Eugene Public Library (EPL) supports informed community, lifelong learning and the love of reading by promoting access for all city residents to the universe of ideas and information. On average, 3 million items are checked out each year by the nearly 100,000 cardholders who visit the Downtown Library and two Branch locations in the Sheldon and Bethel areas. EPL has been rated a "Star Library" five times, placing it among the top 3% of public libraries nationwide for continuing excellence in delivering key services per dollar. On November 3, 2015, City of Eugene voters approved a five-year levy to support expanded library service, and on July 1, 2016, open hours doubled at both branches, and Sunday morning hours were restored at the Downtown Library.

Every day, over 3,000 people come into one of EPL's three locations. EPL's collection contains approximately 900,000 items, including downloadable eBooks, audio books, magazines and music. EPL also subscribes to more than 90 premium online resources housed in the "Info Hub" which provides information ranging from investments to book suggestions to car repair to homework help for kids to genealogy and many more. To ensure accessibility to all, there are specialized collections of large-print, multilingual and non-print materials.

Free Wi-Fi is available at all locations. In addition, 118 computers are available for public use, providing access to the internet, the Info Hub online resources, a suite of Microsoft products and computers equipped with adaptive software and equipment. Plus, with funds from the levy, the library is now loaning laptops to cardholders. The Maker Hub offers a wide variety of ways to develop skills, use tools invent, and create for success in school, work, art and life.

A variety of programs for all ages are offered, from emergent literacy programs for toddlers (e.g. "Storytime"), through reading promotions for teens, to music, dance, literary events and computer classes for adults. EPL provides over 1,000 free programs annually with a total attendance of over 50,000, and the levy funds support a 33% increase of these activities to reach those currently underserved with a focus on young readers and teens.

At the Library's website, patrons have access to all of the Library services; searching the catalog; downloading eBooks, magazines, and music; using the Info Hub; and getting research assistance – all available 24 hours a day, 7 days a week. EPL staff is available to help users access information and to learn more about Library services at any desk, over the phone and via e-mail, instant message chat and texting.

Annually, over 200 volunteers donate over 13,000 hours to repair books, keep shelves in order, pull requested materials, assist people in the Maker Hub, deliver books to the homebound, provide Storytimes to underserved children and welcome patrons at the Downtown Library Information Desk.

Mission

Eugene Public Library supports an informed community, lifelong learning, and the love of reading by providing access for all City residents to the universe of ideas and information.

Outcomes

- Promote lifelong learning, literacy, and family and personal development, as well as the information to help individuals meet their basic needs with dignity.
- Encourage intellectual freedom through providing a diverse and intellectually stimulating collection of materials and through responsiveness to the community's needs and desires.
- Preserve and enhance livability and provide a variety of educational and recreational activities, accessible to all.
- Foster an experience of community for all patrons at the Library by providing a safe and welcoming environment.
- Strengthen and support the regional economy.

Youth and Family Recreation

Description

Youth and Family Recreation Services (YFRS) provides diverse, neighborhood-based, and citywide programs for people of all ages and abilities. Recreation professionals at Amazon, Petersen Barn, River House and Sheldon community centers coordinate and supervise these services.

YFRS recreational and educational programs include outdoor/environmental activities, preschool, out-of-school programs, summer playground "Fun For All", seasonal camps, challenge course facilitation, visual and performing arts, special community events, teen groups and peer-managed juvenile justice alternatives.

These diversified program opportunities stimulate the growth and development of positive attributes, resiliency, and social competencies. Programs also reflect the values, skills and beliefs that youth and families can use to fully engage within the community through healthy fun and constructive use of time. Through YFRS, the City of Eugene provides accessible cultural and recreational opportunities to its residents. Our mission promotes positive youth and family development and contributes significantly to a safe and sustainable community – a place where people want to live and raise families.

Mission

Creating opportunities that inspire lifelong passion to imagine, explore, learn, grow and contribute.

Outcomes

- Manage and maintain neighborhood-based community centers to meet the ongoing and changing needs of Eugene families.
- Strategically plan for the renovation of current community centers to meet the growing needs of Eugene families, and plan for the addition of new multi-purpose community centers in geographic regions that are currently unserved in Eugene.

- Contribute to the promotion of Eugene's neighborhoods as an essential and safe place to recreate.
- Connect diverse and/or marginalized communities by offering culturally-supportive, accessible and responsive recreational opportunities.
- Increase public safety through prevention-based programs to reduce criminal activity and other risk behaviors as a cost-savings alternative to the juvenile justice system.
- Empower youth and families to promote asset development through safe places, structured activities, healthy start programs and opportunities to serve within the community.
- Provide opportunities that promote an individual's ability to plan, make healthy choices and constructively use discretionary time.
- Facilitate programs to encourage personal growth, promote health and wellness and connect youth, families and the community.
- Practice sustainability, alternative transportation and service projects that mitigate environmental impact.
- Engage youth and families in the benefits of outdoor recreation in parks, open spaces and natural areas.
- Provide opportunities for youth empowerment and leadership through employment and training.
- Assess and respond to identified recreational service gaps.
- Collaborate and partner with school districts, youth service agencies and community partners to address youth needs and fill service gaps.

LRCS Administrative Services

Description

LRCS Administrative Services includes overseeing the operation of the department that provides library services, cultural events, and recreation services. LRCS Administrative Services also provides program and service support in strategic planning, legislative coordination, as well as developing and implementing efficiency, control and service improvement strategies. LRCS Administrative Services is further charged with directing and monitoring the budgetary and fiscal management of eight departmental service areas.

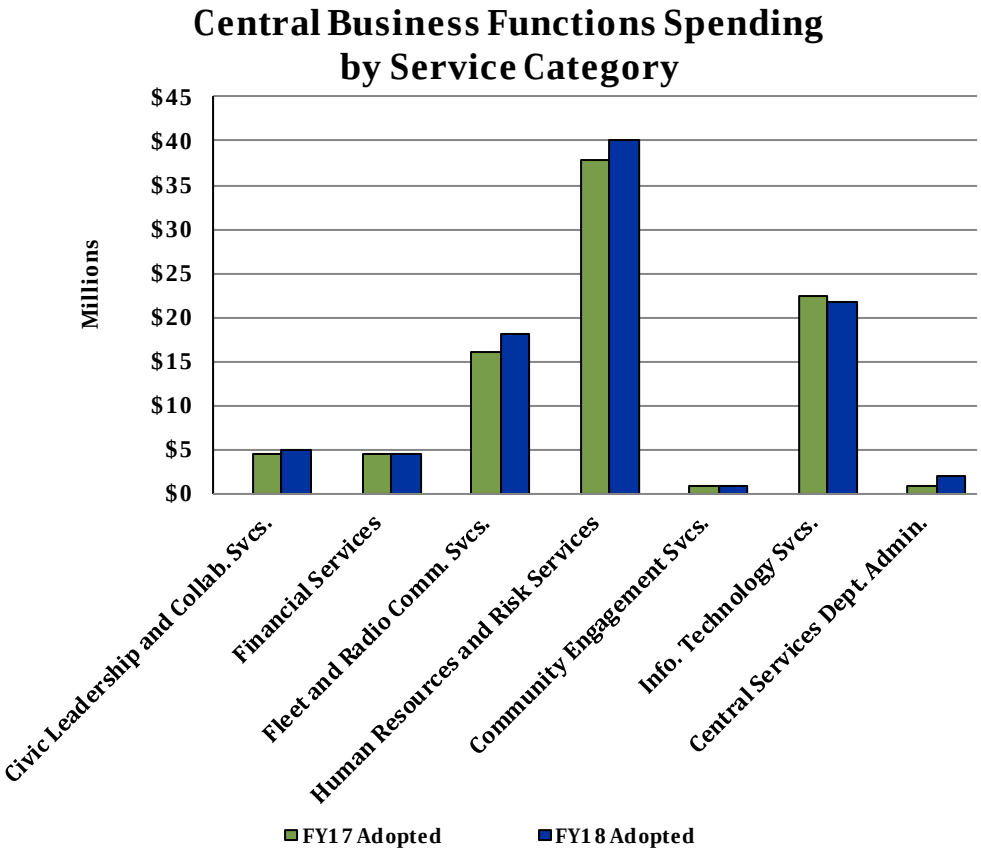
Mission

LRCS Administrative Services supports department operations so that they can more effectively meet the department's mission of "Contributing to an economically healthy, socially vibrant community by providing access to a diverse range of services and experiences that foster lifelong learning and whole personal development."

Outcomes

- Provide leadership to ensure delivery of programs and services are in alignment with Mayor and City Council, Executive Team, and department goals and priorities.
- Establish frameworks to determine strategic goals and planning resources, including developing and implementing department-wide priorities, service improvement strategies and appropriate measures of performance.
- Communicate service priorities, accomplishments and challenges to City leaders, department staff and the community.
- Provide oversight and guidance to ensure that applicable employment standards, contractual obligations and legal requirements are met.
- Manage resources to ensure appropriate access to programs and services throughout the community.

Charts



Service Category	FY17 Adopted	FY18 Adopted
Civic Leadership and Collab. Svcs.	$4,404,132	$4,910,309
Financial Services	4,501,044	4,521,442
Fleet and Radio Comm. Svcs.	16,094,990	18,157,111
Human Resources and Risk Services	37,788,059	40,046,538
Community Engagement Svcs.	883,133	918,142
Info. Technology Svcs.	22,372,603	21,670,469
Central Services Dept. Admin.	950,936	2,049,321
	$86,994,897	$92,273,332

Service Description

The City organization provides a wide variety of services to the public including police and fire protection, planning, library, recreation, public infrastructure and more. Internal services support elected officials and the organization. These services, called Central Business Functions, provide the organizational and business management foundation for direct services. For example, the City pays vendors through a centralized accounts payable function instead of having each service area pay its own bills; the payroll database is maintained centrally, and paychecks are processed by staff in Finance; information services are provided in a coordinated and standardized manner; and risk issues are managed by a unit trained in prevention and liability control. Such centralized support is cost-effective, coordinates the service within the organization, ensures consistent compliance with legal and professional standards, sets uniform policies and practices, and avoids duplication of effort. The Central Business Functions include:

1. Civic Leadership and Collaboration Services – Mayor, City Council and City Manager support; City Attorney's Office; intergovernmental relations; City Recorder's Office; community relations and engagement; sustainability initiatives, and the Police Auditor's Office.

2. Human Rights and Neighborhood Involvement – Collaboration and access between City staff and the residents of Eugene focusing on broad-based community involvement, support of the neighborhood associations, increased knowledge and application of the Triple Bottom Line (TBL) and Human Rights frameworks, inclusive and equitable services; and coordination of federal Americans with Disabilities Act (ADA) activities.

3. Financial Services – Revenue and expenditure planning, management and reporting; accounting; budget; financial analysis; investment and debt management; collections and assessment management; purchasing; receivables; payables; and payroll.

4. Fleet and Radio Communication Services – Management, acquisition, maintenance and replacement of the full range of municipal equipment including police cars, emergency medical vehicles, fire engines, construction and maintenance equipment, and communications equipment and infrastructure.

5. Human Resources and Risk Services – Employee recruitment and selection; records/information and personnel management, classification and compensation; labor and employee relations; employee benefits, including health insurance, deferred compensation, retirement benefits and wellness programs; worker's compensation; safety; employee training and development programs; liability and property claims management; and emergency management.

6. Information Technology Services – Computer network management and operations; software development/acquisition and support; training and documentation; database support; Geographic Information Systems (GIS) support; Internet, e-government, and Intranet support; telephone services; printing, photocopying, and document imaging; and telecommunications franchise management.

Budget Information

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
FUNDING SOURCE					
General Fund	$16,153,876	$16,729,840	$17,403,168	$18,431,449	$19,487,307
Other Funds	48,121,879	49,363,369	69,591,729	72,780,958	72,786,025
	$64,275,755	$66,093,209	$86,994,897	$91,212,407	$92,273,332

OPERATING COSTS

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Civic Leadership and Collab. Svcs.					
Expenditures by Department					
Central Services					
Personnel Services	$3,161,618	$3,616,045	$3,521,704	$3,800,999	$4,011,536
Materials and Services	1,090,650	1,075,075	882,428	1,069,514	898,773
Total	$4,252,268	$4,691,120	$4,404,132	$4,870,513	$4,910,309
Expenditures by Fund					
General	$4,252,268	$4,691,120	$4,404,132	$4,870,513	$4,910,309
General Fund Revenue	$65,391	$184,136	$400	$15,460	$800
Number of Full-time Equivalents					
General	23.50	23.50	23.50	23.50	24.80
Financial Services					
Expenditures by Department					
Central Services					
Personnel Services	$2,389,594	$2,810,491	$3,547,045	$3,547,045	$3,502,182
Materials and Services	1,272,198	932,425	953,999	1,174,538	1,019,260
Total	$3,661,792	$3,742,916	$4,501,044	$4,721,583	$4,521,442
Expenditures by Fund					
General	$3,526,641	$3,454,278	$3,731,651	$3,952,190	$3,948,584
Special Assessment Management	81,594	87,168	97,870	97,870	102,155
Information Systems and Services	0	136,128	605,000	605,000	400,500
Risk and Benefits	47,176	48,763	52,235	52,235	55,015
Telecom Registration/Licensing	6,381	16,579	14,288	14,288	15,188
Total	$3,661,792	$3,742,916	$4,501,044	$4,721,583	$4,521,442
General Fund Revenue	$95,609	$105,586	$84,000	$84,000	$84,000
Number of Full-time Equivalents					
General	24.41	24.41	24.41	24.41	24.41
Special Assessment Management	1.00	1.00	1.00	1.00	1.00
Risk and Benefits	0.43	0.43	0.43	0.43	0.43
Telecom Registration/Licensing	0.16	0.16	0.16	0.16	0.16
Total	26.00	26.00	26.00	26.00	26.00

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Fleet and Radio Comm. Svcs.					
Expenditures by Department					
Public Works					
Personnel Services	$2,646,004	$2,745,941	$3,131,577	$3,131,577	$3,219,089
Materials and Services	3,798,297	3,461,484	6,866,104	4,463,084	6,031,904
Capital Outlay	2,660,578	1,927,959	6,097,309	10,766,408	8,906,118
Total	$9,104,879	$8,135,384	$16,094,990	$18,361,069	$18,157,111
Expenditures by Fund					
Fleet Services	$9,104,879	$8,135,384	$16,094,990	$18,361,069	$18,157,111
Number of Full-time Equivalents					
Fleet Services	30.20	30.20	29.20	29.20	29.20
Human Resources and Risk Services					
Expenditures by Department					
Central Services					
Personnel Services	$2,859,521	$3,290,218	$3,392,248	$3,392,248	$3,573,216
Materials and Services	29,801,042	31,566,201	34,395,811	34,451,833	36,473,322
Capital Outlay	0	21,024	0	0	0
Total	$32,660,563	$34,877,443	$37,788,059	$37,844,081	$40,046,538
Expenditures by Fund					
General	$1,811,840	$1,847,393	$1,994,445	$2,050,467	$2,084,113
Risk and Benefits	30,848,723	33,030,050	35,793,614	35,793,614	37,962,425
Total	$32,660,563	$34,877,443	$37,788,059	$37,844,081	$40,046,538
General Fund Revenue	$2,848	$5,207	$5,000	$5,000	$5,000
Number of Full-time Equivalents					
General	14.85	14.85	14.85	14.85	14.85
Risk and Benefits	13.50	13.50	14.50	14.50	15.00
Total	28.35	28.35	29.35	29.35	29.85
Human Rights and Neighborhood Inv.					
Expenditures by Department					
Central Services					
Personnel Services	$528,381	$566,272	$610,605	$610,605	$639,470
Materials and Services	180,133	159,952	272,528	393,285	278,672
Total	$708,514	$726,224	$883,133	$1,003,890	$918,142
Expenditures by Fund					
General	$708,514	$726,224	$883,133	$1,003,890	$918,142
General Fund Revenue	$300	$3,525	$0	$0	$0
Number of Full-time Equivalents					
General	5.15	5.15	5.15	5.15	5.15

SERVICE CATEGORY	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Info. Technology Svcs.					
Expenditures by Department					
Central Services					
Personnel Services	$4,823,644	$5,140,475	$7,299,891	$7,359,891	$6,928,192
Materials and Services	8,084,852	7,192,538	14,657,712	14,084,718	14,007,477
Capital Outlay	430,579	1,002,819	415,000	2,015,451	734,800
Total	$13,339,075	$13,335,832	$22,372,603	$23,460,060	$21,670,469
Expenditures by Fund					
General	$5,305,950	$5,426,535	$5,438,871	$5,603,178	$5,576,838
Telecom Registration/Licensing	2,775,568	1,781,176	2,720,054	4,993,777	2,732,016
Information Systems and Services	5,257,557	6,128,121	14,213,678	12,863,105	13,361,615
Total	$13,339,075	$13,335,832	$22,372,603	$23,460,060	$21,670,469
General Fund Revenue	$3,700	$0	$0	$0	$0
Number of Full-time Equivalents					
General	24.50	24.50	24.50	24.50	24.50
Telecom Registration/Licensing	1.75	1.75	1.75	1.75	1.75
Information Systems and Services	22.00	22.00	23.00	23.00	23.00
Total	48.25	48.25	49.25	49.25	49.25
Central Services Dept. Admin.					
Expenditures by Department					
Central Services					
Personnel Services	$492,264	$471,835	$753,838	$753,838	$934,824
Materials and Services	56,402	112,454	197,098	197,373	1,114,497
Total	$548,666	$584,289	$950,936	$951,211	$2,049,321
Expenditures by Fund					
General	$548,666	$584,289	$950,936	$951,211	$2,049,321
General Fund Revenue	$23,850	$0	$0	$0	$0
Number of Full-time Equivalents					
General	3.00	3.00	3.00	3.00	3.00

Civic Leadership and Collaboration Services

Description

Civic Leadership and Collaboration Services embodies the leadership function of the organization. The City Manager and the Executive Management Team identify issues and develop policy and strategy alternatives, implement Council direction, align resources with strategic goals, and manage the City's operations across functional boundaries. They ensure that the organization's fiscal, personnel, technical and administrative policies and procedures enable City staff to provide effective and efficient municipal services. The City Manager and Executive Managers define the organization's climate and culture.

Civic Leadership and Collaboration Services staff supports elected officials, the City Manager and Assistant City Manager, provides research assistance to elected officials and Council committees, and supports the development of Council goals process and priorities.

Civic Leadership and Collaboration Services leads city-wide strategic planning and goal setting. Staff guides the organization's adherence to public meeting, public record, and election laws, coordinates recruitment and development for advisory groups, and pro-actively provides public information. Civic Leadership and Collaboration Services is a central point of access for the general public and news media to elected officials and the organization, and responds to new and emerging issues. It is also the keeper of the City's archive and election functions.

Civic Leadership and Collaboration Services staff coordinates the City's intergovernmental relations, including lobbying the City's agenda at the local, state and federal government levels. The Sustainability program champions Triple Bottom Line (TBL) decision-making which considers economic, environmental and social equity impacts, and directly supports the Sustainability Commission. Staff coordinates implementation of the Community Climate and Energy Action Plan, Internal Climate Action Plan and other regional initiatives around climate planning and adaptation. Through collaboration, staff also furthers sustainable purchasing, waste prevention and recycling, transportation options, "green" economic development, and energy planning and efficiency.

In 2005, the voters of Eugene approved a charter amendment which created a Council-supervised position of Police Auditor. Although wholly independent of the services embodied in Civic Leadership and Collaboration Services, the ongoing operational budget for this function is within Civic Leadership and Collaboration Services.

Mission

Civic Leadership and Collaboration Services provides leadership, collaboration, and support to the City organization and services, helping to ensure alignment with Council direction and community values, needs and priorities. Civic Leadership and Collaboration Services supports elected and appointed officials, promotes an informed public, and works to ensure City government is effective, accountable, and inclusive.

Outcomes

- Good decisions informed by community priorities and professional expertise.
- Open and interactive communication that allows community members to fully understand City services and actions.
- Meaningful opportunities for public participation.
- Well-designed processes that make clear to members of the public how decisions are made and how people can inform those decisions.

Financial Services

Description

Many financial functions are centralized for efficiency and to ensure compliance with legal and professional requirements. Staff provides strategic management of the City's finances and performs functions necessary to conduct the financial business of the organization. Services include projecting and allocating resources through the annual budget preparation process; staffing the City's Budget Committee; coordinating service profiles; reporting the City's financial condition to citizens and other stakeholders; providing accessible financial infrastructure and effective business systems; forecasting financial threats and opportunities and analyzing the financial impact of proposals; assisting staff and policy makers in the analysis of funding options for projects and services; recording financial transactions; consulting with City staff to procure materials and services; paying vendors and employees; billing customers, cashiering, and collections; managing the City's investment portfolio and cash needs; and issuing debt and making payment on outstanding debt.

Mission

Our mission is to support City staff, policy makers and citizens by providing quality financial services and information to promote prudent decision making that maintains long-term financial stability.

Outcomes

- Wise stewardship of public resources.
- Financial stability of the City organization.
- Financial integrity of the City.
- Accessible and understandable financial information.
- Confidence in financial policies, practices and information.
- Efficient and effective processing of core financial transactions.
- Service delivery that is flexible, innovative, responsive and valued.
- Framework for wise financial decision making, enabling a stable work environment and sustainable service provision for the community.

Fleet and Radio Communication Services

Description

To deliver a wide array of services to the residents of Eugene, staff uses construction and communication equipment referred to as the City's fleet. This includes the full range of municipal equipment including police cars, emergency medical vehicles, fire engines, construction and maintenance equipment, and communications equipment.

A centralized Fleet and Radio Communication Services staff keeps the City's fleet operating to ensure City staff has safe, cost-effective, environmentally responsible and reliable equipment to carry out their responsibilities. Fleet staff implements a year-round preventive maintenance schedule for all equipment. Fleet staff performs equipment repairs on a multi-shift basis, and is available to respond to emergency requests on a 24/7 basis. Fleet Services staff also assists City personnel with equipment purchases by providing technical advice, managing equipment purchases, and inspecting and modifying equipment prior to delivery.

While equipment acquisition and maintenance are centralized at the City, equipment management and ownership resides with individual City departments. Departments pay Fleet Services for the services they provide using a rate schedule published at the start of each budget year. Rates are established for each class of vehicle and equipment based on the actual costs of maintenance and repair services, as well as annual insurance and overhead. Funds to replace General Fund equipment are allocated annually through the City's budget process. Funds to replace non-General Fund vehicles and equipment are set aside in equipment replacement accounts managed by Fleet Services. Equipment is replaced based upon projected life-cycle and actual operating costs. A Fleet Advisory Board, consisting of representatives of each City department and staffed by the manager of Fleet Services, sets City-wide fleet policy.

Mission

Through teamwork, our mission is to provide customers safe, reliable, environmentally responsible fleet maintenance and communication equipment repair and installation in an efficient and cost-effective manner.

Outcomes

- Safe and reliable vehicles, radios, and other equipment.
- Effective management of the City's fleet assets.
- Operating savings to the City through effective and efficient operations of Fleet Services.
- Effective and efficient delivery of City services.

Human Resources and Risk Services

Description

Human Resources and Risk Services support the City in providing a qualified and productive workforce that, in turn, delivers effective and efficient services. To support the organization, the Human Resource and Risk Services team:

- Administers centralized hiring.
- Manages pay and benefit processes.
- Manages the City's work policies and labor contracts.
- Provides consultation and training to enhance individual, service, and organization performance.
- Manages organizational risk.

The operating principles of the City are central to the kind of organization the City is, how it delivers service, and its relationship with its employees. Human Resources and Risk Services staff help to articulate and champion these principles: customer service, equitable treatment, diversity outreach, employee and organizational creativity and productivity, teamwork, a results-oriented focus, and effective communication.

The Human Resources and Risk Services teams also stays abreast of trends and legal changes regarding management to ensure legal compliance and organizational responsiveness.

Mission

Provides City departments with strategic guidance and advice to help the organization achieve its goals, including:

- Hiring and developing qualified employees who model organizational values;
- Maintaining employer-employee relationships which are legal, equitable, productive and positive;
- Safeguarding the City's property, financial and human resources from the adverse impact of loss; and
- Supporting a safe and resilient organization.

Outcomes

- Partnerships with departments in delivering service to the organization.
- Employees, supervisors and managers who value the services provided to them by Human Resources and Risk Services.
- Equitable treatment of applicants, claimants, employees, and retirees.
- Qualified, productive, and diverse workforce.
- Partners in maintaining a legally compliant and ethical organization.
- City employees who are prepared to meet direct customer service and stakeholder needs.
- A healthy, respectful, and safe work environment.
- Minimized organizational costs.

- Competitive, market-based pay and benefits.
- An organization that is prepared for large-scale emergencies.

Human Rights and Neighborhood Involvement

Description

Human Rights and Neighborhood Involvement Services supports elected officials, the City Manager and City leadership, colleagues across departments, and advisory bodies to provide integrated and comprehensive strategic planning and leadership in the areas of equity, human rights, neighborhood involvement, and sustainability. Community Engagement Services is the organizational leader of Triple Bottom Line (TBL) and Human Rights Framework implementation, ensuring public participation at the neighborhood level and support for the Human Rights Commission, neighborhood associations and Sustainability Commission.

Equity and Human Rights champions inclusive and participatory decisions that reflect community values and protect the most vulnerable members of the community, in addition to leading successful implementation of the City of Eugene's Diversity and Equity Strategic Plan. Equity and Human Rights staff also is responsible for coordinating organizational responsibilities for the federal Americans with Disabilities Act (ADA) and City responses to hate and bias activity.

Neighborhood Involvement provides policy guidance, training, funding and strategic support to neighborhood associations. The program builds the capacity of existing associations through coordination between City leaders and elected officials and provides varied training opportunities. Neighborhood Involvement also plays an important communication and coordination role by informing residents about City initiatives, programs and services that affect them directly and facilitating collaboration between residents and City staff and departments.

Mission

Our mission is to build healthy, equitable and prosperous communities. Through leadership and our collaboration with advisory bodies, community members and the City organization, we provide a conduit and help building capacity for effective community involvement with elected officials and the City organization.

Outcomes

- Utilizing a Triple Bottom Line (TBL) framework in decision making.
- Inclusion, justice and equity in City programming and services.
- Response to human rights violations, discrimination, and hate/bias incidents.
- Collaboration with community partners to leverage resources and connect efforts.
- Successful implementation of our strategic plans.
- Neighborhood-based problem solving.

Information Technology Services

Description

All residents of the City of Eugene experience Information Technology (IT) services when they report a crime, check out a library book, stop at a traffic signal, purchase Hult Center tickets, register for a recreation class, or use virtually any City service. All City services use technology to increase their efficiency and effectiveness. The public is increasingly accessing City information and services over the internet. IT staff supports the complex network of information and communication systems that underpin these applications, thus enabling the City to better serve the public.

The work of IT staff involves five key service processes:

- Network Infrastructure - Providing computers in offices and vehicles, workstations, printers, servers, telephones and the secure and reliable network that links them together in multiple City facilities throughout the community.
- E-government - Providing reliable and secure internet and intranet platforms for City departments to deliver information, services and e-commerce to the public and departments.
- Automated Business Systems - Working with City departments to design, implement (develop or purchase), maintain, and upgrade automated business systems and personal computer software.
- Telecommunications Program Management - Administration of a comprehensive City ordinance governing public rights-of-way licensing, dedicated taxation, consumer and legislative advocacy, and oversight of the City telecommunications technology projects.
- Printing Services - Managing multi-function devices (copy, scan, print, and fax equipment) located in departments, providing in-house printing services and consulting about external publishing.

Mission

We use our professional expertise, in partnership with our customers, to improve public services through the strategic use of Information Technology.

Outcomes

- Provide secure public access to the City services and information through the use of technology.
- Improve access, usability and integrity of the information for City staff, elected and appointed officials, and other agencies.
- Strengthen communication and collaboration between the City staff, officials, and the public through computer, telephone, and document technology.
- Use technology to facilitate environmentally sound and sustainable practices.
- Protect the public's interests by ensuring that telecommunications providers adhere to the City of Eugene telecommunications program policies and rules.

Central Services Department Administration

Description

Central Services includes the following: Financial Services, City Manager's Office and City Attorney's Office, Human Resources, Facility Management, Risk Services, Information Services, Municipal Court, and Police Auditor's Office. Central Services Administration ensures that projects and services of Central Services Divisions support City Council goals and City departments, and reflect the priorities of the City Council and boards and commissions which are advisory to it. Administration staff acts as liaison to the City Manager, City Council, and other departments and coordinates budget, personnel, and strategic planning activities.

Department View

Table of Contents

Preface 305

Central Services
- Mission Statement 306
- Functional Organization Chart 307
- Department Budget Changes 309
- Department Financial Summary 312
- Service Budget View 312
- Division Financial Summary 313

Fire and Emergency Medical Services
- Mission Statement 316
- Functional Organization Chart 317
- Department Budget Changes 318
- Department Financial Summary 320
- Service Budget View 320
- Division Financial Summary 321

Library, Recreation, and Cultural Services
- Mission Statement 323
- Functional Organization Chart 324
- Department Budget Changes 325
- Department Financial Summary 327
- Service Budget View 327
- Division Financial Summary 328

Planning and Development
- Mission Statement 329
- Functional Organization Chart 330
- Department Budget Changes 331
- Department Financial Summary 334
- Service Budget View 334
- Division Financial Summary 335

Police
- Mission Statement 336
- Functional Organization Chart 337
- Department Budget Changes 338
- Department Financial Summary 341
- Service Budget View 341
- Division Financial Summary 342

Public Works
- Mission Statement 344
- Functional Organization Chart 345
- Department Budget Changes 346

Department View

Department Financial Summary 349
Service Budget View 349
Division Financial Summary 350

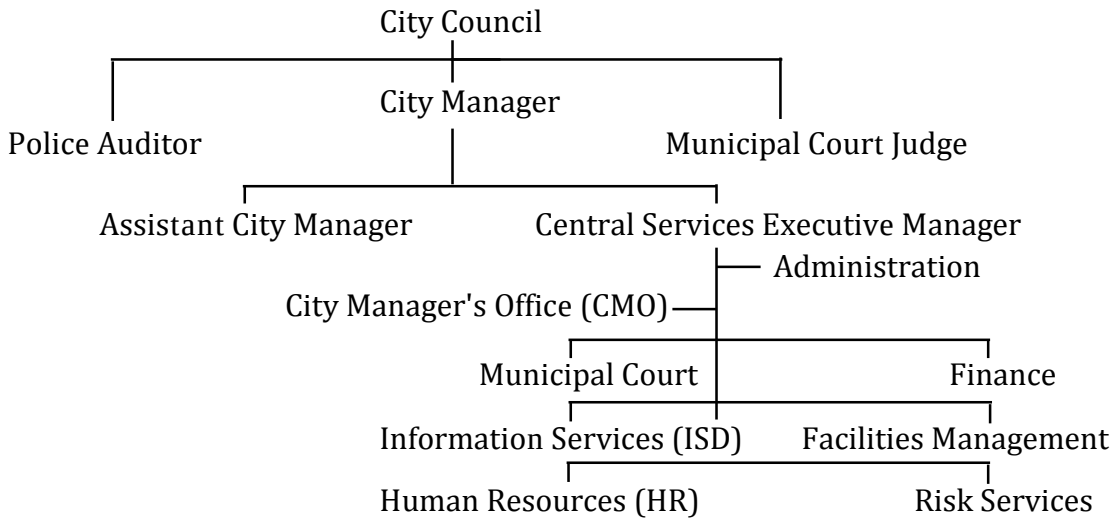
The operating budgets for the City's six departments are presented in this section. Department presentations are organized as follows:

- Mission Statement
- Organization Chart/Graphs — show how the department is organized and how the department budget is allocated by funds and divisions.
- Functional Organizational Chart — shows organization of the department's activities.
- Department Budget Changes — describes significant changes in the department's FY18 Adopted Budget compared to the FY17 Adopted Budget. Significant is defined as any change in full-time equivalent employees (FTE), any percentage change that is above 5% or any budget reduction.
- Financial Summary Table — shows past, current and projected position and financial data summarized by personnel and material and services expenditures. Vacant positions are included in the position data. The second portion of the table shows a breakdown by fund. Two years of actual data are provided for comparative purposes. For FY17, each department's legal appropriation (budget), as of July 1 and December 31, is provided. The next column is the FY18 Adopted Budget.
- Service Budget View — lists services provided by the department. This table shows the budget by service for General Fund revenues, department expenditures and full-time equivalent (FTE) positions.
- Division Financial Summary — shows past, current and projected financial data summarized at the division level.

Mission Statement

We apply our professional expertise and leadership to collaborate with City departments, external partners, and the public, to provide efficient, effective, and fiscally responsible services to the community.

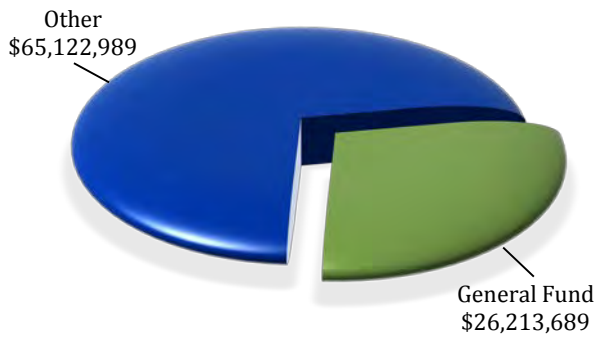
Organization Chart



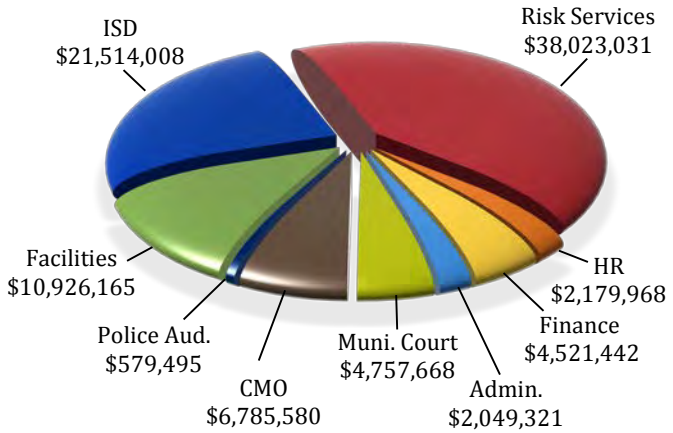
FY18 Adopted Operating Budget

$91,336,678

Funds



Divisions



Functional Organization Chart

Central Services Administration
Department Strategic Planning
Department Budget Management
Personnel Management

City Manager's Office
Mayor, Council and City Manager Support
- Boards and Commissions Recruitment

Legal Services
- City Attorney's Office
- City Prosecutor's Office

Human Rights and Neighborhood Involvement
- Human Rights Commission
- Equity and Human Rights
- Neighborhood Associations

Sustainability
- Climate Recovery Ordinance Implementation
- Sustainability Commission

City Recorder
- Elections/Public Records and Archives

Intergovernmental Relations
Community Relations and Engagement
- Public Information and Outreach
- Homeless Services Coordination

Spay and Neuter Clinic

Facilities Management
Administration and Finance
Courier/Mailroom
Operations and Maintenance
- Access Control/Building Security
- Building Major Maintenance
- Building Operations
- Custodial Services
- Sustainable Buildings Program
- Energy Management

Design/Construction
- Asset Management and Space Planning
- New Construction
- Building Preservation Projects
- ADA Assessment and Implementation

Finance
Budget and Analysis
Customer Receivable Services
Disbursements/Accounts Payable/Payroll

Finance (Continued)
Financial Reporting
Purchasing
Treasury

Human Resources
Compensation and Classification
Human Resources Information Systems
Recruitment and Selection
Labor Contract Management and Negotiations
Employee and Labor Relations
Performance and Development
Central Training Program, Classes and Resources

Information Services
Administration and Finance
- Telecommunications Franchise Management

Print Services
Project Management
Application Development
- Software Development
- Database Administration and Management
- Public Safety and Justice Systems
- Geographic Information Systems

Operations
- Service Desk and Customer Support
- Network and Security
- Server and Data Management
- Mobility

Municipal Court
Court Operations and Support
- Accounting/Collections/Docket/Records/Jury
- Parking/Probation/Diversion

Judicial and Defense Services
Mental Health Court
Community Court

Police Auditor
Civilian Review Board
Intake for Complaints Against Police Employees
Internal Affairs Investigations Audit
Adjudication Recommendations to Police Chief
Public Outreach
Review of All Documented Uses of Force by EPD
Classification of Community and Internal Complaints

Risk Services
Emergency Management
Employee Benefits, Health and Fitness
Property/Liability Insurance and Claims Mgmt.
Workers' Comp. Insurance and Claims Mgmt.
Unemployment Insurance and Claims Mgmt.
Safety/Loss Control/Environmental Services

Department Budget Changes

This section describes significant changes in the department's FY18 Adopted Budget compared to the FY17 Adopted Budget. Significant is defined as any change in full-time equivalent employees (FTE), any percentage change that is above 5% or any budget reduction. Changes below 5% are generally due to normal year-to-year inflationary increases in contracts, salaries, health and benefit costs and internal service charges. Overall, the Central Services budget increased $4,029,819, or 4.6%, over the FY17 Adopted Budget.

Changes in Full-Time Equivalent Employees

The FY18 Adopted Budget includes an increase of 1.8 FTE in the Central Services Department. These position changes consist of the following:

- ***Police Auditor's Office*** added 0.8 FTE Community Engagement and Translation Specialist position to support the Police Auditor's community outreach and engagement activities.
- ***City Manager's Office*** added 0.5 FTE due to the Assistant City Manager returning to full-time status after several years of the Assistant City Manager and the Planning and Development Executive Manager positions being combined into one FTE.
- ***Risk Services Division*** increase existing position by 0.5 FTE to a full-time position focused on emergency management and disaster preparedness work.

Significant Changes in Expenditures by Division

The FY18 Adopted Operating Budget includes the following significant changes, by division:

- ***Administration***: Budget increased by $1,098,385, or 115.5%. The largest change was a one-time appropriation of $1,000,000 for a future homeless shelter. Additionally, there was an increase in one-time funding for the Community Justice Initiative, which was budgeted at $100,000 in FY17 and at $250,000 in the FY18 Adopted Budget. Excluding these changes, the budget decreased by 5.4% because appropriations were shifted to other Central Services divisions.
- ***City Manager's Office***: Budget increased by $537,156, or 8.6%, due to the inclusion of $181,000 to fund, on a one-time basis, legal services that support implementation of Envision Eugene and $124,000 ongoing to fund the Assistant City Manager position increase to full time. Excluding these changes, the year-to-year increase is $232,156 or 3.7%.
- ***Facilities***: Budget increased by $711,953, or 7.0%, due to an increase of $93,395 in encumbrance carryover, $100,000 in one-time appropriations for the downtown maintenance activities and $50,000 in ongoing funding for the downtown and parks safety and security initiative. Excluding these changes, the year-to-year increase is 4.6%.
- ***Information Services:*** Budget decreased by $746,824, or 3.4%, due to the division's portion of the operating budget for the Corporate Renovation Project decreasing by $839,734 based on the schedule of project expenditures. Excluding this change, the increase would have been $92,910, or 0.4%.
- ***Police Auditor:*** Budget increased by $49,733, or 9.4%, due to the proposed change of the community engagement and translation specialist from a limited duration position to a 0.8 FTE permanent position (an increase of $25,593). Excluding this increase, the year-to-year change would have been $24,140, or 4.6%.

- ***Risk Services:*** Budget increased $2,207,646, or 6.2%, primarily due to the increases in budgeted amounts for health insurance and other claims in the Risk and Benefits Fund.

Significant Changes in Funding Sources
The FY18 Adopted Budget includes the following significant changes in funding sources:

- ***General Fund:*** Increased by $2,376,362, or 10.0%, paid from general sources.
- ***Parking Services:*** Decreased by $5,707, or 1.4%, due to a decrease of $20,000 in budgeted amount for parking citation collection services, based on the projected collections volume.
- ***Facilities Services:*** Increased by $526,989, or 5.5%. Excluding an increase in encumbrance carryover of $93,395, the overall increase would have been 4.5%.
- ***Info Systems and Services:*** Decreased by $1,056,563, or 7.1%, for two reasons. First, the FY18 Adopted Budget includes a decrease of $998,129 in the operating budget for the Corporate Renovation Project based on the schedule of project expenditures. Second, there was a decrease of $229,166 in the encumbrance carryover in the Information Systems and Services and Public Safety Information Systems subfunds.
- ***Risk and Benefits:*** Increased by $2,171,591, or 6.1%, due to the increases in budgeted amounts for health insurance and other claims. The increase will be funded by increased internal service fund charges to departments.

Change by Division

	FY17 Adopted Budget	FY18 Adopted Budget	FTE or $ Change	% Change
Administration				
Personnel - FTE	3.00	3.00	0.00	0.0%
Total Expenditures	$950,936	$2,049,321	$1,098,385	115.5%
City Manager's Office				
Personnel - FTE	33.90	34.40	0.50	1.5%
Total Expenditures	$6,248,424	$6,785,580	$537,156	8.6%
Facilities				
Personnel - FTE	57.50	57.50	0.00	0.0%
Total Expenditures	$10,214,212	$10,926,165	$711,953	7.0%
Finance				
Personnel - FTE	26.00	26.00	0.00	0.0%
Total Expenditures	$4,501,044	$4,521,442	$20,398	0.5%
Human Resources				
Personnel - FTE	14.85	14.85	0.00	0.0%
Total Expenditures	$2,084,445	$2,179,968	$95,523	4.6%
Information Services				
Personnel - FTE	49.50	49.50	0.00	0.0%
Total Expenditures	$22,260,832	$21,514,008	($746,824)	-3.4%
Municipal Court				
Personnel - FTE	18.75	18.75	0.00	0.0%
Total Expenditures	$4,701,819	$4,757,668	$55,849	1.2%
Police Auditor				
Personnel - FTE	3.00	3.80	0.80	26.7%
Total Expenditures	$529,762	$579,495	$49,733	9.4%
Risk Services				
Personnel - FTE	14.25	14.75	0.50	3.5%
Total Expenditures	$35,815,385	$38,023,031	$2,207,646	6.2%
Central Services Department				
PERSONNEL - FTE	220.75	222.55	1.80	0.8%
TOTAL EXPENDITURES	$87,306,859	$91,336,678	$4,029,819	4.6%

Change by Funding Source

General	$23,837,327	$26,213,689	$2,376,362	10.0%
Special Assessment Mgmt	97,870	102,155	4,285	4.4%
Telecom Reg./Licensing	2,734,342	2,747,204	12,862	0.5%
Parking Services	407,673	401,966	(5,707)	-1.4%
Facilities Services	9,565,120	10,092,109	526,989	5.5%
Info Systems and Services	14,818,678	13,762,115	(1,056,563)	-7.1%
Risk and Benefits	35,845,849	38,017,440	2,171,591	6.1%
TOTAL FUNDING SOURCES	$87,306,859	$91,336,678	$4,029,819	4.6%

Department Financial Summary

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	217.50	218.75	220.75	220.75	222.55
Personnel Services	$20,812,036	$22,818,443	$26,947,396	$27,647,754	$27,694,706
Materials and Services	48,647,676	49,422,629	59,944,463	60,371,489	62,907,172
Capital Outlay	444,588	1,042,332	415,000	2,015,451	734,800
TOTAL EXPENDITURES	$69,904,300	$73,283,404	$87,306,859	$90,034,694	$91,336,678
FUND SUMMARY					
General	$22,228,469	$22,995,115	$23,837,327	$25,676,587	$26,213,689
Special Assessment Mgt.	81,594	87,168	97,870	97,870	102,155
Telecom Reg./Licensing	2,781,949	1,797,756	2,734,342	5,008,065	2,747,204
Parking Services	344,232	394,324	407,673	407,673	401,966
Facilities Services	8,314,600	8,665,980	9,565,120	9,530,545	10,092,109
Info. Systems and Services	5,257,557	6,264,249	14,818,678	13,468,105	13,762,115
Risk and Benefits	30,895,900	33,078,812	35,845,849	35,845,849	38,017,440
TOTAL	$69,904,301	$73,283,404	$87,306,859	$90,034,694	$91,336,678

Service Budget View for FY18

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Infrastructure and Planning Services					
Parking	$0	$0	$397,966	$397,966	3.55
Public Buildings and Facilities	0	830,056	10,096,109	10,926,165	57.50
Subtotal	0	830,056	10,494,075	11,324,131	61.05
Public Safety Services					
Animal Services	792,644	792,644	0	792,644	3.75
Municipal Court	1,736,500	5,103,682	0	5,103,682	19.70
Subtotal	2,529,144	5,896,326	0	5,896,326	23.45
Central Business Functions					
Financial Services	84,000	3,948,584	572,858	4,521,442	26.00
Civic Leadership and Collab. Svcs.	800	4,910,309	0	4,910,309	24.80
Human Resources Services	5,000	2,084,113	37,962,425	40,046,538	29.85
Information Technology	0	5,576,838	16,093,631	21,670,469	49.25
Community Engagement Services	0	918,142	0	918,142	5.15
Central Services Admin.	0	2,049,321	0	2,049,321	3.00
Subtotal	89,800	19,487,307	54,628,914	74,116,221	138.05
Total	$2,618,944	$26,213,689	$65,122,989	$91,336,678	222.55

Division Financial Summary

Administration	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	3.00	3.00	3.00	3.00	3.00
Personnel Services	$492,265	$471,835	$753,838	$753,838	$934,824
Materials and Services	56,401	112,454	197,098	197,373	1,114,497
TOTAL EXPENDITURES	$548,666	$584,289	$950,936	$951,211	$2,049,321
FUND SUMMARY					
General	$548,666	$584,289	$950,936	$951,211	$2,049,321
City Manager's Office					
PERSONNEL-FTE	32.65	33.90	33.90	33.90	34.40
Personnel Services	$3,985,323	$4,438,445	$4,530,510	$4,997,340	$5,032,934
Materials and Services	1,899,438	1,789,920	1,717,914	2,033,750	1,752,646
TOTAL EXPENDITURES	$5,884,761	$6,228,365	$6,248,424	$7,031,090	$6,785,580
FUND SUMMARY					
General	$5,884,761	$6,228,365	$6,248,424	$7,031,090	$6,785,580
Facilities					
PERSONNEL-FTE	57.50	57.50	57.50	57.50	57.50
Personnel Services	$4,509,367	$4,664,847	$5,317,828	$5,317,828	$5,489,155
Materials and Services	4,421,932	4,651,681	4,896,384	4,961,909	5,437,010
Capital Outlay	14,009	18,489	0	0	0
TOTAL EXPENDITURES	$8,945,308	$9,335,017	$10,214,212	$10,279,737	$10,926,165
FUND SUMMARY					
General	$539,159	$665,956	$644,492	$744,592	$830,056
Facilities Services	8,314,600	8,665,980	9,565,120	9,530,545	10,092,109
Info. Systems and Services	88,453	0	0	0	0
Parking Services	3,096	3,081	4,600	4,600	4,000
TOTAL	$8,945,308	$9,335,017	$10,214,212	$10,279,737	$10,926,165

Finance	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	26.00	26.00	26.00	26.00	26.00
Personnel Services	$2,389,594	$2,810,491	$3,547,045	$3,547,045	$3,502,182
Materials and Services	1,272,198	932,425	953,999	1,174,538	1,019,260
TOTAL EXPENDITURES	$3,661,792	$3,742,916	$4,501,044	$4,721,583	$4,521,442
FUND SUMMARY					
General	$3,526,641	$3,454,278	$3,731,651	$3,952,190	$3,948,584
Special Assessment Mgt.	81,594	87,168	97,870	97,870	102,155
Info. Systems and Services	0	136,128	605,000	605,000	400,500
Risk and Benefits	47,176	48,763	52,235	52,235	55,015
Telecom. Reg./Licensing	6,381	16,579	14,288	14,288	15,188
TOTAL	$3,661,792	$3,742,916	$4,501,044	$4,721,583	$4,521,442

Human Resources					
PERSONNEL-FTE	14.85	14.85	14.85	14.85	14.85
Personnel Services	$1,389,380	$1,499,214	$1,733,259	$1,733,259	$1,832,403
Materials and Services	422,460	357,034	351,186	407,208	347,565
TOTAL EXPENDITURES	$1,811,840	$1,856,248	$2,084,445	$2,140,467	$2,179,968
FUND SUMMARY					
General	$1,811,840	$1,847,394	$1,994,445	$2,050,467	$2,084,113
Info. Systems and Services	0	8,854	90,000	90,000	95,855
TOTAL	$1,811,840	$1,856,248	$2,084,445	$2,140,467	$2,179,968

Information Services					
PERSONNEL-FTE	48.50	48.50	49.50	49.50	49.50
Personnel Services	$4,853,762	$5,154,349	$7,188,120	$7,248,120	$6,773,586
Materials and Services	7,996,683	7,192,613	14,657,712	14,084,718	14,005,622
Capital Outlay	430,579	1,002,819	415,000	2,015,451	734,800
TOTAL EXPENDITURES	$13,281,024	$13,349,781	$22,260,832	$23,348,289	$21,514,008
FUND SUMMARY					
General	$5,305,949	$5,426,536	$5,438,871	$5,603,178	$5,576,838
Telecom. Reg./Licensing	2,775,568	1,781,176	2,720,054	4,993,777	2,732,016
Info. Systems and Services	5,169,104	6,110,413	14,069,928	12,719,355	13,171,760
Risk and Benefits	30,403	31,656	31,979	31,979	33,394
TOTAL	$13,281,024	$13,349,781	$22,260,832	$23,348,289	$21,514,008

Municipal Court	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	18.75	18.75	18.75	18.75	18.75
Personnel Services	$1,383,770	$1,522,695	$1,647,124	$1,808,152	$1,728,196
Materials and Services	3,142,332	3,111,288	3,054,695	3,396,518	3,029,472
TOTAL EXPENDITURES	$4,526,102	$4,633,983	$4,701,819	$5,204,670	$4,757,668
FUND SUMMARY					
General	$4,184,965	$4,242,740	$4,298,746	$4,801,597	$4,359,702
Parking Services	341,137	391,243	403,073	403,073	397,966
TOTAL	$4,526,102	$4,633,983	$4,701,819	$5,204,670	$4,757,668

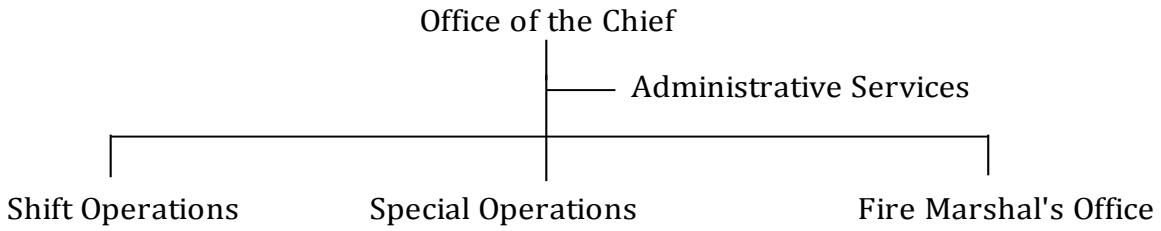
Police Auditor					
PERSONNEL-FTE	3.00	3.00	3.00	3.00	3.80
Personnel Services	$368,553	$479,437	$458,912	$471,412	$506,007
Materials and Services	57,934	66,120	70,850	70,850	73,488
TOTAL EXPENDITURES	$426,487	$545,557	$529,762	$542,262	$579,495
FUND SUMMARY					
General	$426,487	$545,557	$529,762	$542,262	$579,495

Risk Services					
PERSONNEL-FTE	13.25	13.25	14.25	14.25	14.75
Personnel Services	$1,440,023	$1,777,130	$1,770,760	$1,770,760	$1,895,419
Materials and Services	29,378,297	31,209,094	34,044,625	34,044,625	36,127,612
Capital Outlay	0	21,024	0	0	0
TOTAL EXPENDITURES	$30,818,320	$33,007,248	$35,815,385	$35,815,385	$38,023,031
FUND SUMMARY					
Info. Systems and Services	$0	$8,854	$53,750	$53,750	$94,000
Risk and Benefits	30,818,320	32,998,394	35,761,635	35,761,635	37,929,031
TOTAL	$30,818,320	$33,007,248	$35,815,385	$35,815,385	$38,023,031

Mission Statement

To serve our communities by protecting and preserving life, property, and the environment through prevention, education, emergency medical services, rescue, and fire suppression services.

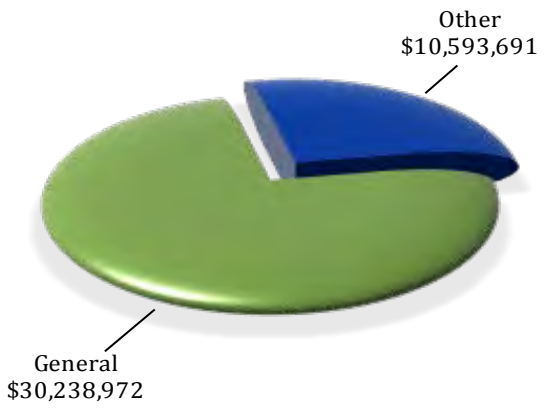
Organization Chart



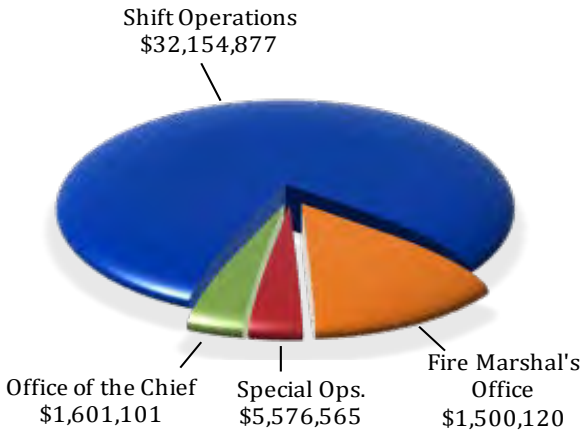
FY18 Adopted Operating Budget

$40,832,663

Funds



Divisions



Functional Organization Chart

Office of the Chief
Citizen Complaint Investigations
City Attorney Liaison
Community Outreach Services
Council Liaison
Diversity Program
Employee Relations
Inter-agency Coordination
Inter-department Coordination
Intergovernmental Relations
Legislative Coordination
Strategic Planning and Analysis
Visioning

Finance and Administration
Administration
Awards and Events
Budget Coordination
Business Financial Functions
Contract Administration and Mgmt.
Financial Planning and Analysis
Financial Systems Management
Fund Analysis and Forecasting
Grant Coordination and Management
Human Resources/Payroll
Performance Reporting
Records Management
Statistics and Survey Coordination

Fire Prevention Bureau
Code Enforcement and Inspection
Community Risk Reduction
Fire Cause Determination
Fire Incident Reporting Quality Assurance
Fire Prevention and Public Education
Hazardous Materials Operational Permits
Juvenile Firesetter Intervention
Medical Facility and Jail Inspection Program
New Construction Inspections
Operational Permits for Special Assembly Events
Planning and Land Use Dev. Review
Plans Review

Fire Prevention Bureau (Continued)
Public Education
School Inspections
State of Oregon Licensed Fac. Inspections
Toxics Right-to-Know Program
U of O Greek Housing Safety Program

Shift Operations
Emergency Medical Treatment and Transport
Fire Operations Planning
Fire Suppression, Rescue, and Emergency
Fleet Management
High Rise and Industrial Operations
Mapping for Streets, Fire Hydrants and Water Delivery Systems
Medical First Response
Mutual/Automatic Aid to Surrounding Districts
Neighborhood Based Operations
Non-emergency Public Education and Assistance
Operations Standard Operating Procedures
Quick Access Plan Development and Review
Safety Program
State Conflagration Task Force and Response
Resource Allocation, Response Patterns, and Station Location Management and Analysis

Special Operations and Support Services
Department and Regional Training
Emergency Management Planning
Emergency Medical Services Administration
Emergency Medical Services Community Liaison
Facilities and Capital Projects Management
Hydrant Maintenance Program
Information Services
Local and Regional Confined Space Rescue Team
Local and Regional Water Rescue Team
Local and State Hazardous Materials Team
Logistical and Maintenance Support
Quality Assurance Program
Recruitment and Outreach
Regional Airport Rescue and Firefighting
Regional Special Events Planning and Operations
Research and Development

Department Budget Changes

This section describes significant changes in the department's FY18 Adopted Budget compared to the FY17 Adopted Budget. Significant is defined as any change in full-time equivalent employees (FTE), any percentage change that is above 5% or any budget reduction. Changes below 5% are generally due to normal year-to-year inflationary increases in contracts, salaries, health and benefit costs and internal service charges. Overall, the Fire and Emergency Medical Services Department budget increased by $3,574,969, or 9.6%, over the FY17 Adopted Budget.

Changes in Full-Time Equivalent Employees

There are no FTE increases for the Fire and Emergency Medical Services Department in the FY18 Adopted Budget.

Significant Changes in Expenditures by Division

The FY18 Adopted Operating Budget includes the following significant changes, by division:

- ***Office of the Chief:*** Budget decreased $365,765 or 18.6%. The majority of the decrease is attributed to shifting funds to other divisions including $360,000 to Shift Operations and $55,500 to Special Operations.
- ***Shift Operations:*** Budget increased $3,347,606 or 11.6%. The increase is due to higher personnel costs including cost-of-living adjustments and retirement, as well as additions to the ambulance transport service including $750,000 to increase Basic Life Support (BLS) services and $650,000 to increase Advanced Life Support (ALS) services.
- ***Special Operations:*** Budget increased $487,495 or 9.6%. The largest change was a $200,000 revenue backed increase for medical equipment and supplies sold to City of Springfield based on the merger agreement. The increase is also due to higher personnel costs including cost-of-living adjustments and retirement.
- ***Fire Marshal's Office:*** Budget increased $105,633 or 7.6%. The increase is due to higher personnel costs including cost-of-living adjustments and retirement.

Significant Changes in Funding Sources

The FY18 Adopted Budget includes the following significant changes in funding sources:

- ***General Fund:*** Budget increased $1,643,268, or 5.7%. The increase is due to higher personnel costs including cost-of-living wage increases and retirement expenses.
- ***Construction and Rental Housing Fund:*** Budget increased $27,057, or 8.8%. The increase is due to higher personnel costs including cost-of-living wage increases and retirement expenses.
- ***Ambulance Transport Fund:*** Budget increased $1,865,662, or 25%. The increase is due to higher personnel costs including cost-of-living adjustments and retirement expenses, as well as additions to the ambulance transport service including $750,000 to increase BLS services and $650,000 to increase ALS services.

Change by Division

	FY17 Adopted Budget	FY18 Adopted Budget	FTE or $ Change	% Change
Office of the Chief				
Personnel - FTE	9.56	9.56	0.00	0.0%
Total Expenditures	$1,966,866	$1,601,101	($365,765)	-18.6%
Shift Operations				
Personnel - FTE	169.00	169.00	0.00	0.0%
Total Expenditures	$28,807,271	$32,154,877	$3,347,606	11.6%
Special Operations				
Personnel - FTE	18.44	18.44	0.00	0.0%
Total Expenditures	$5,089,070	$5,576,565	$487,495	9.6%
Fire Marshal's Office				
Personnel - FTE	9.00	9.00	0.00	0.0%
Total Expenditures	$1,394,487	$1,500,120	$105,633	7.6%
Fire and Emergency Medical Services Department				
PERSONNEL - FTE	206.00	206.00	0.00	0.0%
TOTAL EXPENDITURES	$37,257,694	$40,832,663	$3,574,969	9.6%

Change by Funding Source

General	$28,595,704	$30,238,972	$1,643,268	5.7%
Construction and Rental Housing	306,904	333,961	27,057	8.8%
Municipal Airport	880,671	919,653	38,982	4.4%
Ambulance Transport	7,474,415	9,340,077	1,865,662	25.0%
TOTAL FUNDING SOURCES	$37,257,694	$40,832,663	$3,574,969	9.6%

Department Financial Summary

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	205.00	206.00	206.00	206.00	206.00
Personnel Services	$28,847,970	$30,873,937	$32,240,709	$32,383,140	$35,370,274
Materials and Services	4,926,593	5,894,314	4,949,160	5,668,601	5,462,389
Capital Outlay	274,186	9,391	67,825	67,825	0
TOTAL EXPENDITURES	$34,048,749	$36,777,642	$37,257,694	$38,119,566	$40,832,663
FUND SUMMARY					
General	$25,963,612	$28,222,239	$28,595,704	$29,093,406	$30,238,972
Construction and Rental Housing	274,796	289,947	306,904	306,904	333,961
Municipal Airport	805,659	830,289	880,671	880,671	919,653
Ambulance Transport	7,004,682	7,435,167	7,474,415	7,838,585	9,340,077
TOTAL	$34,048,749	$36,777,642	$37,257,694	$38,119,566	$40,832,663

Service Budget View for FY18

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Infrastructure and Planning Services					
Airport	$0	$0	$919,653	$919,653	5.26
Construction and Rental Housing	0	0	333,961	333,961	2.00
Subtotal	0	0	1,253,614	1,253,614	7.26
Public Safety Services					
Fire and Emergency Medical Services	3,450,579	29,458,642	8,471,154	37,929,796	188.74
Fire and EMS Department Admin.	0	780,330	868,923	1,649,253	10.00
Subtotal	3,450,579	30,238,972	9,340,077	39,579,049	198.74
Total	$3,450,579	$30,238,972	$10,593,691	$40,832,663	206.00

Division Financial Summary

Office of the Chief	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	10.06	9.56	9.56	9.56	9.56
Personnel Services	$887,683	$1,112,913	$1,575,826	$1,575,826	$1,209,227
Materials and Services	397,155	384,108	391,040	391,040	391,874
TOTAL EXPENDITURES	$1,284,838	$1,497,021	$1,966,866	$1,966,866	$1,601,101
FUND SUMMARY					
General	$632,270	$752,166	$1,174,820	$1,174,820	$780,330
Ambulance Transport	652,568	744,855	792,046	792,046	820,771
TOTAL	$1,284,838	$1,497,021	$1,966,866	$1,966,866	$1,601,101

Shift Operations					
PERSONNEL-FTE	170.00	169.00	169.00	169.00	169.00
Personnel Services	$24,245,497	$25,805,877	$26,580,854	$26,673,285	$29,676,807
Materials and Services	1,959,880	2,116,559	2,226,417	2,276,417	2,478,070
Capital Outlay	63,604	0	0	0	0
TOTAL EXPENDITURES	$26,268,981	$27,922,436	$28,807,271	$28,949,702	$32,154,877
FUND SUMMARY					
General	$20,929,502	$21,970,306	$22,732,241	$22,740,502	$24,507,435
Municipal Airport	805,659	830,289	880,671	880,671	919,653
Ambulance Transport	4,533,820	5,121,841	5,194,359	5,328,529	6,727,789
TOTAL	$26,268,981	$27,922,436	$28,807,271	$28,949,702	$32,154,877

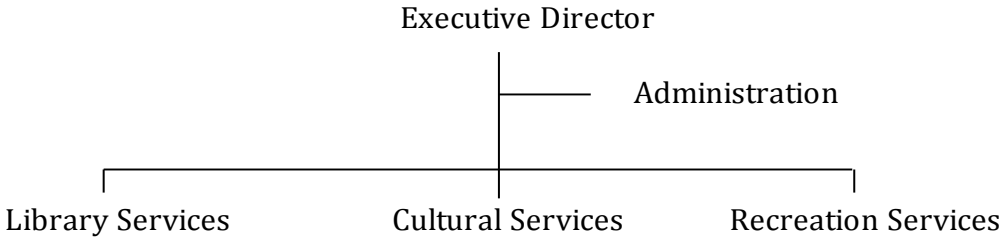
Special Operations					
PERSONNEL-FTE	15.94	18.44	18.44	18.44	18.44
Personnel Services	$2,559,693	$2,680,192	$2,820,698	$2,870,698	$3,120,069
Materials and Services	2,455,208	3,281,317	2,200,547	2,869,988	2,456,496
Capital Outlay	210,582	9,391	67,825	67,825	0
TOTAL EXPENDITURES	$5,225,483	$5,970,900	$5,089,070	$5,808,511	$5,576,565
FUND SUMMARY					
General	$3,407,188	$4,402,429	$3,601,060	$4,090,501	$3,785,048
Ambulance Transport	1,818,295	1,568,471	1,488,010	1,718,010	1,791,517
TOTAL	$5,225,483	$5,970,900	$5,089,070	$5,808,511	$5,576,565

Fire Marshal's Office	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	9.00	9.00	9.00	9.00	9.00
Personnel Services	$1,155,097	$1,274,954	$1,263,331	$1,263,331	$1,364,171
Materials and Services	114,350	112,331	131,156	131,156	135,949
TOTAL EXPENDITURES	$1,269,447	$1,387,285	$1,394,487	$1,394,487	$1,500,120
FUND SUMMARY					
General	$994,651	$1,097,338	$1,087,583	$1,087,583	$1,166,159
Construction and Rental Housing	274,796	289,947	306,904	306,904	333,961
TOTAL	$1,269,447	$1,387,285	$1,394,487	$1,394,487	$1,500,120

Mission Statement

Library, Recreation and Cultural Services contributes to an economically healthy, socially vibrant community by providing access to a diverse range of services and experiences that foster lifelong learning and whole person development.

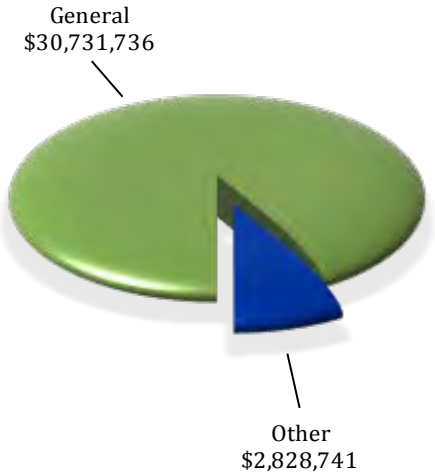
Organization Chart



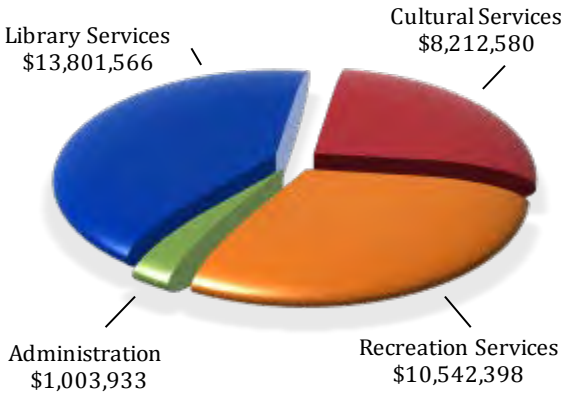
FY18 Adopted Operating Budget

$33,560,477

Funds



Divisions



Functional Organization Chart

Administration
Department Administration
- Budget/Financial Management and Analysis
- Community Relations
- Contract Management
- Facility Coordination and Management
- Grant Coordination
- Long Range Planning
- Personnel Management
- Systems Content and User Support Management
- Volunteer Coordination

Recreation Services
Administration
- Budget/Financial Management and Analysis
- Community Relations
- Contract Management
- Facility Coordination and Management
- Long Range Planning
- Personnel Management
- Systems Content and User Support Management
- Volunteer Coordination

Leased City Facility Management
- Kaufman House
- Shelton-McMurphey-Johnson House
- Wayne Morris Ranch House
- Westmoreland Community Center

Aquatics
- Amazon Pool
- Echo Hollow Pool and Fitness Center
- Sheldon Pool and Fitness Center

Athletics
- Adult Sport Leagues
- Athletic Facility Coordination

Senior and Adaptive Services
- Campbell Community Center
- Hilyard Community Center
- Lamb Cottage
- Petersen Barn Community Center
- Washington Park Community Center
- Therapeutic Service Program

Youth and Family Services
- Amazon Community Center
- Petersen Barn Community Center
- Sheldon Community Center
- KidCity Adventures-Before/After School Care
- Outdoor Program
- Out-of-School Recreation and Fitness
- Ropes/Challenge Course
- Summer Fun-for-All Program
- Teen Court/Youth Leadership Development

Library Services
Administration
- Budget/Financial Management and Analysis
- Contract Management
- Customer Experience and Community Relations
- Facility Coordination and Management
- Long Range Planning
- Personnel Management
- Public Information/Marketing Coordination
- Systems Content and User Support Mgmt.
- Volunteer Coordination

Adult Services
Branch Services - Bethel/Sheldon
Circulation and Patron Services
Collection Support
- Acquisitions
- Cataloging

Virtual Branch and Technology Support
Youth Services

Cultural Services
Administration
- Budget/Financial Management and Analysis
- Community Relations
- Contract Management
- Facility Coordination and Management
- Long Range Planning
- Personnel Management
- Systems Content and User Support Mgmt.
- Volunteer Coordination

Community Events
- Cuthbert Amphitheater Lease Management
- Event Programming
- Public Art
- Special Event Facilitation/Policy Coordination

Hult Center for the Performing Arts
- Event Management
- Facility Operations/Maintenance
- Guest Services and Concessions
- Technical Services
- Ticketing Services

Marketing
- Grant Preparation
- Graphic Design
- Public Information/Marketing Coordination
- Supports Recreation and Cultural Services Div.
- Web Content Support

Department Budget Changes

This section describes significant changes in the department's FY18 Adopted Budget compared to the FY17 Adopted Budget. Significant is defined as any change in full-time equivalent employees (FTE), any percentage change that is above 5% or any budget reduction. Changes below 5% are generally due to normal year-to-year inflationary increases in contracts, salaries, health and benefit costs and internal service charges. Overall, the Library, Recreation and Cultural Services (LRCS) Department budget increased by $1,806,396, or 5.7%, over the FY17 Adopted Budget.

Changes in Full-Time Equivalent Employees
There are no FTE increases for the LRCS Department in the FY18 Adopted Budget.

Significant Changes in Expenditures by Division
The FY18 Adopted Operating Budget includes the following significant changes, by division:

- ***Administration:*** Budget decreased by $29,350, or 2.8%, from the FY17 Adopted Budget due to budget dollars being shifted to other divisions ($46,509). Excluding this change, the LRCS Administration budget increased by $17,199, or 1.7%.
- ***Cultural Services:*** Budget increased by $1,529,497, or 22.9%. Increases include revenue-backed changes to account for the reintroduction of the Hult Presents program and expected additional commercial activity ($928,000); one-time funding to assess and develop improvements to the Hult Center's ticketing system and website, as well as outreach to diversify and expand audiences ($150,000); and departmental matching funds for equipment replacement projects ($150,000). Additional one-time funds were added for downtown programing and activities ($100,000). Excluding these changes, the Cultural Services budget increased by $201,497, or 3.0%.
- ***Recreation Services:*** Budget decreased by $87,253, or 0.8%, due to a reduction in the ongoing expected impact of temporary employee sick leave based on actual use ($259,754). Excluding this change, the Recreation Services budget increased by $172,511, or 1.6%.

Significant Changes in Funding Sources
The FY18 Adopted Budget includes the following significant changes in funding sources:

- ***General Fund:*** Increased by $1,751,716 or 6.0%, paid from general sources, operational revenues and Transient Room Taxes.
- ***Library, Parks & Recreation Trust:*** Increased by $22,784 or 6.2% paid from dedicated donations.

Change by Division

	FY17 Adopted Budget	FY18 Adopted Budget	FTE or $ Change	% Change
Administration				
Personnel - FTE	3.00	3.00	0.00	0.0%
Total Expenditures	$1,033,283	$1,003,933	($29,350)	-2.8%
Cultural Services				
Personnel - FTE	36.13	36.13	0.00	0.0%
Total Expenditures	$6,683,083	$8,212,580	$1,529,497	22.9%
Library Services				
Personnel - FTE	105.00	105.00	0.00	0.0%
Total Expenditures	$13,408,064	$13,801,566	$393,502	2.9%
Recreation Services				
Personnel - FTE	51.95	51.95	0.00	0.0%
Total Expenditures	$10,629,651	$10,542,398	($87,253)	-0.8%
Library, Recreation and Cultural Services Department				
PERSONNEL - FTE	196.08	196.08	0.00	0.0%
TOTAL EXPENDITURES	$31,754,081	$33,560,477	$1,806,396	5.7%

Change by Funding Source

General	$28,980,020	$30,731,736	$1,751,716	6.0%
Library Local Option Levy	2,384,000	2,415,896	31,896	1.3%
General Capital Projects	20,000	20,000	0	0.0%
Library, Parks and Recreation	370,061	392,845	22,784	6.2%
TOTAL FUNDING SOURCES	$31,754,081	$33,560,477	$1,806,396	5.7%

Department Financial Summary

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	172.80	172.80	196.08	196.08	196.08
Personnel Services	$16,545,097	$17,633,483	$20,992,258	$21,106,758	$21,398,881
Materials and Services	8,875,352	9,572,149	10,726,823	12,549,661	11,956,546
Capital Outlay	634,035	22,645	35,000	195,301	205,050
TOTAL EXPENDITURES	$26,054,484	$27,228,277	$31,754,081	$33,851,720	$33,560,477
FUND SUMMARY					
General	$25,823,638	$26,874,805	$28,980,020	$30,852,720	$30,731,736
Library Local Option Fund	0	0	2,384,000	2,384,000	2,415,896
General Capital Projects	0	4,308	20,000	20,000	20,000
Library, Parks and Recreation	230,846	349,164	370,061	595,000	392,845
TOTAL	$26,054,484	$27,228,277	$31,754,081	$33,851,720	$33,560,477

Service Budget View for FY18

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Culture and Recreation Services					
Adaptive Recreation	$122,000	$854,020	$19,000	$873,020	4.36
Adult and Senior Services	258,000	1,151,492	81,845	1,233,337	6.20
Aquatics	932,000	3,191,747	4,000	3,195,747	10.85
Athletics	410,000	568,655	0	568,655	3.36
Cultural Services	4,803,900	8,192,580	20,000	8,212,580	36.13
Library	478,540	11,118,670	2,682,896	13,801,566	105.00
Youth and Family Recreation	1,206,000	4,650,639	21,000	4,671,639	27.18
LRCS Department Admin.	0	1,003,933	0	1,003,933	3.00
Total	$8,210,440	$30,731,736	$2,828,741	$33,560,477	196.08

Division Financial Summary

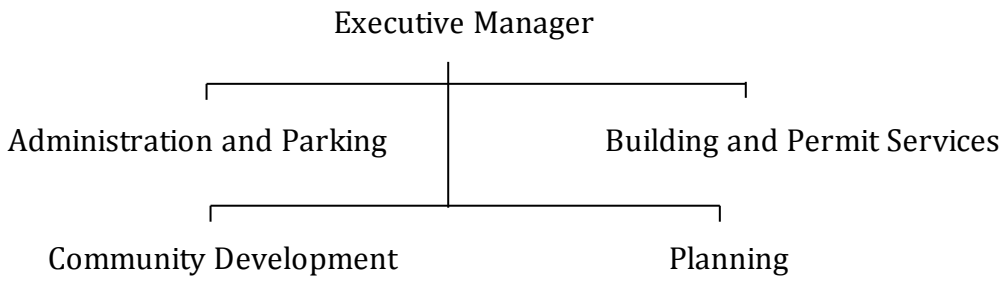
Administration	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	3.00	3.00	3.00	3.00	3.00
Personnel Services	$471,553	$456,622	$553,084	$553,084	$554,716
Materials and Services	492,252	344,268	480,199	625,347	449,217
Capital Outlay	20,894	0	0	0	0
TOTAL EXPENDITURES	$984,699	$800,890	$1,033,283	$1,178,431	$1,003,933
FUND SUMMARY					
General	$984,699	$800,890	$1,033,283	$1,178,431	$1,003,933
Cultural Services					
PERSONNEL-FTE	31.25	31.25	36.13	36.13	36.13
Personnel Services	$2,696,350	$3,202,769	$3,961,980	$3,961,980	$4,128,048
Materials and Services	2,154,361	2,677,657	2,721,103	3,981,122	3,935,732
Capital Outlay	48,147	0	0	115,000	148,800
TOTAL EXPENDITURES	$4,898,858	$5,880,426	$6,683,083	$8,058,102	$8,212,580
FUND SUMMARY					
General	$4,898,858	$5,876,118	$6,663,083	$8,038,102	$8,192,580
General Capital Projects	0	4,308	20,000	20,000	20,000
TOTAL	$4,898,858	$5,880,426	$6,683,083	$8,058,102	$8,212,580
Library Services					
PERSONNEL-FTE	86.60	86.60	105.00	105.00	105.00
Personnel Services	$7,075,906	$7,545,230	$9,482,425	$9,482,425	$9,698,158
Materials and Services	3,062,176	3,319,013	3,925,639	3,930,371	4,103,408
Capital Outlay	539,224	22,645	0	45,301	0
TOTAL EXPENDITURES	$10,677,306	$10,886,888	$13,408,064	$13,458,097	$13,801,566
FUND SUMMARY					
General	$10,470,053	$10,567,613	$10,757,064	$10,807,097	$11,118,670
Library, Parks and Recreation	207,253	319,275	267,000	267,000	267,000
Library Local Option Levy	0	0	2,384,000	2,384,000	2,415,896
TOTAL	$10,677,306	$10,886,888	$13,408,064	$13,458,097	$13,801,566
Recreation Services					
PERSONNEL-FTE	51.95	51.95	51.95	51.95	51.95
Personnel Services	$6,301,288	$6,428,862	$6,994,769	$7,109,269	$7,017,959
Materials and Services	3,166,563	3,231,211	3,599,882	4,012,821	3,468,189
Capital Outlay	25,770	0	35,000	35,000	56,250
TOTAL EXPENDITURES	$9,493,621	$9,660,073	$10,629,651	$11,157,090	$10,542,398
FUND SUMMARY					
General	$9,470,029	$9,630,185	$10,526,590	$10,829,090	$10,416,553
Library, Parks and Recreation	23,592	29,888	103,061	328,000	125,845
TOTAL	$9,493,621	$9,660,073	$10,629,651	$11,157,090	$10,542,398

Mission Statement

The Planning and Development Department (PDD) works with our community to develop and implement creative and practical programs, policies, and services to enhance Eugene's livability, prosperity, and sustainability. PDD collaborates with community partners to:

- Implement our community's vision for how we will grow;
- Ensure safe, accessible buildings and facilities;
- Promote regional prosperity;
- Support safe, healthy and affordable housing;
- Maximize community resiliency while minimizing waste; and
- Respond and adjust regulations and policies to meet our community's evolving needs and priorities.

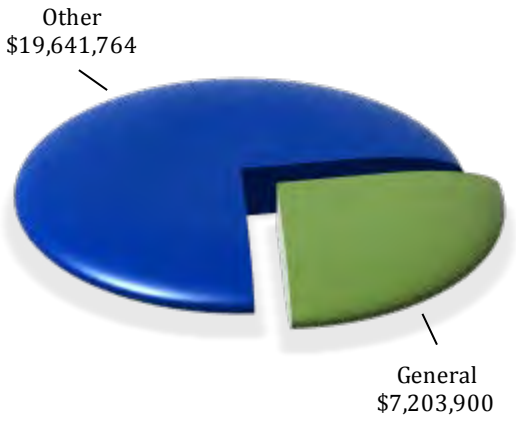
Organization Chart



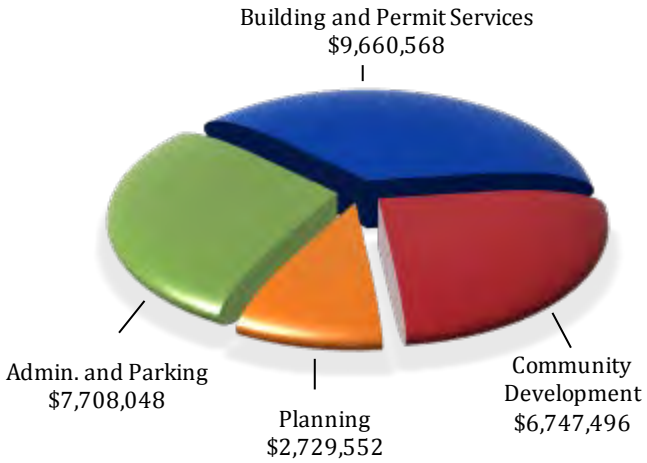
FY18 Adopted Operating Budget

$26,845,664

Funds



Divisions



Functional Organization Chart

Administration and Parking
Executive Support
Financial Management
Community Outreach and Participation
Communication & Policy Analysis
Parking Services
Personnel Management
Contract Management
Centralized Reception Services
Property Management
Department Technology Services
Waste Prevention / Green Building Program

Building and Permit Services
Administration
Business/Liquor/Tobacco/Public Passenger
  Vehicle/Licenses and Permits
Construction Permits, Inspections, Enforcement
Land Use and Nuisance Complaints and Enforcement
Land Use Information
Nuisance Code Enforcement
Rental Housing Code Program
Sign Permits and Enforcement
Tree Program, Private Property

Community Development
Affordable Housing Development
  Housing Interim Construction Loan Program
  Landbank Acquisition/Development
Business Development Loan Program
CDBG and HOME Grant Management
CDBG Human Services Capital Projects Management
Downtown Plan Implementation
Downtown Revitalization Loan Program
Economic Development and Regional Prosperity
Emergency Home Repair Program
Enterprise Zone Management
Fair Housing/Equal Opportunity
Historic Preservation Loan Program
Housing Rehabilitation Loan Program
Human Services Commission Fund Management
Multi-Unit Property Tax Exemption Program
Urban Renewal Agency (URA) Management
  Riverfront and Downtown Districts

Planning
Planning Commission Administration
Land Use Application Review
Land Use Code Amendments and Coordination
Public Information and Engagement
Envision Eugene Implementation
Eugene Comprehensive Plan Development
Urban Growth Boundary Update
Growth Monitoring Program
Urban Reserves Planning
Area Planning
Project Planning and Design Assistance
Urban Design Services
Land Use/Transportation Coordination
Natural Resources Planning
Development Readiness Planning
State Land Use Planning Coordination
Legislative Review and Coordiantion
Metro Plan/Refinement Plan Amendments
Metro Plan/Regional Coordination
GIS and Mapping Services
Historic Review Board Administration
Historic Preservation Program

Department Budget Changes

This section describes significant changes in the department's FY18 Adopted Budget compared to the FY17 Adopted Budget. Significant is defined as any change in full-time equivalent employees (FTE), any percentage change that is above 5% or any budget reduction. Changes below 5% are generally due to normal year-to-year inflationary increases in contracts, salaries, health and benefit costs and internal service charges. Overall, the Planning and Development Department (PDD) budget increased by $2,778,097, or 11.5%, over the FY17 Adopted Budget.

Changes in Full-Time Equivalent Employees

The FY18 Adopted Budget includes an increase of 8.0 FTE in the Planning and Development Department. The changes consist of the following:

- ***PDD Administration*** added 2.5 FTE. Of this increase 2.0 FTE were added to Parking Services which allows for the hiring of both an analyst and a maintenance position. These FTE replace 1.5 FTE that were allocated to Downtown and Urban Renewal District funding sources. Spending authority remained within the Parking Fund so the net impact of this change required no additional appropriations. The other 0.5 FTE was added to bring the PDD Executive Director position to full time.
- ***Building and Permit Services*** (BPS) added a total of 3.0 FTE: 1.0 is for a building inspector to perform commercial and residential inspections based on high levels of demand; 1.0 is added as a Structural Plans Reviewer to increase the capacity for more technical and complex construction plan review work; and 1.0 FTE is for a business liaison to work with projects through the development cycle.
- ***Downtown and Riverfront Urban Renewal Districts*** 1.5 FTE was reallocated from the Parking Fund to Urban Renewal Agency (URA) work, which was not a change in the organization's FTE count. The URA will pay for 1.5 new FTE: 1.0 for a Program Manager/Analyst to manage projects in the districts, as well as a 0.5 FTE Financial Analyst. These positions will oversee implementation of Council-directed development projects, in accordance with the urban renewal plans. It should be noted that the URA does not have employees but has an agreement with the City to pay for employee costs. These FTEs are budgeted in the General Fund, Community Development Division.
- ***Planning Division*** added 1.0 FTE for a Land Use Planning position to help with the increased volume of land use applications. This position is funded with fee revenue.

Significant Changes in Expenditures by Division

The FY18 Adopted Operating Budget includes the following significant changes, by division:

- ***Administration and Parking:*** The total budget increased by $920,922, or 13.6%. Changes to FTE account for $291,263. The Parking Services area had an increase for deferred maintenance of the Parking Garages of $200,000 and $200,000 for improvements in lighting and cleaning of the Overpark Garage. Excluding those additions, the change would have been $229,659, or 3.3%.
- ***Building and Permit Services:*** The budget changed by $1,208,275, or 14.3%. This increase included funding for 3.0 FTE and a limited duration position totaling $528,870, as well as an additional vehicle for $30,000. In addition, the reserve for encumbrance (RFE)

increased $277,051 for ongoing contracts. Excluding these additions, the change would have been $372,354, or 4.4%.

- ***Community Development:*** The total budget for FY18 increased $474,673, or 7.6%. Contributing to this was the addition of 1.5 FTE, which will be reimbursed by the Urban Renewal Districts for $356,841. Additionally, one-time funding of $154,655 for the Dusk to Dawn program was approved. Excluding these additions, the change would have been a reduction of $36,823, or -0.5%.
- ***Planning:*** The total budget increased by $174,227, or 6.8%. This includes $111,127 for 1.0 FTE, backed by fee revenue. Excluding this addition, the change would have been $63,100, or 2.5%.

Significant Changes in Funding Sources

The FY18 Adopted Budget includes the following significant changes in funding sources:

- ***General Fund:*** Increase of $859,367, or 13.5%. $111,127 of that will come from the recognition of additional fees; $329,294 will be reimbursed from the Downtown and Riverfront URA districts; and the remaining $530,073 comes from general sources.
- ***Solid Waste and Recycling:*** Increase of $146,131, or 15.1%, from hauler permit fees.
- ***Construction and Rental Housing:*** Increase of $1,019,988, or 15.2%, is forecast from a user fee increase.
- ***System Development Capital Projects:*** Increase of $28,042, or 30.8%, from allocated system fees.
- ***Parking Services:*** Increase of $685,728, or 12.3%, coming from parking fees.
- ***Facilities Services:*** Decreased $75,181, or 12.9%. This is based on differences in levels of encumbrance between FY17 and FY18 ($136,640). All spending comes from rents paid by tenants of the Atrium Building.

Change by Division

	FY17 Adopted Budget	FY18 Adopted Budget	FTE or $ Change	% Change
Administration and Parking				
Personnel - FTE	16.60	19.10	2.50	15.1%
Total Expenditures	$6,787,126	$7,708,048	$920,922	13.6%
Building and Permit Services				
Personnel - FTE	53.45	56.45	3.00	5.6%
Total Expenditures	$8,452,293	$9,660,568	$1,208,275	14.3%
Community Development				
Personnel - FTE	14.60	16.10	1.50	10.3%
Total Expenditures	$6,272,823	$6,747,496	$474,673	7.6%
Planning				
Personnel - FTE	15.00	16.00	1.00	6.7%
Total Expenditures	$2,555,325	$2,729,552	$174,227	6.8%
Planning and Development Department				
PERSONNEL - FTE	99.65	107.65	8.00	8.0%
TOTAL EXPENDITURES	$24,067,567	$26,845,664	$2,778,097	11.5%

Change by Funding Source

General	$6,344,533	$7,203,900	$859,367	13.5%
Solid Waste and Recycling	969,067	1,115,198	146,131	15.1%
Construction and Rental Housing	6,721,777	7,741,765	1,019,988	15.2%
Community Development	3,776,835	3,890,857	114,022	3.0%
System Dev. Capital Proj.	91,129	119,171	28,042	30.8%
Parking Services	5,581,980	6,267,708	685,728	12.3%
Facilities Services	582,246	507,065	(75,181)	-12.9%
TOTAL FUNDING SOURCES	$24,067,567	$26,845,664	$2,778,097	11.5%

Department Financial Summary

Department View:

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	95.40	98.40	99.65	99.65	107.65
Personnel Services	$9,632,172	$10,439,282	$11,933,432	$12,446,273	$13,407,004
Materials and Supplies	6,908,775	7,556,058	12,134,135	12,890,874	13,408,660
Capital Outlay	0	82,071	0	0	30,000
TOTAL EXPENDITURES	$16,540,947	$18,077,411	$24,067,567	$25,337,147	$26,845,664
FUND SUMMARY					
General	$5,555,437	$5,860,617	$6,344,533	$8,303,127	$7,203,900
Solid Waste and Recycling	664,028	706,915	969,067	1,004,250	1,115,198
Construction and Rental Housing	5,114,208	5,589,032	6,721,777	6,781,324	7,741,765
Community Development	1,501,864	1,842,138	3,776,835	3,276,707	3,890,857
Systems Dev. Capital Proj.	80,380	99,537	91,129	91,129	119,171
Parking Services	3,366,118	3,729,652	5,581,980	5,420,169	6,267,708
Facilities Services	258,912	249,520	582,246	460,441	507,065
TOTAL	$16,540,947	$18,077,411	$24,067,567	$25,337,147	$26,845,664

Service Budget View for FY18

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Public Safety Services					
Social Services	$0	$1,053,655	$1,591,776	$2,645,431	0.00
Infrastructure and Planning Services					
Affordable Housing and Job Creation	28,262	674,417	2,299,081	2,973,498	11.47
Construction and Rental Housing	0	0	7,860,936	7,860,936	46.85
Greater Downtown Services	376,000	1,128,567	0	1,128,567	4.63
Land Use Planning	319,127	1,285,287	0	1,285,287	9.70
Metro and Community Planning	0	1,351,918	0	1,351,918	6.30
Parking	0	0	6,267,708	6,267,708	15.00
Public Buildings and Facilities	0	0	507,065	507,065	0.30
Waste Prev./Green Bldg. and Bus. Lic.	79,500	73,153	1,115,198	1,188,351	5.05
Zoning and Nuisance Admin.	59,100	611,281	0	611,281	4.55
Planning and Develop. Dept. Admin.	0	1,025,622	0	1,025,622	3.80
Subtotal	861,989	6,150,245	18,049,988	24,200,233	107.65
Total	$861,989	$7,203,900	$19,641,764	$26,845,664	107.65

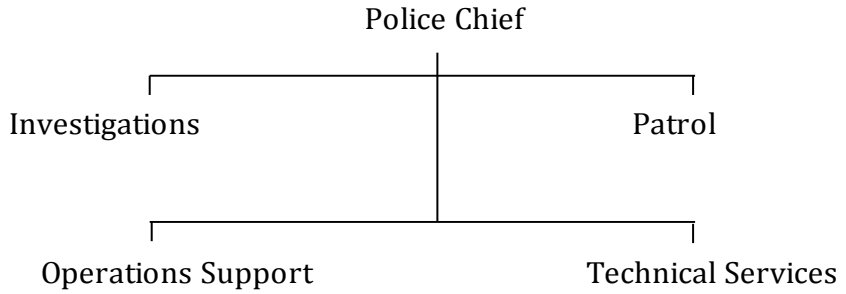
Division Financial Summary

Administration and Parking	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	16.60	16.60	16.60	16.60	19.10
Personnel Services	$1,534,643	$1,592,469	$1,764,732	$1,840,732	$2,112,806
Materials and Supplies	2,888,738	3,138,491	5,022,394	4,896,517	5,595,242
TOTAL EXPENDITURES	$4,423,381	$4,730,960	$6,787,126	$6,737,249	$7,708,048
FUND SUMMARY					
General	$798,147	$752,442	$817,862	$1,051,601	$933,275
Facilities Services	258,912	249,520	582,246	460,441	507,065
Parking Services	3,366,322	3,728,998	5,387,018	5,225,207	6,267,708
TOTAL	$4,423,381	$4,730,960	$6,787,126	$6,737,249	$7,708,048
Building and Permit Services					
PERSONNEL-FTE	49.45	52.45	53.45	53.45	56.45
Personnel Services	$5,273,118	$5,661,668	$6,425,100	$6,425,100	$7,195,045
Materials and Supplies	1,149,685	1,326,348	2,027,193	2,166,923	2,435,523
Capital Outlay	0	7,945	0	0	30,000
TOTAL EXPENDITURES	$6,422,803	$6,995,961	$8,452,293	$8,592,023	$9,660,568
FUND SUMMARY					
General	$564,187	$600,477	$670,320	$715,320	$684,434
Construction and Rental Housing	5,114,208	5,589,032	6,721,777	6,781,324	7,741,765
Solid Waste and Recycling	664,028	706,915	969,067	1,004,250	1,115,198
Systems Dev. Cap. Proj.	80,380	99,537	91,129	91,129	119,171
TOTAL	$6,422,803	$6,995,961	$8,452,293	$8,592,023	$9,660,568
Community Development					
PERSONNEL-FTE	14.35	14.35	14.60	14.60	16.10
Personnel Services	$1,278,862	$1,425,535	$1,709,150	$2,145,991	$1,921,435
Materials and Supplies	2,444,018	2,644,400	4,563,673	4,473,932	4,826,061
Capital Outlay	0	74,126	0	0	0
TOTAL EXPENDITURES	$3,722,880	$4,144,061	$6,272,823	$6,619,923	$6,747,496
FUND SUMMARY					
General	$2,221,221	$2,301,268	$2,301,026	$3,148,254	$2,856,639
Community Development	1,501,864	1,842,138	3,776,835	3,276,707	3,890,857
Parking Services	(205)	655	194,962	194,962	0
TOTAL	$3,722,880	$4,144,061	$6,272,823	$6,619,923	$6,747,496
Planning					
PERSONNEL-FTE	15.00	15.00	15.00	15.00	16.00
Personnel Services	$1,545,550	$1,759,610	$2,034,450	$2,034,450	$2,177,718
Materials and Supplies	426,332	446,818	520,875	1,353,502	551,834
TOTAL EXPENDITURES	$1,971,882	$2,206,428	$2,555,325	$3,387,952	$2,729,552
FUND SUMMARY					
General	$1,971,882	$2,206,428	$2,555,325	$3,387,952	$2,729,552

Mission Statement

In fulfillment of public trust, the Eugene Police Department works in partnership with our community to promote safety and security, enforce laws, prevent crimes and safeguard the constitutional rights of all people.

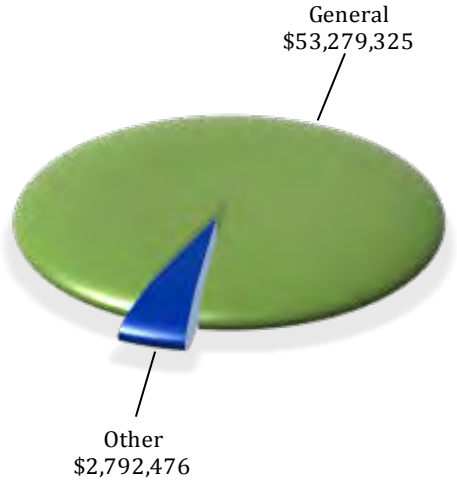
Organization Chart



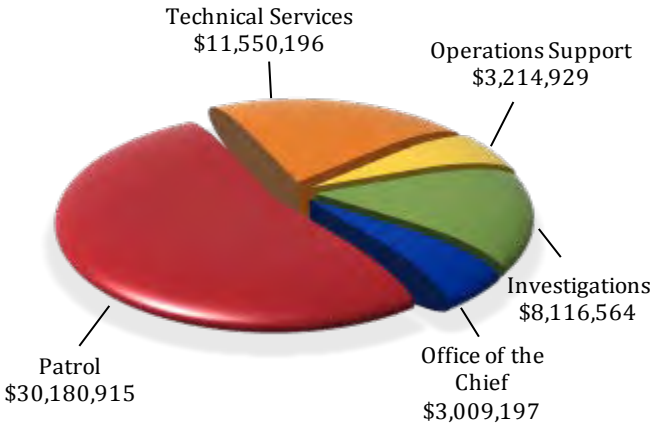
FY18 Adopted Operating Budget

$56,071,801

Funds



Divisions



Functional Organization Chart

Investigations
Violent Crimes
Property Crimes
Financial Crimes
Forensics Evidence
Arson
Vice/Narcotics/INET
Special Investigations
Evidence Control
Law Enforcement Gang Intelligence Team

Office of the Chief
Department Administration
Public Information and News
Support Services
Professional Standards and Accreditation
Planning and Analysis
Internal Affairs
Police Commission Coordination
Legislative Coordination
Dept. In-Service Training and Certification
Defensive Tactics
Firearms
Emergency Vehicle Operations
Firearms Training

Operations Support
Financial Management
Capital Projects Management
Service Contracts Administration
Grant Management
Volunteer Coordination
Property Management
Crime Analysis
Dept. In-Service Training and Certification
Defensive Tactics
Firearms
Emergency Vehicle Operations
Firearms Training
Animal Services

Patrol
Uniformed Patrol Operations
Community Programs
Police Cadets
Public Safety Stations
Court Liaison
Crime Prevention and Education
Contractual Patrol Services
West University Foot Patrol
Downtown Patrol Team
Police Reserves Program
Major Collision Investigations
Airport Patrol
Safer Schools
Special Weapons and Tactics (SWAT)
Canine Unit
Traffic Enforcement Unit
Explosive Disposal Unit
Crisis Negotiations

Technical Services
Police/Fire/Emergency Medical Services
and Contracting Districts Comm.
Central Lane 9-1-1 Public Safety
Answering Point
Centralized Police Records Management
Automation Planning/Support
Public Service Counter
Information Technology (IT)

Department Budget Changes

This section describes significant changes in the department's FY18 Adopted Budget compared to the FY17 Adopted Budget. Significant is defined as any change in full-time equivalent employees (FTE), any percentage change that is above 5% or any budget reduction. Changes below 5% are generally due to normal year-to-year inflationary increases in contracts, salaries, health and benefit costs and internal service charges. Overall, the Police Department budget increased by $1,774,493, or 3.3%, over the FY17 Adopted Budget.

Changes in Full-Time Equivalent Employees

There are no FTE changes in the Police Department for the FY18 Adopted Budget.

Significant Changes in Expenditures by Division

The FY18 Adopted Operating Budget includes the following significant changes, by division:

- ***Investigations:*** Budget decreased by $22,590, or 0.3% from FY17 Adopted Budget to FY18 Adopted Budget. The largest change was the expiration of limited duration funding of $250,000 in both FY16 and FY17 to further implement changes in the Evidence Control Unit recommended by an audit in 2014. After accounting for that change, the budget increased by $227,410 or 2.9%.
- ***Office of the Chief:*** Budget increased by $297,197, or 11.0%. The largest change was moving the annual contribution for the Lane regional radio system from the Operations Support Division. This is an increase of $240,000 for the Office of the Chief and an equal reduction for Operations Support. After accounting for this shift, the budget increased by $57,197, or 1.9%.
- ***Operations Support:*** Budget decreased by $669,627, or 17.2%. A portion of the decrease in Operations Support is due to shifting the annual contribution for the Lane regional radio system to the Office of the Chief as described above. The second reason for the decrease is a shift of major contracts for services for CAHOOTS, Buckley House, Looking Glass, etc. totaling $1,026,000 to the Patrol division which directly utilizes and benefits from these services. This change results in a reduction for Operations Support and an increase for Patrol. Additionally, three positions inadvertently paid from other units were moved to Operations Support, resulting in an increase of $446,853. After accounting for these shifts, the budget in Operations Support decreased by $95,713, or 3.2%.
- ***Patrol:*** Budget increased by $2,217,908, or 7.9%. The largest change ($1,026,000) was from moving major contracts for services from its Operations Support Division, as described above. In addition, there is a one-time increase of $200,000 for FY18 dedicated to enhanced patrol services in the downtown and adjacent parks. Also, EPD provides law enforcement services to the community for various events including parades, runs, concerts, demonstrations, neighborhood gatherings, escorts, etc. Those services have increased as has the reimbursable costs for those services, which has increased revenues and expenses by $200,000. After accounting for these shifts, the budget increased by $791,908 or 2.8%.
- ***Technical Services:*** Budget decreased by $48,395, or 0.4%. The FY18 Adopted Budget has reduced spending to be within the limits of the anticipated revenue from the Oregon Office of Emergency Management for the Public Safety Answering Point (PSAP) 9-1-1 call taking services. This includes a reduction in overtime and contractual services.

Significant Changes in Funding Sources
The FY18 Adopted Budget includes the following significant changes in funding sources:

- ***Public Safety Communications:*** Budget decreased by $310,549, or 12.6% from the FY17 Adopted Budget to the FY18 Adopted Budget. The Oregon Office of Emergency Management provides funding for 9-1-1 call taking through its Public Safety Answering Point System (PSAP). Historically, EPD budgeted higher than the actual revenue realized. In the FY18 budget, spending was reduced to be within the limits of the reserves and the anticipated revenue. Additionally, a pass-through revenue was eliminated, along with the expense associated with the cost of the equipment system that the State provides.
- ***Municipal Airport:*** Budget increased by $57,721, or 10.0%. Four officers are assigned to support City airport operations. While personnel costs have increased over the past few years, the airport has not increased its funding to support these costs. The FY18 increase is the first of two increases (another in FY19) for the airport to fully cover the costs of law enforcement operations at that location.

Change by Division

	FY17 Adopted Budget	FY18 Adopted Budget	FTE or $ Change	% Change
Investigations				
Personnel - FTE	47.66	47.66	0.00	0.0%
Total Expenditures	$8,139,154	$8,116,564	($22,590)	-0.3%
Office of the Chief				
Personnel - FTE	17.00	17.00	0.00	0.0%
Total Expenditures	$2,712,000	$3,009,197	$297,197	11.0%
Operations Support				
Personnel - FTE	13.50	13.50	0.00	0.0%
Total Expenditures	$3,884,556	$3,214,929	($669,627)	-17.2%
Patrol				
Personnel - FTE	167.00	166.00	(1.00)	-0.6%
Total Expenditures	$27,963,007	$30,180,915	$2,217,908	7.9%
Technical Services				
Personnel - FTE	83.00	84.00	1.00	1.2%
Total Expenditures	$11,598,591	$11,550,196	($48,395)	-0.4%
Police Department				
PERSONNEL - FTE	328.16	328.16	0.00	0.0%
TOTAL EXPENDITURES	$54,297,308	$56,071,801	$1,774,493	3.3%

Note: The reduction of FTE shown in Patrol is due to a system glitch that inadvertently moved a position from Technical Services to Patrol. That error was corrected in FY18. Actual FTE in Patrol and in Technical Services did not change.

Change by Funding Source

General	$51,252,004	$53,279,325	$2,027,321	4.0%
Public Safety Communications	2,468,749	2,158,200	(310,549)	-12.6%
Municipal Airport	576,555	634,276	57,721	10.0%
TOTAL FUNDING SOURCES	$54,297,308	$56,071,801	$1,774,493	3.3%

Department Financial Summary

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	328.16	328.16	328.16	328.16	328.16
Personnel Services	$40,119,985	$43,040,977	$44,091,144	$44,742,905	$45,971,341
Materials and Services	9,659,613	9,712,082	10,175,083	11,350,071	10,100,460
Capital Outlay	1,444,556	279,129	31,081	112,568	0
TOTAL EXPENDITURES	$51,224,154	$53,032,188	$54,297,308	$56,205,544	$56,071,801
FUND SUMMARY					
General	$47,991,488	$50,050,092	$51,252,004	$52,710,240	$53,279,325
Public Safety Communications	2,720,251	2,430,889	2,468,749	2,918,749	2,158,200
Municipal Airport	512,415	551,207	576,555	576,555	634,276
TOTAL	$51,224,154	$53,032,188	$54,297,308	$56,205,544	$56,071,801

Service Budget View for FY18

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Public Safety Services					
Animal Services	$230,000	$915,786	$0	$915,786	3.00
Call Taking/Dispatch	1,350,000	6,822,998	2,158,200	8,981,198	58.50
Investigations	25,325	8,136,656	0	8,136,656	47.66
Records Mgmt. and Analysis	30,000	2,569,001	0	2,569,001	25.50
Patrol Services	1,280,350	33,239,125	0	33,239,125	183.50
Police Department Admin.	2,000	1,595,759	0	1,595,759	7.00
Subtotal	2,917,675	53,279,325	2,158,200	55,437,525	325.16
Infrastructure and Planning Services					
Airport	0	0	634,276	634,276	3.00
Total	$2,917,675	$53,279,325	$2,792,476	$56,071,801	328.16

Division Financial Summary

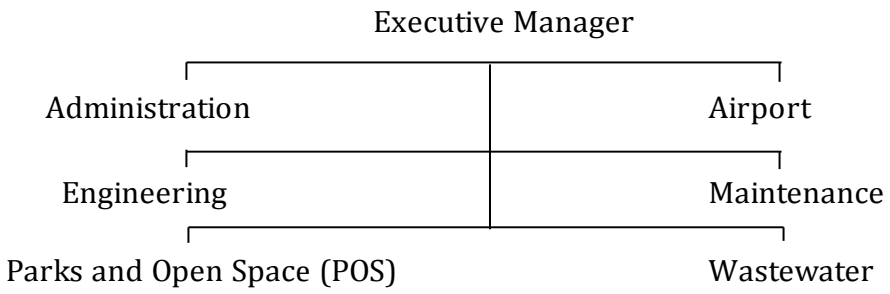
Investigations	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	100.66	48.66	47.66	47.66	47.66
Personnel Services	$12,514,805	$13,713,891	$6,928,449	$6,928,449	$7,119,478
Materials and Services	987,611	1,133,444	1,210,705	1,329,805	997,086
Capital Outlay	8,584	107,952	0	20,000	0
TOTAL EXPENDITURES	$13,511,000	$14,955,287	$8,139,154	$8,278,254	$8,116,564
FUND SUMMARY					
General	$13,511,000	$14,955,287	$8,139,154	$8,278,254	$8,116,564
Office of the Chief					
PERSONNEL-FTE	17.00	17.00	17.00	17.00	17.00
Personnel Services	$1,767,172	$1,825,736	$2,319,893	$2,319,893	$2,373,098
Materials and Services	230,308	318,761	392,107	605,390	636,099
TOTAL EXPENDITURES	$1,997,480	$2,144,497	$2,712,000	$2,925,283	$3,009,197
FUND SUMMARY					
General	$1,997,480	$2,144,497	$2,712,000	$2,925,283	$3,009,197
Operations Support					
PERSONNEL-FTE	12.50	12.50	13.50	13.50	13.50
Personnel Services	$1,429,006	$1,697,393	$1,517,474	$1,571,735	$1,787,258
Materials and Services	1,998,200	1,990,643	2,336,001	2,637,480	1,427,671
Capital Outlay	47,858	68,748	31,081	31,081	0
TOTAL EXPENDITURES	$3,475,064	$3,756,784	$3,884,556	$4,240,296	$3,214,929
FUND SUMMARY					
General	$3,452,490	$3,750,765	$3,879,146	$4,234,886	$3,214,926
Public Safety Communications	22,574	6,019	5,410	5,410	3
TOTAL	$3,475,064	$3,756,784	$3,884,556	$4,240,296	$3,214,929
Patrol					
PERSONNEL-FTE	114.00	167.00	167.00	166.00	166.00
Personnel Services	$15,891,702	$16,588,835	$23,927,748	$24,425,248	$24,783,672
Materials and Services	4,219,331	3,968,608	4,035,259	4,126,385	5,397,243
Capital Outlay	270,077	73,629	0	61,487	0
TOTAL EXPENDITURES	$20,381,110	$20,631,072	$27,963,007	$28,613,120	$30,180,915
FUND SUMMARY					
General	$19,868,695	$20,079,865	$27,386,452	$28,036,565	$29,546,639
Municipal Airport	512,415	551,207	576,555	576,555	634,276
TOTAL	$20,381,110	$20,631,072	$27,963,007	$28,613,120	$30,180,915

Technical Services	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	84.00	83.00	83.00	84.00	84.00
Personnel Services	$8,517,299	$9,215,122	$9,397,580	$9,497,580	$9,907,835
Materials and Services	2,224,164	2,300,626	2,201,011	2,651,011	1,642,361
Capital Outlay	1,118,037	28,800	0	0	0
TOTAL EXPENDITURES	$11,859,500	$11,544,548	$11,598,591	$12,148,591	$11,550,196
FUND SUMMARY					
General	$9,161,823	$9,119,679	$9,135,252	$9,235,252	$9,391,999
Public Safety Communications	2,697,677	2,424,869	2,463,339	2,913,339	2,158,197
TOTAL	$11,859,500	$11,544,548	$11,598,591	$12,148,591	$11,550,196

Mission Statement

Public Works is dedicated to excellence, integrity and stewardship. We enhance the safety, welfare and livability of the community by providing and managing infrastructure and services for parks and open spaces, the airport, transportation, stormwater and wastewater systems. Our vision is making lives better through the services we provide each day.

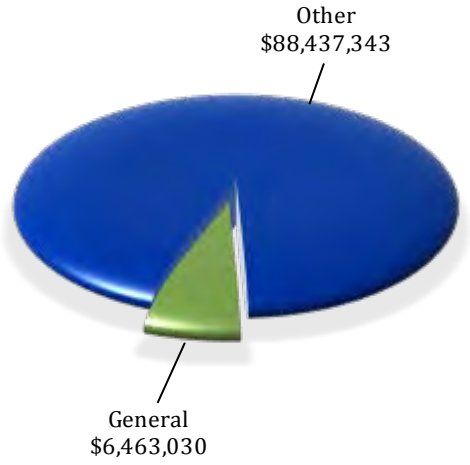
Organization Chart



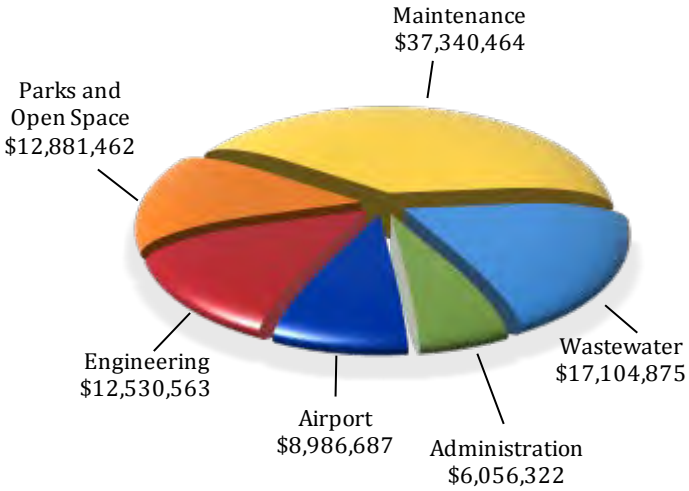
FY18 Adopted Operating Budget

$94,900,373

Funds



Divisions



Functional Organization Chart

Administration
Executive Support
Financial Services
    Utility Administration
Public Affairs
    Graphic Services
    Stormwater Education
Human Resources

Airport
Finance and Administration
Communication and Development
Maintenance and Operations/Security

Engineering
Administrative Support Team
Information Team
Land Development Review Team
Project Teams (2)
Transportation Team
Water Resources

Maintenance
Finance and Administration
    Safety/Emergency Mgmt. and Asset Analysis
Fleet Services
    Vehicle Maintenance
    Radio Communication Services
    Parts
Sub-Surface Operations
    Wastewater Maintenance
    Sub-Surface Technical Planning
    Information Services
Surface Operations
    Stormwater Maintenance
    Concrete Maintenance
    Asphalt Maintenance
    Surface Technical Planning
    Utility Locates
Traffic Operations
    Traffic Engineering
    Pavement Markings
    Traffic Signals
    Street Lighting – Arterial/Collector
    Street Lighting – Residential
    Traffic Signs

Parks and Open Space
Finance and Administration
Marketing and Outreach
    Park Ambassadors
Parks Planning
    Volunteer Programs
    Parks Development and Acquisition
    Stormwater Mitigation
Parks Operations
    Parks Amenities
    Floral Gardens
    Landscapes
    Median Maintenance
    Turf
    Irrigation and Sportsfields
    Water Quality Facility Maintenance
    Natural Areas
        Natural Resource Restoration
        Natural Resources Maintenance
        Urban Forestry

Wastewater
Finance and Administration
    Business and Financial Management
    Purchasing and Inventory Management
    Health and Safety
    Management Information Services
    Project Services
Environmental Services
    Industrial Source Control
    Laboratory
    Sampling
Operations/Maintenance
    Residuals Management
    Plant Operations
    Equipment Maintenance
    Electrical Maintenance
    Pump Station Operations
    Facilities Maintenance

Department Budget Changes

This section describes significant changes in the department's FY18 Adopted Budget compared to the FY17 Adopted Budget. Significant is defined as any change in full-time equivalent employees (FTE), any percentage change that is above 5% or any budget reduction. Changes below 5% are generally due to normal year-to-year inflationary increases in contracts, salaries, health and benefit costs and internal service charges. Overall, the Public Works budget increased by $1,658,676, or 1.8%, over the FY17 Adopted Budget.

Changes in Full-Time Equivalent Employees

The FY18 Adopted Budget includes an increase of 4.0 FTE in the Public Works Department. The changes consist of the following:

- ***Administration Division*** added 1.0 FTE for a Utility Administration Coordinator to offset the additional workload associated with the implementation of EWEB's new customer information system.
- ***Airport Division*** added 1.0 FTE for an Airport Worker to be part of a crew that provides critical support and maintenance of the airfield.
- ***Maintenance Division*** added 1.0 FTE for a Utility Locate Technical Specialist.
- ***Wastewater Division*** added 1.0 FTE for a Facility Maintenance Worker 1/2

Significant Changes in Expenditures by Division

The FY18 Adopted Operating Budget includes the following significant changes, by division:

- ***Administration:*** The overall increase of $569,741, or 10.4%, is primarily due to the following increases: the addition of a new Utility Administration Coordinator ($90,000); an increase in the City utility right-of-way fees ($97,000); a projected increase in the administrative fee paid to EWEB for the billing and collection of the stormwater and wastewater fees ($105,000); and the reimbursement of the Systems Development Charges (SDCs) for the VA Clinic ($138,105). Excluding these changes, the budget went up by $139,636, or 2.6%.
- ***Airport:*** The overall increase of $995,198, or 12.5%, is primarily due to the Reserve for Encumbrance (RFE) of $946,132, the increase in FTE explained previously and funding for the air show at the Eugene Airport.
- ***Maintenance:*** The increase of $2.6 million, or 7.5%, is primarily due to the budgeting of vehicle replacement, which fluctuates each year depending on the schedule of vehicles to be replaced.
- ***Wastewater:*** The overall reduction of $3.3 million, or 22.8%, in the Wastewater Division is primarily due to a large one-time FY17 appropriation. The one-time item includes the replacement of biogas cogeneration equipment at the regional wastewater treatment plant for $5.3 million. Excluding this item, the budget increased by $936,227, or 4.1%.

Significant Changes in Funding Sources

The FY18 Adopted Budget includes the following significant changes in funding sources:

- ***General Fund:*** The budget increased by 8.2%, or $487,823. The primary reasons for the increase are Parks Security costs ($100,000) and the reimbursement for the Veterans

Affairs Clinic SDCs ($138,105). Excluding these changes, the budget increased $249,718, or 4.2%.

- ***System Development Capital Projects:*** The System Development Capital Projects Fund (Administration Costs) increased by $42,158, or 8.4%. The main reason for the increase is budgeted consultant contract costs for review of the SDC systems for $40,000. Excluding this item, the budget increased by $2,158, or 1%.
- ***Airport:*** The overall increase of $994,854, or 12.4%, is primarily due to the Reserve for Encumbrance (RFE) of $946,132, the increase in FTE explained previously and funding for the air show at the Eugene Airport.
- ***Parking Services:*** The budget decreased by 6.8%, or about $5,700. The main reason for this decrease is that Public Works has moved to a new service model with PDD that has resulted in a reduction of overtime and other related costs.
- ***Wastewater Utility*:** The overall reduction of $2.97 million, or 10.6%, in the Wastewater Utility Fund (which includes both regional and local) is primarily due to several one-time FY17 appropriations, described in the Significant Changes in Expenditures by Division section.
- ***Fleet Services:*** The Fleet Services budget shows an increase of $2,062,121, which is due to vehicles scheduled to be purchased in FY18. The budgeting of vehicle replacement will fluctuate each year depending on the vehicle replacement schedule.
- ***Professional Services:*** The Professional Services budget has an overall increase of $345,748, or 5.5%. $40,000 of this increase is due to scheduled equipment replacement. Excluding this item, the budget increased by 4.9%, or $305,748, due to related personnel cost increases.

Change by Division

	FY17 Adopted Budget	FY18 Adopted Budget	FTE or $ Change	% Change
Administration				
Personnel - FTE	16.00	17.00	1.00	6.3%
Total Expenditures	$5,474,081	$6,043,822	$569,741	10.4%
Airport				
Personnel - FTE	38.50	39.50	1.00	2.6%
Total Expenditures	$7,991,489	$8,986,687	$995,198	12.5%
Engineering				
Personnel - FTE	76.00	76.00	0.00	0.0%
Total Expenditures	$12,270,242	$12,530,563	$260,321	2.1%
Maintenance				
Personnel - FTE	130.25	131.25	1.00	0.8%
Total Expenditures	$34,722,409	$37,340,464	$2,618,055	7.5%
Parks and Open Space				
Personnel - FTE	79.10	79.10	0.00	0.0%
Total Expenditures	$12,298,492	$12,881,462	$582,970	4.7%
Wastewater				
Personnel - FTE	83.50	84.50	1.00	1.2%
Total Expenditures	$20,484,984	$17,104,875	($3,380,109)	-16.5%
Public Works Department				
PERSONNEL - FTE	423.35	427.35	4.00	0.9%
TOTAL EXPENDITURES	$93,241,697	$94,900,373	$1,658,676	1.8%

Change by Funding Source

General	$5,975,207	$6,463,030	$487,823	8.2%
Road	12,312,222	12,517,888	205,666	1.7%
Construction and Rental Housing	449,877	465,363	15,486	3.4%
Systems Dev. Cap Proj.	502,248	544,406	42,158	8.4%
Municipal Airport	8,038,977	9,033,831	994,854	12.4%
Parking Services	84,443	78,727	(5,716)	-6.8%
Wastewater Utility	28,151,830	25,179,845	(2,971,985)	-10.6%
Stormwater Utility	15,334,684	15,817,205	482,521	3.1%
Fleet Services	16,094,990	18,157,111	2,062,121	12.8%
Professional Services	6,297,219	6,642,967	345,748	5.5%
TOTAL FUNDING SOURCES	$93,241,697	$94,900,373	$1,658,676	1.8%

Department Financial Summary

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	421.25	422.25	423.35	423.35	427.35
Personnel Services	$40,560,139	$42,813,235	$46,787,018	$46,811,000	$49,130,097
Materials and Services	25,608,811	27,755,913	35,534,270	32,229,575	35,266,799
Capital Outlay	3,887,380	3,324,600	10,920,409	16,961,585	10,503,477
TOTAL EXPENDITURES	$70,056,330	$73,893,748	$93,241,697	$96,002,160	$94,900,373
FUND SUMMARY					
General	$5,477,758	$5,993,453	$5,975,207	$6,151,407	$6,463,030
Road	10,317,522	12,461,833	12,312,222	12,781,607	12,517,888
Construction and Rental Housing	405,328	411,801	449,877	449,877	465,363
Systems Dev. Cap. Proj.	330,961	232,238	502,248	497,730	544,406
Municipal Airport	6,346,607	6,649,995	8,038,977	8,274,224	9,033,831
Parking Services	47,163	76,401	84,443	76,628	78,727
Wastewater Utility	19,414,409	20,662,901	28,151,830	27,532,916	25,179,845
Stormwater Utility	13,111,724	13,291,306	15,334,684	15,321,784	15,817,205
Fleet Services	9,104,879	8,135,384	16,094,990	18,361,069	18,157,111
Professional Services	5,499,979	5,978,436	6,297,219	6,554,918	6,642,967
TOTAL	$70,056,330	$73,893,748	$93,241,697	$96,002,160	$94,900,373

Service Budget View for FY18

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Infrastructure and Planning Services					
Airport	$0	$0	$9,033,831	$9,033,831	39.91
Construction and Rental Housing	0	0	1,635,599	1,635,599	12.20
Parks and Open Space	109,028	4,405,217	149,792	4,555,009	26.92
Parking	0	0	78,727	78,727	0.00
Infrastructure Project and Info. Mgt.	0	0	6,642,967	6,642,967	42.29
Stormwater	0	0	14,224,319	14,224,319	75.41
Transportation	0	204,980	11,761,244	11,966,224	57.88
Urban Forestry	15,000	105,201	1,762,169	1,867,370	11.30
Wastewater Collection and Treatment	0	0	24,991,584	24,991,584	123.84
Public Works Department Admin.	0	1,658,959	0	1,658,959	7.65
Subtotal	124,028	6,374,357	70,280,232	76,654,589	397.40
Culture and Recreation Services					
Athletics	0	88,673	0	88,673	0.75
Central Business Functions					
Fleet and Radio Communication Srvcs.	0	0	18,157,111	18,157,111	29.20
Total	$124,028	$6,463,030	$88,437,343	$94,900,373	427.35

Division Financial Summary

Administration	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	16.00	16.00	16.00	16.00	17.00
Personnel Services	$1,763,710	$1,873,221	$2,002,751	$2,002,751	$2,181,631
Materials and Services	2,813,975	3,001,325	3,471,330	3,481,330	3,874,691
TOTAL EXPENDITURES	$4,577,685	$4,874,546	$5,474,081	$5,484,081	$6,056,322
FUND SUMMARY					
General	$1,120,177	$1,290,074	$1,470,761	$1,480,761	$1,658,959
Road	129,565	131,812	172,196	172,196	189,889
Wastewater Utility	1,468,668	1,504,224	1,645,152	1,645,152	1,862,376
Stormwater Utility	1,659,412	1,755,716	1,938,438	1,938,438	2,084,382
Professional Services	199,863	192,720	247,534	247,534	260,716
TOTAL	$4,577,685	$4,874,546	$5,474,081	$5,484,081	$6,056,322

Airport					
PERSONNEL-FTE	37.00	37.00	38.50	38.50	39.50
Personnel Services	$3,397,431	$3,736,312	$4,111,660	$4,111,660	$4,403,439
Materials and Services	2,757,887	2,798,679	3,704,829	3,940,076	4,472,248
Capital Outlay	139,277	61,442	175,000	175,000	111,000
TOTAL EXPENDITURES	$6,294,595	$6,596,433	$7,991,489	$8,226,736	$8,986,687
FUND SUMMARY					
Municipal Airport	$6,293,274	$6,594,286	$7,982,326	$8,217,573	$8,977,295
Professional Services	1,321	2,147	9,163	9,163	9,392
TOTAL	$6,294,595	$6,596,433	$7,991,489	$8,226,736	$8,986,687

Engineering					
PERSONNEL-FTE	75.60	75.60	76.00	76.00	76.00
Personnel Services	$7,968,788	$8,496,343	$9,276,361	$9,276,361	$9,692,109
Materials and Services	1,994,472	3,310,022	2,993,881	3,835,838	2,798,454
Capital Outlay	10,714	5,601	0	22,103	40,000
TOTAL EXPENDITURES	$9,973,974	$11,811,966	$12,270,242	$13,134,302	$12,530,563
FUND SUMMARY					
General	$35,281	$62,942	$64,365	$106,583	$66,575
Road	1,910,109	3,305,003	2,597,836	3,135,266	2,351,557
Construction and Rental Housing	291,139	292,582	335,422	335,422	345,092
Systems Dev. Cap. Proj.	221,422	167,800	372,248	367,730	414,406
Wastewater Utility	996,922	1,059,755	1,509,819	1,513,461	1,567,175
Stormwater Utility	1,653,791	1,617,723	1,993,689	2,021,278	2,087,951
Fleet Services	10,265	10,779	19,785	19,785	20,692
Professional Services	4,855,045	5,295,382	5,377,078	5,634,777	5,677,115
TOTAL	$9,973,974	$11,811,966	$12,270,242	$13,134,302	$12,530,563

Maintenance	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
PERSONNEL-FTE	131.25	131.25	130.25	130.25	131.25
Personnel Services	$11,962,294	$12,468,450	$13,948,655	$13,968,655	$14,521,053
Materials and Services	10,880,773	11,077,082	14,676,445	12,059,845	13,905,794
Capital Outlay	2,730,430	1,965,488	6,097,309	10,766,408	8,913,617
TOTAL EXPENDITURES	$25,573,497	$25,511,020	$34,722,409	$36,794,908	$37,340,464
FUND SUMMARY					
General	$150,923	$167,698	$135,407	$155,407	$139,793
Road	6,957,711	7,614,852	8,019,931	7,969,027	8,381,929
Construction and Rental Housing	114,189	119,219	114,455	114,455	120,271
Municipal Airport	53,332	55,709	56,651	56,651	56,536
Parking Services	47,163	76,401	84,443	76,628	78,727
Wastewater Utility	4,576,755	4,683,099	5,006,123	4,854,991	5,157,134
Stormwater Utility	4,448,408	4,520,756	5,076,706	5,072,977	5,111,443
Fleet Services	9,094,614	8,124,605	16,075,205	18,341,284	18,136,419
Professional Services	130,402	148,681	153,488	153,488	158,212
TOTAL	$25,573,497	$25,511,020	$34,722,409	$36,794,908	$37,340,464

Parks and Open Space					
PERSONNEL-FTE	77.90	78.90	79.10	79.10	79.10
Personnel Services	$7,339,619	$7,649,280	$8,243,260	$8,247,242	$8,693,516
Materials and Services	3,475,874	3,611,643	4,055,232	4,101,331	4,137,946
Capital Outlay	14,024	0	0	0	50,000
TOTAL EXPENDITURES	$10,829,517	$11,260,923	$12,298,492	$12,348,573	$12,881,462
FUND SUMMARY					
General	$4,171,376	$4,472,740	$4,304,674	$4,408,656	$4,597,703
Road	1,320,137	1,410,166	1,522,259	1,505,118	1,594,513
Systems Dev. Cap. Proj.	109,539	64,438	130,000	130,000	130,000
Wastewater Utility	10,835	14,511	7,906	7,906	12,906
Stormwater Utility	4,904,281	4,959,563	5,823,697	5,786,937	6,008,808
Professional Services	313,349	339,505	509,956	509,956	537,532
TOTAL	$10,829,517	$11,260,923	$12,298,492	$12,348,573	$12,881,462

Wastewater					
PERSONNEL-FTE	83.50	83.50	83.50	83.50	84.50
Personnel Services	$8,128,298	$8,589,629	$9,204,331	$9,204,331	$9,638,349
Materials and Services	3,685,830	3,957,163	6,632,553	4,811,155	6,077,666
Capital Outlay	992,936	1,292,068	4,648,100	5,998,074	1,388,860
TOTAL EXPENDITURES	$12,807,064	$13,838,860	$20,484,984	$20,013,560	$17,104,875
FUND SUMMARY					
Wastewater Utility	$12,361,232	$13,401,312	$19,982,830	$19,511,406	$16,580,254
Stormwater Utility	445,832	437,548	502,154	502,154	524,621
TOTAL	$12,807,064	$13,838,860	$20,484,984	$20,013,560	$17,104,875

This page intentionally left blank.

Capital Budget

Table of Contents

Introduction 355

Capital Improvement Program 356

Capital Budget Overview 359

Project Descriptions
- Airport 365
- Parks and Open Space 368
- Public Buildings and Facilities 373
- Stormwater 379
- Transportation 382
- Wastewater 387

Fund Descriptions 389

This page intentionally left blank.

What is a Capital Project?

A capital project is defined as an activity that creates, improves, replaces, repairs or maintains a capital asset and results in a permanent addition to the City's asset inventory. This is accomplished through one or more of the following actions:

- Rehabilitation, reconstruction or renovation of an existing facility to a condition which extends its useful life or increases its usefulness or capacity;
- Acquisition of property; and/or
- Construction of new facilities.

Capital assets include land, site improvements, parks, buildings, streets, bike paths, bridges, stormwater facilities and wastewater systems. Certain types of equipment, such as the hardware attached to or purchased with the land or building, are also included. The purchase of vehicles is not typically considered a capital project.

Capital projects are generally large-scale endeavors in terms of cost, size and benefit to the community. They involve non-recurring expenditures or capital outlays from a variety of specifically identified funding sources and do not duplicate normal maintenance activities funded by the operating budget.

Rehabilitation and Preservation of Existing Capital Assets

As an asset ages, it requires preservation to protect or extend its useful life. If an asset is not preserved, it will deteriorate prematurely and its benefit to the community will be lost. In addition, reconstruction costs are frequently four to five times the cost of preservation and maintenance, particularly for street surfaces. As a result, the City's Capital Improvement Program (CIP) reflects the broad direction of the City Council as set forth in the *Financial Management Goals and Policies* to preserve existing capital assets before they fall into disrepair that leads to expensive rehabilitation or replacement.

The City currently preserves and maintains a wide variety of capital assets (including municipal buildings, infrastructure, land, and equipment) and leased facilities. Examples of facilities maintained by the City include:

Historic Buildings
- McNail Riley House
- Morse Ranch Museum
- Shelton-McMurphey-Johnson House

Municipal Airport
- Airfield pavement (8,564,000 square feet)

Public Buildings
- Atrium Building
- Community Centers (6)
- Cuthbert Amphitheater
- Hult Center
- Library Building
- Lamb Cottage

Public Works
- Stormwater drainage lines (601 miles)
- Wastewater collection lines (821 miles)

Recreation Facilities
- Athletic fields (47)
- Jogging and hiking trails (47 miles)
- Laurelwood Golf Course
- Parks (4,800 acres of land developed and undeveloped parks and natural areas)
- Park equipment and structures
  - -Playgrounds (52)
  - -Swimming pools (3)

Parking
- Downtown surface lots (4)
- Garages (8 downtown)

Transportation Infrastructure
- Alleys (43 miles)
- Bridges, overpasses and culverts (104)
- On/off street bike lanes/paths (203 miles)
- Sidewalks and pedestrian ways (756 miles)
- Street lights (9,765)
- Streets maintained (543 centerline miles of dedicated right-of-way)
- Traffic signals (249)
- Traffic signs (19,370)
- Street name signs (9,740)

Public Safety
- 911 Center
- Fire Stations (11)
- Police/Fire Training Facilities
- Police Headquarters
- Police Public Service Building

New Capital Facilities and Capacity Enhancements

As the community's population expands, the need to provide safe and efficient capital facilities increases. New streets are necessary for public access and the delivery of goods and services to developing areas. In addition, wastewater and stormwater systems are necessary for the health, welfare, and safety of the community.

The increased need for additional capacity is reflected not only in the City's wastewater, stormwater, and road systems but in other areas as well, such as facilities for parks, recreational services, and emergency services.

Capital Improvement Program

The Capital Improvement Program (CIP) forecasts Eugene's capital needs over a six-year period based on various City-proposed long-range plans, goals and policies. The City updates the CIP every two years; FY18 is the first year of the current CIP. Significant changes were made to the FY18-23 CIP. More information on the changes can be found in the Executive Summary of the FY18-23 CIP, which can be viewed at www.eugene-or.gov/371/Capital-Improvement-Program.

Capital Improvement Program Goals

The goals of the CIP are to:
- Provide a balanced program for capital improvements given anticipated funding over a six-year planning period;
- Illustrate unmet capital needs based on anticipated funding levels; and
- Serve as the basis for the Capital Budget for the coming two fiscal years.

Qualifying Criteria

Capital projects must meet one or more of the following criteria to be included in the CIP:

1. Contribute to the development or implementation of Council-adopted plans and policies, including the Financial Management Goals and Policies, the Growth Management Policies, and the Downtown Space Plan;
2. Address health and safety needs, reduce City liability, or improve access to City facilities by those with disabilities (address Federal Section 504 requirements);
3. Maintain existing assets or improve the efficiency of City operations;
4. Improve revenue potential or enhance existing programs;
5. Respond to a request from a neighborhood group, citizen, government entity, or City advisory group;
6. Be funded from within current and/or projected revenue streams (including additional operating requirements). Placeholder projects and projects with funding not identified are not included in the CIP.

Capital Improvement Program (CIP) Planning Process

The CIP is compiled once every two years during the summer and fall of even numbered years.

Project Identification — Ongoing Planning

- Public Requests
- Prior Plans and Studies such as Airport Master Plan, PROS Plan, ADA Transition Plan, Transportation Plan, etc.
- Infrastructure Improvement and/or Replacement Programs
- Maintenance/Monitoring Programs such as Facility Condition Reports

ⓘ

↓

Project Proposals Developed — August - December

- Project Timeline
- Size and Scope
- Cost Estimates
- Funding Sources
- Marginal Operating Costs

Draft CIP Project List Based On

- Available Resources
- City-wide Project Coordination
- Funding Constraints

↓

Draft CIP Document — January

The Draft CIP is distributed to the Budget Committee members and posted on the City's website.

↓

Citizen Involvement — January - February

Citizens are invited to provide feedback on the Draft CIP.

Budget Committee accepts public comments on the Draft CIP and makes a recommendation to the City Council.

ⓘ

↓

Adopted CIP Document — February - May

City Council holds a public hearing, makes changes to the CIP if necessary, and adopts the CIP. The Adopted CIP becomes the basis for the Proposed Capital Budget.

The Adopted CIP is distributed to the Budget Committee members and posted on the City's website.

ⓘ

ⓘ Indicates opportunities for public input.

Capital Budget Overview

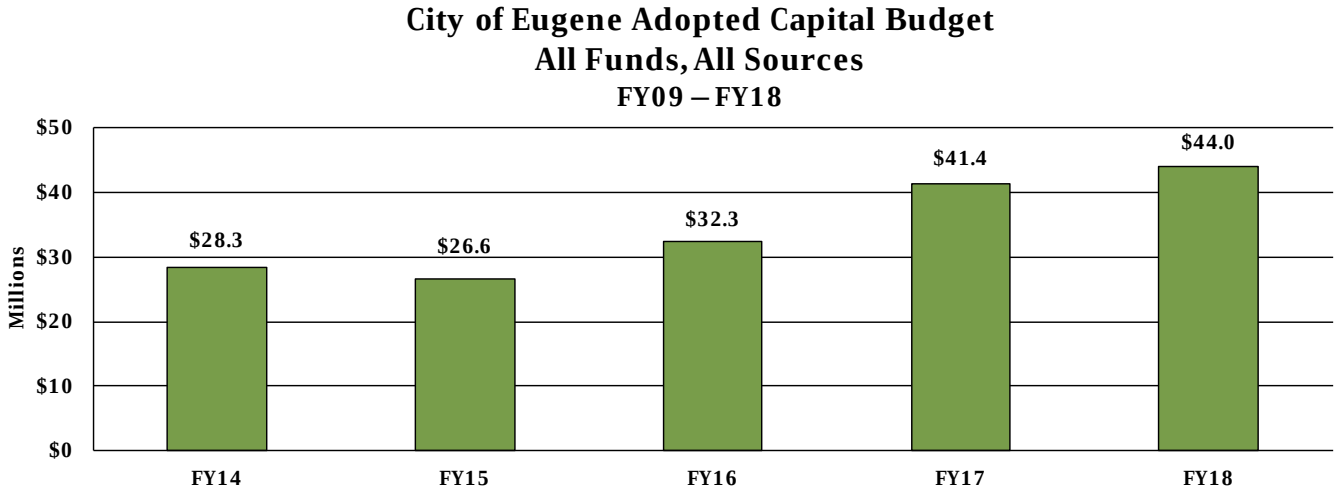
The FY18 Adopted Capital Budget includes $44.0 million for new projects. Funded projects listed in the first year of the FY18-23 Capital Improvement Program provide the basis for the FY18 Capital Budget.

Some of the larger capital projects budgeted for FY18 are:

Pavement Preservation Program – $12.7 million
Improve existing streets and alleys through overlays and surface treatments, and reconstruct deteriorated roadways and bike paths using 2012 Street Bond proceeds and Local Motor Vehicle Fuel Tax.

Ferry Street Bridge and Viaduct Repair – $5.8 million
Preserve the Ferry Street Bridge through deck rehabilitation, minor structural repairs and spot painting. Viaduct repairs include deck sealing, minor structural repair and repairs to the bridge railing.

Airport Terminal Roof Replacement – $2.0 million
Replacement of the roof in terminal building and concourse A.



*Figures do not include capital carryover from prior years.

Funding

The major sources of funds available for capital projects are dedicated funds. The use of dedicated funds is restricted by the limitations imposed by local, state or federal laws associated with the funding source. For the most part, these funds are accounted for in the City's special revenue, capital, or enterprise funds, such as the Transportation Capital Projects Fund, the Municipal Airport Fund, or the Systems Development Capital Projects Fund. Projects that are not supported by dedicated revenues are financed by a transfer from the General Fund. The City may also receive direct funding for projects from other jurisdictions or through grants and donations. For major projects with city-wide benefits, the City Council may request voter approval of a property tax levy to repay General Obligation Bonds, for example the 2012 Street Bonds.

FY18 Capital Funding	
General Government	
General Fund Transfer	$3,199,300
General Obligation Bonds	8,890,000
Other	
Donations	55,000
Grants	108,472
Miscellaneous	420,728
System Development Charges (SDC)	5,524,830
User Fees/Fees for Services	100,000
Municipal Airport	
Grants	925,938
User Fees	5,625,062
Parking Services	
User Fees	250,000
Stormwater Utility	
Wetlands Mitigation Bank Credits	550,000
User Fees	2,050,000
Transportation	
Grants	10,639,471
Local Motor Vehicle Fuel Tax	3,100,000
Wastewater User Fees	100,000
Stormwater User Fees	500,000
Wastewater Utility	
User Fees	2,005,000
Total Capital Funding - All Sources	**$44,043,801**

Capital Projects

Capital Projects are organized into six main project areas:

1. **Airport –** Includes the preservation, improvement, and construction of airport facilities.

2. **Parks and Open Space –** Includes the preservation, maintenance, and modification of existing parks and open space facilities to meet operational, safety, and cost-efficiency goals, and park development and acquisition necessary to address community growth.

3. **Public Buildings and Facilities –** Provides for the preservation and maintenance of such public facilities as community centers, swimming pools, fire stations, government offices, parking structures, and the public library.

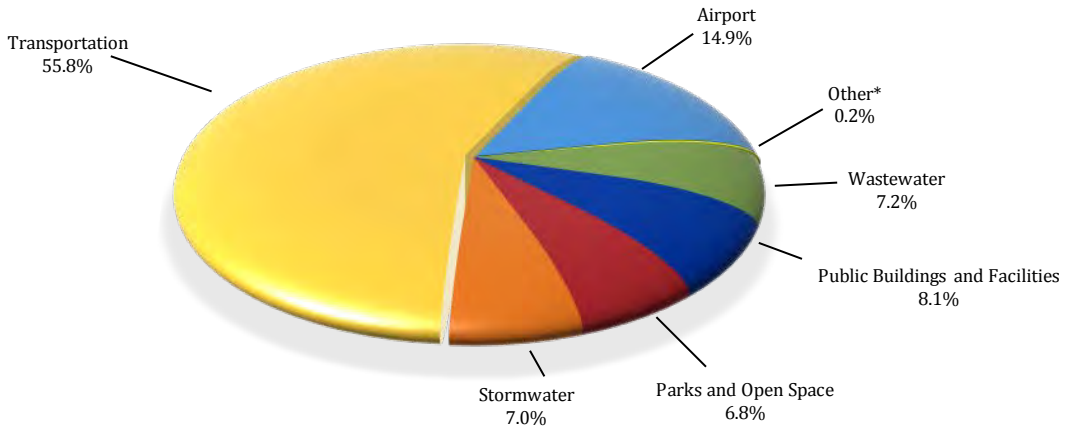
4. **Stormwater –** Includes projects designed to preserve the investment in existing facilities, restore stormwater facilities to a more natural condition, improve stormwater quality, and increase the system's capacity.

5. **Transportation –** Includes preserving and reconstructing the roadway system, improving substandard streets with City standard curbs, gutters, sidewalks, and addressing system capacity needs.

6. **Wastewater –** Includes projects that extend service to growth areas within the urban growth boundary and provides for maintenance of the wastewater collection system.

The graph below shows the FY18 Adopted Capital Budget for new projects by project area:

FY18 Adopted Capital Budget — $44.0 Million
All Funds



*Other refers to $108,472 for a housing development acquisition by the Planning and Development Department.

Project Categories

Additionally, each capital project is assigned to a specific project subcategory:

Capacity Enhancements – Projects in this subcategory provide greater carrying capacity for existing facilities.

Functional and Safety Improvements – Projects in this subcategory preserve existing systems by improving the operation and safety of the facility.

New Capital Facilities – Projects in this subcategory are for new or replacement facilities, or projects that expand existing facilities/services and are of such a scale as to warrant being classified as standalone projects.

Preservation and Maintenance – Projects in this subcategory preserve, maintain, and repair systems associated with existing facilities. These projects allow facilities to achieve their useful lifespan and to be maintained at a level required for effective service delivery to the public.

Restoration – Projects in this subcategory are designed to meet the goals of the Comprehensive Stormwater Management Plan, which relate to multiple objectives and to re-establish natural systems where appropriate.

Site and Facility Improvements – Projects in this subcategory modify and/or add to existing facilities to meet operational, safety, and cost-efficiency goals. The primary goal of this category is to address changing program functions and needs to improve service delivery.

Upgrades and Capacity Enhancements – Projects in this subcategory normally add to existing structures or facilities to increase capacity. This includes the modification, improvement, or expansion of existing facilities.

CIP to Capital Budget Process

The first year of the Adopted CIP becomes the basis for that year's capital budget. Staff analysis and review of the capital budget take place in the Finance Division along with City departments involved in capital project activity. The CIP may be amended during the budget process to meet changing capital needs and/or revenue projections. The changes are incorporated in the adopted capital budget, and submitted to the Budget Committee for review and approval. Approval of the capital budget automatically revises the CIP.

The FY18 Adopted Capital Budget is based on the first year of the FY18-23 CIP as adopted by the City Council on March 13, 2017, with some changes as noted in the following chart.

CIP to Adopted Capital Budget Reconciliation

First Year of FY18-23 Adopted CIP	$48,401,000
Changes via FY18 Capital Budget	
Municipal Airport	(2,309,000)
Parks and Open Space	3,528
Public Buildings and Facilities	(1,365,700)
Stormwater	500,000
Transportation	(1,294,499)
Wastewater	-
Other – Housing Development Acquisition	108,472
	(4,357,199)
FY18 Adopted Capital Budget for New Projects	**$44,043,801**

Impact of Capital Projects on Marginal Operating Costs

Generally, projects that create new capital facilities or increase capacity will have associated long-term operating, preservation, and maintenance costs.

For the City's transportation, stormwater, and wastewater systems, the marginal operating cost of system expansion can be estimated based on the current "per unit" cost of operations and maintenance of those facilities. Except for additions to the transportation and park systems, the operating costs due to system expansions are recovered primarily through the increase in user fees as system usage increases. Projected unit costs for these systems for FY18 are:

Parks and Open Space-Developed Acreage	$12,000 per acre
Parks and Open Space-Natural Area Acreage	$ 800 per acre
Stormwater System Operations and Maintenance	$24,800 per mile
Transportation System Operations and Maintenance	$22,800 per mile
Wastewater System Operations and Maintenance	$10,700 per mile
Wetlands	$ 1,400 per acre

The marginal operating cost of additions to the City's stock of public buildings depends on the specific project, as various types of facilities and different levels of usage impact maintenance and utility costs differently. For example, the monthly operating and maintenance costs including utilities of a City pool is $2.62 per square foot, whereas the corresponding cost of the City parking structures averages $0.12 per square foot per month. The average cost of general office buildings, which is the most useful measure for benchmarking costs, averages $1.10 per square foot per month.

FY18 Adopted Capital Budget by Fund

The Adopted Capital Budget consists of three major components:

Proposed Capital Budget – appropriations for new capital projects as proposed by the City Manager in the Proposed Budget.

Capital Carryover – estimated balances for capital projects that were previously appropriated but not completed in the preceding fiscal year, as approved by the City Council.

Budget Committee/City Council Changes – changes to next fiscal year's capital appropriations as approved by the Budget Committee and adopted by the City Council. The Budget Committee and City Council did not make any changes to the Proposed Capital Budget in FY18.

The table below summarizes these components of the FY18 Adopted Capital Budget by fund:

Proposed Through Adopted FY18 Capital Budget

Fund Name	Fund	FY17 Budget 12/31/16	FY18 Proposed Cap. Budget	FY18 Estimated Carryover	FY18 Adopted Cap. Budget
Comm. Develop. Block Grant	170	$1,290,457	$73,200	$478,000	$551,200
Library, Parks and Rec. Fund	180	1,027,206	57,222	752,228	809,450
General Capital Projects Fund	310	25,602,245	3,205,878	22,825,376	26,031,254
Sys. Develop. Capital Projects	330	12,796,283	5,524,830	10,961,539	16,486,369
Transportation Capital Fund	340	30,785,650	22,701,671	18,817,755	41,519,426
Municipal Airport Fund	510	18,355,558	6,551,000	11,615,302	18,166,302
Parking Services Fund	520	50,000	250,000	48,200	298,200
Wastewater Utility Fund	530	4,519,591	2,140,000	4,130,937	6,270,937
Stormwater Utility Fund	539	6,358,274	3,165,000	5,028,347	8,193,347
Facilities Services Fund	615	666,506	375,000	256,860	631,860
Total		**$101,451,770**	**$44,043,801**	**$74,914,544**	**$118,958,345**

Overview

Capital projects for the Eugene Airport are outlined in the Eugene Airport Master Plan Update and the five-year Federal Aviation Administration (FAA) Capital Improvement Plan. These documents provide for the planned development of the Airport property and facilities to accommodate future aviation demand while remaining compatible with the environment and community development. Project priorities are determined through a process based on the adopted Master Plan Update and FAA approval. The Airport Advisory Committee provides direction and citizen input for this process.

The primary construction projects in FY18 will be:

- Replacement of the roof in the terminal building and concourse A;
- Developing a detailed design for the replacement of the entire Airport access control system, which serves all facilities and perimeter gates;
- Airport Master Plan update to assess long and short-term needs to ensure the Airport is able to meet anticipated aviation demand.

Eugene Airport Terminal Building

Other Airport projects in the FY18 Adopted Capital Budget include Taxiway Alpha rehabilitation, enhancing equipment storage and smaller capital improvement projects.

Funding

Eugene Airport main runway overlay project was funded primarily with FAA grants

Eugene Airport's capital projects receive the majority of their funding from FAA grants and Passenger Facility Charges (PFC) and Customer Facility Charges (CFC). The FAA grants include money from both an Entitlement Fund and a Discretionary Fund. Levels of available Discretionary Funds are subject to Congressional legislation and are subject to the FAA's priority system. Taxiway Alpha rehabilitation is an example of a capital project largely funded with FAA grants.

Funding Summary

Airport Projects	Fund*	Funding Source	Amount
Airport Access Control Upgrades	510	User fees	$3,100,000
Airport Improvement Projects	510	User fees	250,000
Airport Master Plan Update	510	Grants	550,000
Snow Removal Equipment Storage	510	User fees	250,000
Taxiway Alpha Rehabilitation	510	Grants	375,938
		User fees	25,062
Terminal Building Roof Replacement	510	User fees	2,000,000
Total Airport			**$6,551,000**
Funding Recap		**Funding Source**	**Amount**
		Grants	$925,938
		User Fees	5,625,062
Total			**$6,551,000**

*Please see Fund Descriptions at the end of the Capital Budget section.

CIP to Adopted Capital Budget Reconciliation

First Year of FY18-23 Adopted CIP - Airport	$8,860,000
Changes via FY18 Capital Budget	
Airport Access Control Upgrades	900,000
Automated Car Wash Facility	(1,860,000)
Taxiway Alpha Rehabilitation	(1,599,000)
Snow Removal Equipment Storage	250,000
	(2,309,000)
FY18 Adopted Capital Budget - Airport	**$6,551,000**

ADOPTED FY18 AIRPORT PROJECTS*

Site and Facility Improvements	$4,150,000
• **Airport Access Control Upgrades** This work entails developing a detailed design for the replacement of the entire Airport access control system, which serves all facilities and perimeter gates. To the maximum extent possible, the design utilizes the current physical conduit infrastructure that supports the existing security system.	3,100,000
• **Airport Master Plan Update** The purpose of the Airport Master Plan update is to assess the current, short, medium, and long range development needs of the Eugene Airport to meet anticipated aviation demand. Eugene Airport Master Plan provides a guide for the next 20 years that includes elements for improving Airport safety, and maintaining and upgrading Airport facilities.	550,000
• **Improvement Projects** Provide funding for small (less than $50,000) airport improvement, preservation and maintenance projects.	250,000
• **Snow Removal Equipment Storage** Construct concrete foundation and spring form building to expand snow removal equipment storage and consolidate winter storm materials into a single location. Project will improve winter operation efficiencies.	250,000

Preservation and Maintenance	$2,401,000
• **Taxiway Alpha Rehabilitation** Rehabilitate Taxiway Alpha pavements as identified in the Airport Pavement Management Program and through design work completed in FY17.	401,000
• **Terminal Building: Roof Replacement** Replacement of the roof in terminal building and concourse A.	2,000,000

TOTAL FY18 AIRPORT PROJECTS	$6,551,000

*Does not include Capital Carryover projects. For additional information on the individual capital projects, please see the FY18-23 Adopted CIP.

Overview

The City of Eugene owns, manages, and maintains a large network of parks, recreation facilities, and open space areas. The City's goals for the parks and open space system include providing opportunities for active and passive recreation, conserving open space and natural resources, and contributing to water quality and wildlife habitat.

As the community continues to grow, the City strives to provide new and/or expanded facilities to meet the increased demands for parks and open space, while maintaining the safety and functionality of existing infrastructure in older parts of the parks and open space system. In 2006, the City Council adopted a Parks, Recreation, and Open Space Project and Priority Plan, which lists specific park development projects and identifies relative priorities among the listed projects. Parks and Open Space is currently in the process of updating the 2006 plan and is working with the community to create an achievable set of actions to guide services for the next decade.

While the park development capital projects included in the FY18 Adopted Capital Budget are generally consistent with the policies outlined in the 2006 Project and Priority Plan, implementation of some lower priority projects may occur before some higher priority projects are completed. In most cases, this is due to limitations of available funding for different types of projects. Projects geared toward restoration and maintenance of existing facilities do not qualify for most of the Parks and Open Space capital funding sources and therefore many of these types of needs are going unaddressed. Eugene Parks and Recreation is updating its system plan - seeking both to build on the system's strong legacy and to make necessary adjustments to meet new challenges.

The ability for the City to expand the parks and open space system relies not only on capital funding, but requires adequate funding to annually operate and maintain new assets after they are developed. Annual operating and maintenance dollars ensure that the community receives the full value for how a capital asset was intended to be used, both in terms of functionality and maximizing the asset's useful life. Over the last several years, annual funding for operating and maintaining the parks and open space system has dropped, and this is listed in the City's Unfunded Needs Assessment as a significantly underfunded area.

Ridgeline Open Space

Funding

Eugene citizens approved General Obligation bonds for the City's park system in 2006. The majority of these funds have been spent, with the remaining amount reserved primarily for land acquisition purposes. The other primary capital funding source for Parks and Open Space development projects is Park System Development Charges (SDCs). Park SDCs paid by new residential construction are primarily meant to fund capacity enhancement projects to serve park and open space system expansion efforts, and only a small percentage of SDC funds may be used for preservation and maintenance of existing park assets.

A limited amount of capital funding from the City's General Fund is also used for rehabilitation and renovation of existing assets. This funding source is important, because with the exception of a very limited portion of Parks SDC funding, the other capital funding sources are not available for rehabilitation and renovation of existing assets when age and wear necessitate major repairs. Stormwater and Wastewater capital funds are also used for park development projects on a very limited basis, and only where those projects advance goals specific to the purpose of these dedicated funds. In addition, whenever possible, outside funding sources, such as grants, have been sought to augment existing City funds. Past examples include federal Forest Legacy Program funding for natural area acquisition and Recreational Trail Program funds from Oregon State Parks for trail development.

Partnerships, donations and volunteer efforts are also increasingly important for park development and renovation. The Eugene Park Stewards program, a Parks and Open Space volunteer program, is working in conjunction with community partners, park adoption groups, and the Eugene Parks Foundation to raise private dollars and to increase volunteer efforts in support of maintenance of neighborhood and community parks and natural areas.

Washington Park spray area was partially funded with private donations

Funding Summary

Parks and Open Space Projects	Fund*	Funding Source	Amount
ADA Parks Improvements	330	SDCs	$150,000
Develop Priority 1 Neighborhood Parks	330	SDCs	1,000,000
Existing Playground Rehabilitation	310	Miscellaneous	1,306
Hays Memorial Interest Project	180	Miscellaneous	1,723
Hendricks Park Interest Project	180	Miscellaneous	341
Lindholm Memorial Interest Project	180	Miscellaneous	158
Parks Donation Projects	180	Donations	55,000
Neighborhood and Community Park Acquis.	310	SDCs	750,000
Site Renovations and Rehabilitation	330	SDCs	650,000
	310	General Fund Transfer	349,000
Street Tree Stocking and Planting Program	539	User Fees	30,000
Total Parks and Open Space			**$2,987,528**

Funding Recap	Funding Source	Amount
	Donations	$55,000
	General Fund Transfer	349,000
	Miscellaneous	3,528
	SDCs	2,550,000
	User Fees	30,000
		$2,987,528

*Please see Fund Descriptions at the end of the Capital Budget section.

CIP to Adopted Capital Budget Reconciliation

First Year of FY18-23 Adopted CIP - Parks and Open Space	$2,984,000
Changes via FY18 Capital Budget	
Existing Playground Rehabilitation	1,306
Hays Memorial Interest Projects	1,723
Hendricks Park Interest Project	341
	3,528
FY18 Adopted Capital Budget - Parks and Open Space	**$2,987,528**

ADOPTED FY18 PARKS AND OPEN SPACE PROJECTS*

Functional and Safety Improvements	**$150,000**
• **ADA Parks Improvements** Make improvements to park paths, playgrounds, ramps, gates, benches, tables and other park amenities to improve accessibility and comply with Americans with Disabilities Act (ADA) requirements.	**150,000**

Land Acquisition	**$750,000**
• **Neighborhood and Community Park Acquisition** This is an ongoing project. Funds are budgeted under this general project and are subsequently transferred to specific projects as needs are identified and developed.	**750,000**

New Capital Facilities	**$1,000,000**
• **Develop Priority 1 Neighborhood Parks** Design and construct typical Neighborhood Park elements in high priority, undeveloped neighborhood park sites. High priority sites will be identified through the Parks and Recreation System Plan update.	**1,000,000**

Preservation and Maintenance	**$1,057,528**
• **Existing Playground Rehabilitation** Minor repairs or rehabilitation to existing playground equipment and infrastructure.	**1,306**
• **Hays Memorial Interest Project** Provides funding for projects eligible under the Hays Trust.	**1,723**
• **Hendricks Park Interest Project** Provides funding for projects at Hendricks Parks.	**341**
• **Lindholm Memorial Interest Project** Provides funding for projects eligible under the Lindholm Trust.	**158**
• **Parks Donation Projects** Provide support for volunteer-supported and donation-funded projects in existing parks. Examples of projects that have been funded with donations and/or volunteer labor include the installation and preservation of memorials, plaques, benches, trees, etc., in Hays Tree Garden, and in parks such as Owen Rose Garden and RiverPlay Discovery Village playground.	**55,000**
• **Site Renovations and Rehabilitation** Repair or replace aging, damaged, or non-compliant park facilities and amenities throughout the park and open space system. These are typically large-scale capital projects that are beyond the scope of available annual operations and maintenance funds appropriated to Preservation and	**999,000**

Maintenance. These projects will address a broad range of park infrastructure renovations.

Upgrades and Capacity Enhancements	$30,000
• **Street Tree Stocking and Planting Program** Provides support for planting street trees in areas needing new trees and where trees were removed due to damage or disease.	30,000

TOTAL FY18 PARKS AND OPEN SPACE PROJECTS	$2,987,528

* Does not include Capital Carryover projects. For additional information on the individual capital projects, please see the FY18-23 Adopted CIP.

Overview

The City maintains a wide range of public facilities, including neighborhood, community, and metropolitan park buildings, community centers, swimming pools, fire stations, government office buildings, parking structures, and the library. In all, the City maintains and preserves more than 180 buildings totaling approximately 2 million square feet in area. Public Buildings and Facilities projects are derived from several adopted plans and facility condition reports, including the following:

- 2010 Facility Condition Report
- Parks and Recreation Plan
- Public Safety Long Range Plan
- Fire and Emergency Medical Services Redeployment Plan
- Urban Renewal Plans
- Public Works Facility Master Plan Update
- Housing and Urban Development Consolidated Plan
- Facility Accessibility Evaluation
- Americans with Disabilities Act Transition Plan
- Eugene Municipal Parking Structure Condition Analysis

Inadequate funding for preservation programs in the last several decades have resulted in a backlog of rehabilitation projects, primarily related to General Fund assets and to Eugene's street systems:

- Operating budget for ongoing building maintenance funded through the Facilities Services Fund. The primary revenue source supporting these expenditures is the internal service fund facility rates charged to various funds for departments that occupy the buildings. The FY18 funding associated with this component is $2,150,992.
- Capital budget for facilities preservation and maintenance, which is funded through the annual transfer from the General Fund to the General Capital Projects Fund. There are several recurring capital projects that are funded as part of the capital budget allocation, four of which are used for facility preservation:

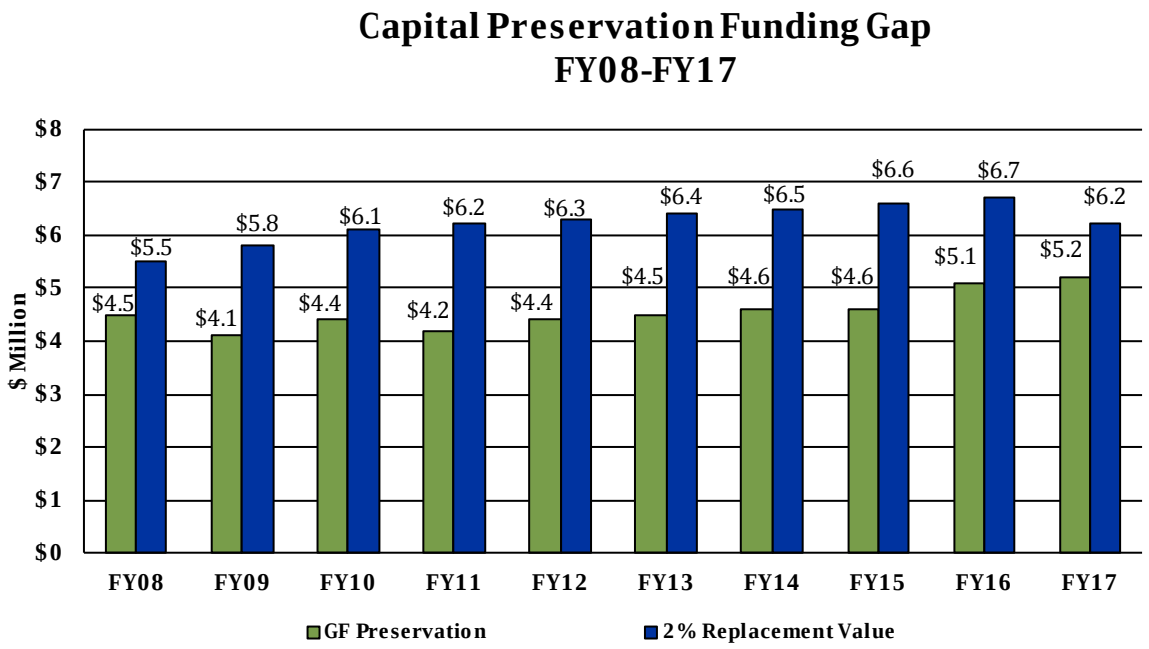
    - ***Building Service Systems*** – To preserve and maintain building service systems, such as elevators, mechanical systems (plumbing, heating, cooling) and electrical systems.
    - ***Health, Safety and Welfare*** – To preserve and maintain health, safety and welfare of users of City facilities, including asbestos abatement, air quality and building safety systems designed to protect the public and employees.
    - ***Primary Building Systems*** – To preserve and maintain the exterior systems of City buildings, such as foundations, exterior enclosures and roofs.
    - ***Secondary Building Systems*** – To preserve and maintain the interior of the buildings, such as doors, walls, floors, ceilings, and related finishes.

For FY18, the General Capital Projects Fund includes General Fund support of $3,169,300. The funding built into the FY18 Adopted Budget for facility capital preservation projects is $2,448,000. The remainder of the FY18 General Capital funding is dedicated to site/facility improvements, park renovations and rehabilitations, parking and accessibility (ADA) capital improvements. If

funds are available and approved by the City Council, an additional transfer of $900,000 will be completed as part of the supplemental budget action in December 2017. Of this amount, $100,000 is dedicated to Parks and Open Space preservation projects, and the remaining $800,000 for Public Buildings and Facilities preservation projects.

Industry standards are to dedicate 2% to 4% of a building's replacement value on an annual basis to preservation and maintenance of public buildings, which equates to a 25 to 50 year life span. The FY18 General Fund Capital Budget funding level and the potential mid-year increase, combined with Facility Management major maintenance activities, amounts to approximately 1.7% of current General Fund building replacement value, compared to the 2% minimum industry recommended reinvestment ratio to adequately maintain facilities. Increasing the combined capital preservation and major maintenance funding to a threshold of 2% of building asset value would require an estimated $1.0 million in additional resources annually. At this higher level, capital preservation could begin to address the backlog of building and park amenity deficiencies.

A multi-year comparison of the General Fund contributions to the Capital Budget versus the level of funding needed to meet the target of reinvesting 2% of replacement value is shown below.



The major factors affecting facility maintenance and preservation are the increased square footage of City facilities and the age of the remaining facilities. The demolition of City Hall in FY15 has temporarily reduced the total square footage of General Fund building assets. However, in the past 20 years, the fire complex, four fire stations, the 911 Center, the Downtown Library, Police Department headquarters, the Police Services Building (housing the property control and forensics functions), the Eugene Depot, and a number of park restrooms and utility buildings have been added to the General Fund building inventory. These projects have increased the City's building inventory by 450,000 square feet, which is approximately half of the current total square footage of General Fund building assets. This large increase in building area, although with relatively energy-efficient and low-maintenance facilities, increases the overall costs of building operation and maintenance.

Eugene Police Department Headquarters

Even with the addition of newer buildings, a large component of the General Fund facility inventory is significantly older. The average age of General Fund buildings is about 33 years, while almost 25% of the square footage of General Fund buildings is 40 years old or older. This aging component of the City's building inventory requires increasingly costly building maintenance and preservation. In the near future, these assets will require funding for renovation that is beyond the level supported by the ongoing capital preservation program.

Funding

The General Fund is the primary source of funding for Public Buildings and Facilities projects. Public building projects at the Eugene Airport are included in the Airport section of the budget. Community Development Block Grant (CDBG) funds are the primary funding source for the housing site acquisition projects. The Atrium Fund, which receives rental revenue, is the primary funding source for the Atrium Building.

Projects associated with the wastewater treatment plant are part of the Metropolitan Wastewater Management Commission capital program and are not included in the City of Eugene FY18 Adopted Capital Budget.

Funding Summary

Public Buildings and Facilities Projects	Fund*	Funding Source	Amount
ADA Renovations	310	General Fund Transfer	$118,300
Atrium Improvements	615	Miscellaneous	375,000
Building Service Systems	310	General Fund Transfer	724,000
General Site and Facilities Improvements	310	General Fund Transfer	254,000
Health, Safety and Welfare	310	General Fund Transfer	499,000
Housing Development Acquisition	170	Grants	73,200
	310	Miscellaneous	35,272
Parking Structures Upgrades and Repairs	520	Parking User Fees	250,000
Primary Building Systems	310	General Fund Transfer	988,000
Roosevelt Yard Site Renovation and Rehabilitation	530	Wastewater User Fees	35,000
	539	Stormwater User Fees	35,000
	340	Miscellaneous	35,000
Secondary Building Systems	310	General Fund Transfer	237,000
Total Public Buildings and Facilities			**$3,658,772**
Funding Recap		**Funding**	**Amount**
		General Fund Transfer	$2,820,300
		User Fees	320,000
		Miscellaneous	445,272
		Grants	73,200
			$3,658,772

*Please see Fund Descriptions at the end of the Capital Budget section.

CIP to Adopted Capital Budget Reconciliation

First Year of FY18-FY23 Adopted CIP - Public Buildings and Facilities	$4,916,000
Changes via FY18 Capital Budget	
ADA Renovations	(40,700)
Atrium Building Improvements	175,000
Building Service Systems	(203,000)
General Site and Facility Improvements	(70,000)
Health, Safety and Welfare	(140,000)
Housing Development Acquisition	108,472
Parcade Garage Deferred Maintenance	(941,000)
Parking Garage Commercial Space Maintenance	(50,000)
Parking Structures Upgrades and Repairs	250,000
Primary Building Systems	(290,000)
Roosevelt Yard Site Renovation and Rehabilitation	(105,000)
Secondary Building Systems	(56,000)
	(1,257,228)
FY18 Adopted Capital Budget – Public Buildings and Facilities	**$3,658,772**

ADOPTED FY18 PUBLIC BUILDINGS AND FACILITIES PROJECTS*

New Capital Facilities	$108,472

- **Housing Development Acquisition** **108,472**
  Ongoing program of acquiring land parcels for future development of affordable housing for low-income households. Individual sites are later awarded to projects through a competitive process. Examples of projects developed on former City landbank sites include West Town on 8th Avenue (Metro), Turtle Creek Apartments, Stellar Apartments and Bascom Village Phase I. Funding for landbank acquisition comes primarily from the federal Community Development Block Grant (CDBG).

Preservation and Maintenance	$2,803,000

- **Building Service Systems** **724,000**
  Preserve and maintain building service systems, including elevators, mechanical systems (plumbing, heating, cooling) needed to maintain reasonable service levels. Program includes electrical systems necessary for lighting, equipment and computers. This program area is receiving increasing emphasis as it becomes more cost effective to replace systems rather than continue repairs due to the aging of mechanical systems in City buildings.

- **Health, Safety and Welfare** **499,000**
  Preserve and maintain the health, safety and welfare of users of City facilities, including asbestos abatement, air quality and building safety programs designed to protect the public and employees. Typical projects within these program areas include hazardous materials abatement, building seismic modifications, building security improvement and building safety hazard mitigation.

- **Parking Structures Upgrades and Rehabilitation** **250,000**
  Funding to address capital preservation needs for City-owned parking garages and surface lots.

- **Primary Building Systems** **988,000**
  Preserve and maintain the exterior systems of City buildings, such as foundations, sub/superstructures, floors, exterior enclosures and roofs. The scale of these systems can involve major rehabilitation of facilities. A historic preservation and maintenance program was initiated in 2000 to address the City's growing inventory of historic buildings.

- **Roosevelt Yard Site Renovation and Rehabilitation** **105,000**
  Project is for improvements and major maintenance to the Roosevelt Yard. Past projects have been emergency generators and building roof.

- **Secondary Building Systems** **237,000**
  Preserve and maintain interior building features, such as doors, walls, floors, ceilings and all related finishes. These elements can be combined into a major interior rehabilitation project in some cases.

Site and Facility Improvements	**$747,300**

- **ADA Renovations** **118,300**
  Improve and maintain access to City buildings and park facilities for people with disabilities. Addresses federal regulations, the Uniform Building Code and City-wide Facilities Accessibility Study. Examples include implementation of ADA requirements at City facilities.

- **Atrium Building Improvements** **375,000**
  Modify and improve existing Permit and Information Center to improve service delivery and meet operational goals. Repair and replace aging interiors and features.

- **General Site and Facilities Improvements** **254,000**
  Modify and/or add to existing facilities to meet operational, safety and cost-efficiency goals. Primary goal is to address changing program functions/needs and/or to improve service delivery. This project does not include land or property acquisition or construction of new facilities.

TOTAL FY18 PUBLIC BUILDING AND FACILITIES PROJECTS	**$3,658,772**

***** Does not include Capital Carryover projects. For additional information on the individual capital projects please see the FY18-23 Adopted CIP.

Overview

The City's stormwater capital program reflects the goals of the Comprehensive Stormwater Management Plan (CSWMP) and the City's compliance with the National Pollutant Discharge Elimination System stormwater permit.

The goals of the stormwater capital improvements include the following:
1. Protect the community from excessive flood damage.
2. Meet the requirements of the Clean Water Act for managing non-point source water pollution.
3. Incorporate the multiple objectives outlined in the CSWMP into capital projects: flood protection, water quality protection and enhancement, and related natural resource protection.
4. Integrate stream corridors into the City's green infrastructure system through a combination of acquisition, restoration and rehabilitation.
5. Participate in the ongoing management and implementation of the West Eugene Wetlands Plan and associated wetland bank program.
6. Preserve the effectiveness of the stormwater system through an ongoing operations and maintenance program.

Funding

Stormwater preservation and maintenance projects include system rehabilitation and improvements, wetland restoration and stream corridor acquisitions. Projects are funded primarily through stormwater user fees and Systems Development Charges (SDCs).

Ferndale Park Swale is an example of stormwater retention and filtration system

Wetland restoration projects are designed to meet multiple objectives included in the CSWMP and to reestablish natural systems where appropriate. The primary revenue source for restoration is the Wetlands Mitigation Bank. The City, under an interagency agreement with the Federal Bureau of Land Management, the Army Corps of Engineers, and the Oregon Division of State Lands, manages the Bank to restore, construct and maintain wetlands to replace those wetlands permitted to be developed in accordance with the West Eugene Wetlands Plan. As part of the development process, private developers have the option to purchase replacement wetlands through the Bank.

Funding Summary

Stormwater Projects	Fund*	Funding Source	Amount
A3 Channel Water Quality Improvements	539	User Fees	$400,000
Amazon Creek Restoration: 19-24th Avenue	539	User Fees	$300,000
	330	SDCs	200,000
Drywell Elimination Program	539	User Fees	500,000
Offsite SW Treatment Mitigation	330	SDCs	100,000
Stormwater System Rehabilitation	330	SDCs	200,000
	539	User Fees	650,000
Stream Restoration and Stabilization	330	User Fees	100,000
Water Quality Facilities	539	User Fees	100,000
Wetland Mitigation Bank Projects	539	Mitigation Credits	550,000
Total Stormwater			**$3,100,000**
Funding Recap		**Funding Source**	**Amount**
		Mitigation Credits	$550,000
		SDCs	500,000
		Stormwater User Fees	2,050,000
			$3,100,000

*Please see Fund Descriptions at the end of the Capital Budget section.

CIP to Adopted Capital Budget Reconciliation

First Year of FY18-FY23 Adopted CIP - Stormwater	$2,600,000
Changes via FY18 Capital Budget	
Water Quality Facilities	(100,000)
Wetland Mitigation Bank Capital Projects	500,000
Offsite Stormwater Treatment Mitigation	100,000
	(500,000)
FY18 Adopted Capital Budget – Public Buildings and Facilities	**$3,100,000**

ADOPTED FY18 STORMWATER PROJECTS*

Preservation and Maintenance	$2,550,000
• **A3 Channel Water Quality Improvements** Construction of a large water quality structure to treat stormwater drainage going to the Senaca outfall to the A3 Channel.	400,000
• **Amazon Creek: 24th-19th Avenue** This project will remove the concrete channel between 19th and 24th Avenues and restore and naturalize the creek by laying back the banks and adding vegetation to improve water quality and flow capacity.	500,000
• **Drywell Elimination Program** Remove or retrofit drywells using either piped systems or infiltration systems such as rain gardens. Many of these drywells are located in the River Road and Santa Clara basins.	500,000
• **Offsite Stormwater Treatment Mitigation** To develop offsite stormwater treatment that could not be developed at the time of development and is funded from the Low Impact Development (LID) component of Stormwater SDCs.	100,000
• **Stormwater System Rehabilitation** Rehabilitate, reconstruct and install stormwater system where needed due to various problems, such as deterioration due to age, poor materials, localized flooding, and/or systems limitations. Where feasible, natural systems are used to address existing problems in conformance with Comprehensive Stormwater Management Plan.	850,000
• **Stream Restoration and Stabilization** Implement streambank stabilization projects to help streams adjust to increased runoff volumes while limiting negative impacts associated with downcutting, sedimentation, and erosion.	100,000
• **Water Quality Facilities** Improve water quality by installing structural water quality facilities to address pollutants of concern.	100,000
Restoration	**$550,000**
• **Wetland Mitigation Bank Projects** Enhance and restore wetlands in West Eugene on various sites. Mitigation work in advance of development will result in certified credits to be sold to developers.	550,000
TOTAL FY18 STORMWATER PROJECTS	**$3,100,000**

* Does not include Capital Carryover projects. For additional information on the individual capital projects please see the FY18-23 Adopted CIP.

Overview

The majority of projects in the Transportation section are derived from the Eugene Transportation System Plan adopted in 2013, and the Regional Transportation Plan, updated in 2011. Other transportation-related plans and policies include:

- Americans with Disabilities Transition Plan;
- Arterial-Collector Street Plan;
- Community Climate and Energy Action Plan;
- Envision Eugene;
- Master Traffic Communications Plan;
- Neighborhood and local area refinement plans;
- Pavement Management Program;
- Pedestrian and Bicycle Master Plan.

Transportation projects are generally described as preservation, functional and safety improvements, upgrades, capacity enhancement, and new capital facilities. Preservation projects typically include overlays and reconstruction of existing streets and alleys. Functional and safety improvement projects include neighborhood transportation livability, accessible pedestrian signals, sidewalk access improvements, pedestrian crossings, and intersection improvements.

Jefferson Street paving project

Upgrades typically involve improving bike paths and substandard arterial or collector streets to City standards. Capacity enhancements provide greater carrying capacity for motorists, bus transit, bicycles, and/or pedestrians. Upgrades and capacity enhancements are funded from a combination of assessments (used where the improvements benefit specific property owners) and the improvement component of transportation system development charges.

During the 2017 construction season, the Public Works Department will oversee major overlays or reconstruction of the following City streets:

- 1st Ave. (Blair to West End)
- 2nd Ave. (Blair to Garfield)
- 30th Ave. (Overpass at Spring to Agate)
- Best Ln. (Willakenzie to Kentwood)
- Calvin St. (Wester to Harlow)
- E. Amazon Pkwy. (Hilyard to Dillard)
- Ione Ave. (Best to Adkins)
- Jefferson St. (8th to 18th)
- Leigh St. (North End to Wester)
- Lydick Way (Tomahawk to Harlow)

- Pioneer Ct. (Pioneer Pike to North End)
- Satre St. (Bailey to Western)
- Tomahwak Ln. (Harlow to 580' North)
- Western Dr. (Calvin St to Monroe Middle School)
- 3rd Ave. (Washington to Lincoln)
- Wilshire Ln. (Wilshire to Timberline)

Funding

The City of Eugene transportation system is a public asset with an estimated replacement value of $500 million. Adequate maintenance of this asset requires continuing investment in pavement preservation along with capacity enhancements to match population growth. Over time, street repair funding levels have failed to keep pace with rehabilitation needs. In 2003, the City established a local gas tax at $0.05 per gallon to help fund the Pavement Preservation Program. The motor vehicle fuel tax is projected to provide about $3 million annually for pavement preservation. These funds may only be used to preserve current assets and cannot be used to expand transportation system capacity. Despite the 2003 motor fuel tax, the backlog of needed preservation and reconstruction projects is estimated to necessitate $18 million annually to fully fund and stabilize the transportation system.

In November 2012, Eugene voters approved a five-year General Obligation Bond measure to continue repairing the backlog of streets with maintenance needs. The $43 million five-year plan will be used to repave approximately 74 lane miles of streets and help fund pedestrian and bicycle projects. The bond measure provides additional funds through FY19, but beginning in FY20 annual pavement preservation spending will drop from an average of $12.7 million to $3.1 million. Construction of bond financed projects began in the summer of 2014, and the first year of the tax levy occurred in FY15.

The proceeds of the 2012 bond measure in addition to the local motor vehicle fuel tax and the reimbursement component of the transportation system development charges, represent a significant investment in the preservation of the City's transportation infrastructure. However, there is still a substantial pavement preservation backlog and the City has yet to establish a locally controlled, sustainable funding source for street maintenance and preservation. The pavement preservation backlog on asphalt streets was estimated to be $92 million at the end of 2016.

The FY18 Adopted Capital Budget provides $24.6 million for transportation projects.

Funding Summary

Transportation Projects	Fund*	Funding Source	Amount
13th Avenue Two-Way Protected Bikeway	340	Grants	$2,610,000
	330	SDCs	390,000
Coburg Road at MLK Jr. Blvd. Safety Improvements	340	Grants	358,000
	330	SDCs	27,000
Capital Project Amenities	340	Miscellaneous	7,200
Ferry Street Bridge and Viaduct Repair	340	Grants	5,484,000
	330	SDCs	300,000
MLK Jr. Blvd. at Kinsrow Ave. Safety Improvements	340	Grants	127,000
	330	SDCs	9,000
Neighborhood Transportation Livability	340	General Fund Transfer	30,000
Pavement Preservation Program	539	Stormwater User Fees	500,000
	530	Wastewater User Fees	100,000
	340	Local Motor Vehicle Fuel Tax	3,100,000
	330	SDCs	125,000
Pavement Preservation Program – Street Bonds	340	Street Bonds	8,890,000
River Road at Irving Road Safety Improvements	340	Grants	1,912,366
	330	SDCs	161,335
River Road at River Avenue Safety Improvements	340	Grants	148,105
	330	SDCs	12,495
Traffic Operations Improvement Program	330	SDCs	150,000
Traffic Signal Improvements and Upgrades	330	SDCs	150,000
Total Transportation			**$24,591,501**

Funding Recap	Funding Source	Amount
	General Fund Transfer	$30,000
	Grants	10,639,471
	Local Motor Vehicle Fuel Tax	3,100,000
	Miscellaneous	7,200
	SDCs	1,324,830
	Street Bonds	8,890,000
	Stormwater User Fees	500,000
	Wastewater User Fees	100,000
		$24,591,501

*Please see Fund Descriptions at the end of the Capital Budget section.

CIP to Adopted Capital Budget Reconciliation

First Year of FY18-23 Adopted CIP - Transportation	$25,886,000
Changes via FY18 Capital Budget	
13th Avenue Two-Way Protected Bikeway	(280,000)
Capital Project Amenities	7,200
EWEB Riverfront Path Reconstruction	(1,251,000)
Pavement Preservation Program	250,000
Pavement Preservation Program – Street Bonds	(10,000)
River Road at Irving Road Safety Improvements	(13,299)
River Road at River Avenue Safety Improvements	2,600
	(1,294,499)
FY18 Adopted Capital Budget - Transportation	**$24,591,501**

ADOPTED FY18 TRANSPORTATION PROJECTS*

Functional and Safety Improvements	**$3,092,501**

- **Capital Project Amenities** **7,200**
  Additional urban forest tree plantings to accompany transportation system projects.

- **Coburg Road at MLK Jr. Boulevard Safety Improvements** **385,000**
  Traffic signal hardware improvements at the intersection of Coburg Road and MLK Jr. Boulevard and installation of coordinated flashing beacons as an advance warning for vehicles.

- **MLK Jr. Boulevard at Kinsrow Avenue Safety Improvements** **136,000**
  Traffic signal hardware improvements at the intersection of MLK Jr. Boulevard and Kinsrow Avenue.

- **Neighborhood Transportation Livability** **30,000**
  Neighborhood transportation projects on local streets including traffic calming projects: speed humps, diverters, chokers, circles, street lights; bike and pedestrian improvements; transit facilities; and other street enhancements. Program addresses neighborhood livability issues which are prioritized with the assistance of neighborhood organizations.

- **River Road at Irving Road Safety Improvements** **2,073,701**
  This project includes rebuilding of the traffic signal at the intersection of River Road with Irvington Road/Hunsaker Lane, construction of dedicated left-turn lanes on the approaches to River Road from Irving and Hunsaker and installation of green bike lanes at conflict points.

- **River Road at River Avenue Safety Improvements** **160,600**
  Construction of raised medians adjacent to channelized left-turn lanes on River Road approaching River Avenue which is projected to improve the safety of this intersection.

- **Traffic Operations Improvement Program** **150,000**
  Safety and transportation system management improvements include adding turn lanes and bicycle lanes, median islands, safety devices, and other restriping and channelization modifications.

- **Traffic Signal Improvements and Upgrades** **150,000**
  Install new traffic signals and upgrade the traffic signal system to improve responsiveness, reduce delay, improve air quality, and facilitate multi-modal traffic flow. Locations for installing new traffic signals are based on a priority rating system that considers traffic volumes, delays, accidents, standard signal warrants and other traffic and development-dependent factors.

Preservation and Maintenance	**$18,499,000**

- **Ferry Street Bridge and Viaduct Repair** **5,784,000**
  Preserve the Ferry Street Bridge through deck rehabilitation, minor structural repairs to support members, and spot painting. Repairs to the Viaduct include deck sealing, minor structural member repair, and repairs to the bridge railing.

- **Pavement Preservation Program** **3,825,000**
  Preserve existing improved streets and alleys citywide, through overlays and surface treatments. This program also includes reconstruction projects for roadways deteriorated to a point where investment in capital preservation and preventative maintenance are not cost-effective.

- **Pavement Preservation Program – Street Bonds** **8,890,000**
  Street and bike path rehabilitation projects funded through the General Obligation Bonds approved by voters in 2012.

Upgrades and Capacity Enhancements	**$3,000,000**

- **13th Avenue Two-Way Protected Bikeway** **3,000,000**
  Installation of a two-way protected bikeway on 13th Avenue between Alder Street and Lincoln Street.

TOTAL FY18 TRANSPORTATION PROJECTS	**$24,591,501**

***** Does not include Capital Carryover projects. For additional information on the individual capital projects please see the FY18-23 Adopted CIP.

Overview

The City's wastewater collection system collects and transmits wastewater from Eugene to the regional water pollution control facility, which is owned and operated by the Metropolitan Wastewater Management Commission (MWMC). Projects associated with the regional water pollution control facility and other regional facilities are separately managed and funded by the MWMC Capital Program.

The majority of projects in the Wastewater section of the capital budget are derived from the Urban Sanitary Sewer Master Plan and the Wet Weather Flow Management Plan. Both plans include recommendations for the rehabilitation of existing systems and management of inflow and infiltration (I&I program) entering the wastewater collection system. During periods of wet weather, excessive amounts of groundwater and/or rainwater enter the system due to the deterioration of the collection system (open joints, cracks, etc.). When this occurs, it reduces the carrying capacity of the collection system and results in increased inflow that must be treated at the wastewater treatment plant. The I&I program was designed to reduce the amount of groundwater and/or rainwater flow entering the system.

Wastewater rehabilitation project

Funding

The Wastewater Capital Program is supported by local wastewater user fees, wastewater Systems Development Charges (SDCs), and assessments to property owners. Expansion of the wastewater collection system is financed primarily by assessments and SDCs on new development.

Funding Summary

Wastewater Projects	Fund*	Funding Source	Amount
Community Sewers Rehabilitation	530	Wastewater User Fees	$255,000
Pump Station Rehabilitation	530	Wastewater User Fees	200,000
Services for New Development	330	SDCs	200,000
Wastewater System Rehabilitation	330	SDCs	200,000
	530	Wastewater User Fees	1,300,000
West Irwin Pump Station Replacement	330	SDCs	750,000
	530	Wastewater User Fees	250,000
Total Wastewater			**$3,155,000**
Funding Recap		**Funding Source**	**Amount**
		SDCs	$1,150,000
		Wastewater User Fees	2,005,000
			$3,155,000

*Please see Fund Descriptions at the end of the Capital Budget section.

CIP to Adopted Capital Budget Reconciliation

First Year of FY18-23 Adopted CIP – Wastewater	$3,155,000
No Changes via FY18 Capital Budget	0
	0
FY18 Adopted Capital Budget – Wastewater	**$3,155,000**

ADOPTED FY18 WASTEWATER PROJECTS*

Functional and Safety Improvements	**$1,000,000**
• **West Irwin Pump Station Replacement** Replacement of the West Irwin Pump Station, which was originally constructed in 1964. This is the City's second largest pump station and complete reconstructions is needed to mitigate capacity constraints, safety considerations, and structural issues.	**1,000,000**

New Capital Facilities	**$200,000**
• **Services for New Development** Addresses City's share of miscellaneous wastewater system projects petitioned for by benefiting property owners. Funding allows the City to respond to requested projects in a timely manner.	**200,000**

Preservation and Maintenance	**$1,955,000**
• **Community Sewers Rehabilitation** Addresses the portion of the wastewater system that involves long private laterals in the public right-of-way, or laterals crossing multiple properties to get to the public system. Projects extend public sewer to individual lots. Work will be done in conjunction with the Wastewater System Rehabilitation projects, in coordination with the Pavement Preservation Program, or independently as problems arise.	**255,000**
• **Pump Station Rehabilitation** Provides service to aging pump stations in the local system to maximize efficient operation and minimize costs and operational problems.	**200,000**
• **Wastewater System Rehabilitation** Preserves and rehabilitates an aging wastewater system; decrease inflow and infiltration and addresses increased wet weather flows.	**1,500,000**

TOTAL FY18 WASTEWATER PROJECTS	**$3,155,000**

* Does not include Capital Carryover projects. For additional information on the individual capital projects please see the FY18-23 Adopted CIP.

Fund 170 Community Development Fund

Funding: Federal grants received under the provisions of Title I of the Community Development Act of 1974 and Title II of the Cranston-Gonzalez National Affordable Housing Act.

Purpose: Federal CDBG and HOME grants fund program activities for the benefit of low income individuals. This fund also accounts for General Fund low-income housing development and the historic preservation and downtown revitalization loan programs administered by the Community Development Division.

Fund 180 Library, Parks and Recreation Special Revenue Fund

Funding: Contributions from private donors, grants and revenue for reimbursable services.

Purpose: The resources of this fund may be used in combination with other park-related capital funds (e.g. General Fund, Parks System Development Charges and/or Parks and Open Space Bond funds), as appropriate to fund parks capital projects.

Fund 310 General Capital Projects Fund

Funding: Transfer from the General Fund (property taxes and other City general revenue sources), 2006 Parks, Recreation and Open Space Bonds.

Purpose: General Capital Project Funds are used for any specific project, service or program not supported by dedicated or other funding.

Fund 330 System Development Capital Projects Fund

Funding: System Development Charges (SDCs) for transportation, stormwater, wastewater and parks.

Purpose: Capital projects using these funds include improvements to streets, wastewater lines and pump stations, stormwater systems and parks, as well as the construction of off-street bike paths. Financing is provided by a systems development charge levied against developing properties. Expenditures of improvement fee SDCs are restricted by state law to capacity-enhancing projects for the following systems: transportation, wastewater, stormwater and parks facilities. The reimbursement portion of SDCs may be used for capital projects related to the system for which the fee was collected, including rehabilitation of existing systems. Eugene currently has a reimbursement fee for transportation, wastewater and stormwater systems.

Fund 340 Transportation Capital Projects Fund

Funding: Grants, intergovernmental agreements, Local Motor Vehicle Fuel Tax and 2012 General Obligation Street Bonds.

Purpose: The City's Transportation Capital Projects Fund accounts for revenues received from multiple sources. These capital funds are used for transportation related purposes, such as preservation and maintenance of existing transportation capital assets or new capital facility construction.

Fund 510 Municipal Airport Fund

Funding: Airport parking fees, landing fees, terminal rents, fees from other operations, special federal funding and Passenger Facility Charges.

Purpose: Projects include capital improvements to the Eugene Airport terminal, runways, taxiways and other airport buildings and surrounding areas.

Fund 520 Parking Services Fund

Funding: Parking fees, fines and rent.

Purpose: Funds are used for the upgrade and rehabilitation of the parking structures, downtown surface lot parking and on-street parking. These facilities operate as self-supporting enterprise funds with established reserves set aside for major rehabilitation and maintenance. Projects include improvements required by the Americans with Disabilities Act (ADA), meter security and lock upgrades and upgrading of energy-efficient lighting.

Fund 530 Wastewater Utility Fund

Funding: Wastewater user fees and charges.

Purpose: Projects are wastewater improvements in developed areas and the construction of major trunk sewers. Capital projects budgeted in the Wastewater Fund are funded by user fees. User fees are established annually to cover both operating and capital budgets.

Fund 539 Stormwater Utility Fund

Funding: Stormwater user fees and charges.

Purpose: Projects are stormwater improvements in developed areas and the construction of storm drainage systems. Capital projects budgeted in the Stormwater Fund are funded by user fees. User fees are established annually to cover both operating and capital budgets.

Wetlands Mitigation Bank Subfund

Funding: Revenues from the sale of mitigation credits to public and private developers.

Purpose: The Wetlands Mitigation Bank Subfund rolls up to the Stormwater Fund. As part of the development permitting process, the Army Corps of Engineers or the Division of State Lands requires developers to replace wetlands that cannot be protected or mitigated on-site. The City constructs and maintains the "mitigation" wetlands, in cooperation with the Bureau of Land Management under the approval of the Army Corps of Engineers and the Division of State Lands. The mitigation bank provides a mechanism to protect and manage the City's largest open space system.

Fund 615 Facilities Services Fund

Atrium Subfund

Funding: Both private and public tenants pay into the Atrium Subfund to cover the cost of annual operations, maintenance, long-term capital improvements, and debt service.

Purpose: The Atrium Subfund rolls up to the Facilities Services Fund. The Atrium property is located on the corner of 10th Avenue and Olive Street. The facility has approximately 47,700 leasable square feet, and houses the City's Planning Development Department, including the Permit Information Center, other City staff, and several private tenants.

OTHER AGENCY FUNDING SOURCES

Federal Funds

Funding: Federal transportation funds authorized by the Moving Ahead for Progress in the 21st Century Act (MAP-21), (P.L. 112-141) or an extension thereof, and administered by the Federal Highway Administration and Federal Surface Transportation Program – Urban funds.

Purpose: Projects using these funds must meet the federally established criteria in the transportation bill. These projects include improvements to the street system to address all modes of transportation and certain off-street improvements such as bike paths.

Federal Aviation Administration (FAA) Grants

Funding: Federal Aviation Administration grants.

Purpose: Projects using these funds include capital improvements to the Eugene Airport terminal, runways, taxiways, and other airport-related facilities. These grants typically require a matching of airport funds.

State of Oregon

Funding: Oregon Department of Transportation (ODOT) funds and other state agencies.

Purpose: Funding provided by the State of Oregon through the Oregon Transportation Investment Act revenues or grants for state transportation projects, stormwater and wetland projects.

This page intentionally left blank.

Non-Departmental Budget

Table of Contents

Preface 395

Balance Available 396

Contingency 398

Debt Service 399

Interfund Loans 405

Interfund Transfers 406

Reserves 410

Special Payments 411

Unappropriated Ending Fund Balance 412

This page intentionally left blank.

As required by Oregon Local Budget Law or Generally Accepted Accounting Principles (GAAP), this section documents appropriations that are not associated with a specific department or activity. Each type of non-departmental transaction is explained in a separate section and includes financial data. Non-departmental items include Balance Available, Contingency, Debt Service, Interfund Transfers, Reserves, Special Payments and Unappropriated Ending Fund Balance.

The Balance Available account represents the estimated resources that remain undesignated for current or future appropriation. Balance Available provides for cash flow requirements during the fiscal year. According to adopted policy, most funds should maintain a Balance Available equal to two months of operating expenses. This estimate appears in the budget for balancing purposes only. These funds cannot be expended without specific authorization by the City Council.

Overall, the Adopted FY18 Balance Available accounts have increased 11% from the FY17 Adopted Budget.

The Public Safety Communications Fund Balance Available increased due to the collection of reserve funds for the eventual replacement of the radio system console equipment which is used to provide fire dispatching service.

The Telecom Registration/Licensing Fund Balance Available decreased primarily due to a one-time allocation for the Downtown High-Speed Fiber Project.

The Community Development Fund Balance Available decreased due to an appropriation of funds for the Downtown Revitalization Loan Program.

The General Capital Projects Fund Balance Available increased due to an anticipated land acquisition under the 2006 Parks, Recreation and Open Space bond, and previously directed interfund transfers for the City Hall project.

The Transportation Capital Fund Balance Available decreased due to the assumption during fund balancing that all capital dollars will be spent, and if any are not spent, they will be reconciled during the supplemental budget process. This occurs each budget year.

The Parking Services Fund Balance Available decreased due to addressing significant deferred structure maintenance and an increase in capital expenditures in FY18.

The Wastewater Utility Fund experienced a Balance Available decrease at the budget level as it is assumed the entire budget will be spent. In previous years, the forecast for this fund assumed that 6% of the funds would be left unspent each fiscal year.

The Ambulance Transport Fund Balance Available decreased due to an increase in operating expenses without a corresponding revenue increase.

Fund	FY15 Adopted Budget	FY16 Adopted Budget	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Special Assessment Management	$1,149,098	$1,128,565	$1,130,505	$1,133,732	$1,085,177
Public Safety Communications	419,261	602,289	831,835	585,827	1,587,238
Road	2,833,681	941,022	2,096,415	2,912,367	2,564,336
Telecom Registration/Licensing	4,717,967	2,914,256	3,163,089	2,549,160	1,586,956
Construction and Rental Housing	3,609,013	4,682,851	4,839,853	5,322,921	4,315,568
Solid Waste and Recycling	458,471	557,025	591,811	539,436	622,641
Community Development	0	0	0	325,822	0
Library, Parks and Recreation	353,528	384,135	640,199	963,273	1,042,464
General Capital Projects	630,858	655,589	1,299,941	845,730	3,348,017
System Development Cap. Proj.	11,479,019	14,447,622	15,016,851	14,847,960	15,802,565
Transportation Capital Projects	97,012	374,130	1,442,872	1,904,984	860,303
Special Assessments Cap. Proj.	1,384,483	988,199	1,111,696	1,133,342	1,221,312
Municipal Airport	5,272,222	5,149,296	4,819,959	4,253,576	5,123,314
Parking Services	0	87,764	906,667	1,638,710	518,643
Wastewater Utility	993,095	753,771	603,693	1,420,315	347,072
Stormwater Utility	1,965,080	1,714,548	2,234,751	3,279,033	3,258,531
Ambulance Transport	51,948	2,009	884,664	778,916	3,805
Information Systems and Services	1,042,720	630,487	1,728,198	1,930,332	2,265,603
Fleet Services	93,057	456,248	448,034	829,757	1,370,946
Facilities Services	2,104,293	2,095,637	2,175,929	2,272,167	2,015,803
Risk and Benefits	842,181	2,501,142	4,328,404	7,287,779	7,087,098
Professional Services	1,963,040	1,204,485	1,146,210	1,034,139	1,082,377
Total	$41,460,027	$42,271,070	$51,441,576	$57,789,278	$57,109,769

Contingency appropriations are authorized by ORS 294.388 to provide a resource for occurrences or emergencies that cannot be foreseen at the time of budget adoption. Authorization by the City Council is required prior to the use of these funds. When authorization is granted, appropriations are transferred from the Contingency account to the designated expenditure account.

Fund	FY15 Adopted Budget	FY16 Adopted Budget	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
General	$47,000	$32,000	$32,000	$10,851	$12,000
Total	$47,000	$32,000	$32,000	$10,851	$12,000

Debt service appropriations provide for the payment of principal and interest on bonds, notes and lines of credit (LOC), as well as some debt issuance costs.

The City relies on property tax-supported bonds and full faith and credit obligations for most debt issuance needs. The City does not borrow externally on a short-term basis to support operations. General obligation (G.O.) bonds that are secured by property taxes must be approved by the voters. Full faith and credit obligations are backed by the City's General Fund and may be repaid from another revenue source such as rental charges; these bonds do not require voter approval.

Certain public improvements, such as streets, sewers and sidewalks, may be financed in the assessment program. A short-term LOC is used to pay the initial construction costs for assessment projects prior to long-term debt issuance. Long-term assessment bonds have a limited tax pledge and are secured by placing a lien against the benefitting properties. In addition, the City maintains reserves to cover assessment payment deficiencies.

The City has one outstanding note payable. A loan from the Department of Housing and Urban Development (HUD) was used to purchase property at the corner of Broadway and Willamette for redevelopment of the Broadway Commerce Center and is repaid from developer payments.

The City's G.O. and full faith and credit debt is rated "Aa1" by Moody's Investors Service. The limited tax debt (pension obligation bonds) is part of a pool issuance and was upgraded by Moody's to an "A2" rating in conjunction with a rating methodology change related to pool financings in March 2017. The City has held a double-A rating on its debt since 1957.

Outstanding Indebtedness

The City's indebtedness as of July 1, 2016, is listed below:

	Interest Rates on Outstanding Bonds	Original Amount	Maturity Date	Outstanding Principal
Voter Approved General Obligation Bonds:				
Parks, Athletic Fields and Open Space LOC	variable	$3,000,000	6/1/2019	$50,000
Street Bonds, Series 2012 LOC *	variable	5,000,000	6/1/2019	0
Refunding, Series 2011 **	2.000% to 3.000%	10,975,000	6/1/2022	5,450,000
Refunding, Series 2016 ***	2.000% to 5.000%	10,125,000	6/1/2026	10,125,000
				15,625,000
Self Supporting General Fund Secured Debt:				
Improvement, Series 2011	7.050%	580,000	6/1/2021	216,965
Atrium Full Faith and Credit, Series 1998	4.800% to 6.200%	2,400,000	6/1/2018	390,000
Pension Obligation, Series 2002	6.850% to 7.410%	68,015,710	6/1/2028	51,895,684
				52,502,649
Notes Payable:				
HUD 108	0.280% to 3.700%	7,895,000	8/1/2030	5,868,000
Total Outstanding Debt as of July 1, 2016				$73,995,649

* Street Bonds, Series 2012 LOC has a zero outstanding balance. Additional draws will occur as needed to pay for project costs, and those draws will be repaid within the same fiscal year.
** The 2011 Refunding refinanced the 2002 Fire Projects, 2008 Parks, Athletic Fields and Open Space Bonds and a portion of the 2008 Parks, Athletic Fields and Open Space LOC.
*** The 2016 Refunding proceeds were used to refund $2,350,000 of the G.O. Bond and Revolving Credit Facility Parks and Open Space, advance refund $2,060,000 of the Parks and Open Spaces Bonds, Series 2004, and $4,360,000 of the G.O. Refunding Bonds, Series 2006. In addition, $2,000,000 of the Bond proceeds will be used for the purchase of land for Parks and Open Space and the construction and improvement of athletic fields.

Legal Debt Limits

Under Oregon statutes, the City is limited in the amount of G.O. bonds outstanding to 3% of real market value of property. The statutory limit specifically excludes assessment, sewer and off-street parking debt. In addition, there is a separate limitation of 3% on the amount of bonds that can be outstanding for the assessment program. Full faith and credit obligations are not limited by statute.

The following schedule depicts the City's legal debt capacity and indicates the amount of marginal capacity available:

Statutory Debt Limitation Calculation as of July 1, 2016

	General Obligation Debt	Assessment Debt
Real Market Value	$24,318,522,865	$24,318,522,865
Debt Capacity - 3% of Real Market Value	729,555,686	729,555,686
Outstanding Debt	(15,625,000)	(216,965)
Debt reserve	290,445	2,066
Net Debt Subject to 3% Limitation	(15,334,555)	(214,899)
Marginal Capacity	$714,221,131	$729,340,787
Statutory Debt Capacity Percent	98%	100%

Overlapping Debt

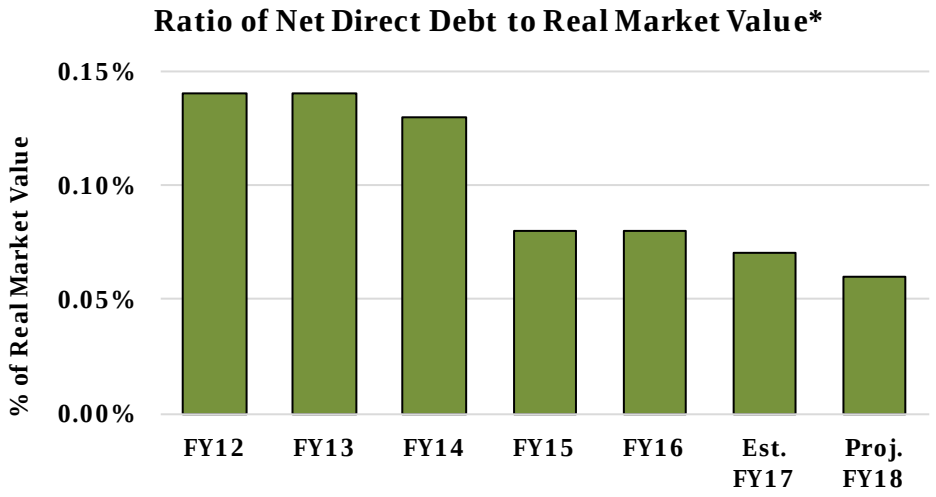
The following schedule indicates the amount of the outstanding debt for jurisdictions that overlap with the City:

Overlapping Debt as of July 1, 2016

Overlapping District	Total Debt	Percent Overlapping	Overlapping Debt
Lane Community College	$128,020,000	46.14%	$59,063,179
Lane County	89,442,011	46.85%	41,902,777
Lane Education Service District	6,790,000	46.91%	3,185,094
School District 4J (Eugene)	296,638,111	78.54%	232,991,438
School District 52 (Bethel)	54,506,166	78.17%	42,605,181
Total Net Direct Overlapping Debt			$379,747,669

Debt to Real Market Value

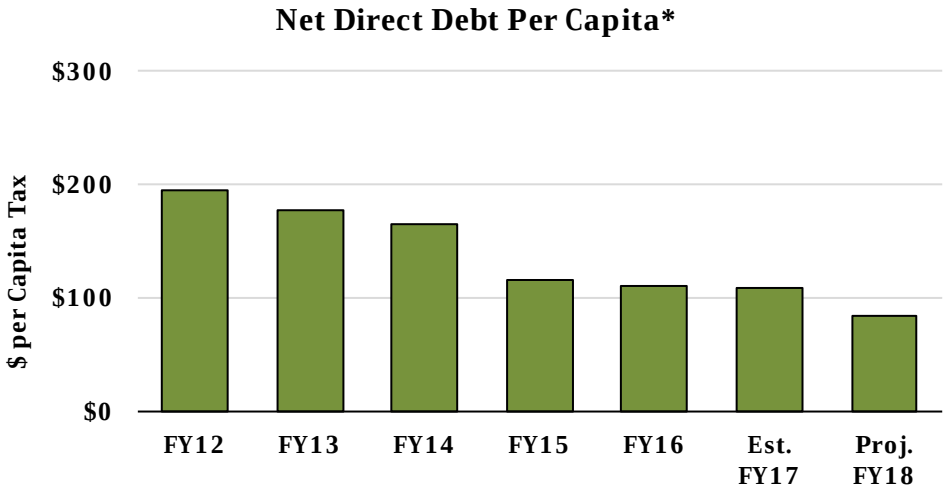
The ratio of debt to real market value is projected to be 0.06% by the end of FY18. The City has adopted a policy limiting net direct debt to no more than 1.0% of real market value.



* Excludes self-supporting debt and pension funds.

Debt Per Capita

The net direct debt per capita ratio is projected to be $84 by the end of FY18.



* Excludes self-supporting debt and pension bonds.

Debt Service Budget – All Funds

Below is a chart that sets out the budget for principal and interest payments on all City debt, as well as debt issuance costs.

Long Term Debt Payments Fund	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
Community Development	$1,594,224	$327,642	$365,379	$365,379	$364,649
G.O. Debt Service	13,720,968	23,443,280	13,333,507	13,425,650	13,447,025
Special Assessment Bond	112,870	96,076	300,000	300,000	250,000
Facilities Services	205,770	211,700	212,000	212,000	211,165
Risk and Benefits	5,784,373	6,069,373	6,364,500	6,364,500	6,674,500
Total	$21,418,205	$30,148,071	$20,575,386	$20,667,529	$20,947,339

Debt Issuance Costs Fund	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
G.O. Debt Service	$0	$89,434	$0	$0	$0
General Capital Projects	5,106	22,375	50,000	50,000	40,000
Transportation Capital	3,682	5,680	10,000	10,000	10,000
Total	$8,788	$117,489	$60,000	$60,000	$50,000

Authorized but Unissued Debt and Future Debt Plans

In November 2006, voters approved $27,490,000 of G.O. bonds for parks, athletic fields and preservation of open space. As of June 30, 2017, the City had issued $24,221,000 of debt under this authorization, leaving $3,269,000 authorized but unissued.

In November 2012, voters approved $43,000,000 of G.O. bonds to fix streets. As of June 30, 2017, the City has issued $24,979,700 of debt under this authorization, leaving $18,020,300 authorized but unissued.

To fund capital projects under the bond authorizations referenced above, the City expects to issue debt in the form of a short-term line of credit that will be repaid from property tax levies authorized by voters.

Projected Debt Activity

The chart below sets out principal and interest payments on outstanding debt as well as projected new issuance during FY18.

FUND/BOND OR LOAN	Outstanding Principal Balance 7/1/2017	New Issuance	Principal Payments	Interest	Outstanding Principal Balance 6/30/2018
COMMUNITY DEVELOPMENT FUND					
HUD 108 Loan	$5,677,000	$0	$193,000	$171,649	$5,484,000
GENERAL OBLIGATION DEBT SERVICE FUND					
G.O. Parks, Athletic Fields and Open Space LOC *	0	389,000	389,000	100,000	0
G.O. Street Bonds LOC *	0	8,900,000	8,900,000	170,000	0
G.O. Refunding, Series 2011	4,120,000	0	1,380,000	104,525	2,740,000
G.O. PROS Bonds, Series 2016	8,065,000	0	2,110,000	293,500	5,955,000
TOTAL G.O. DEBT SERVICE FUND	12,185,000	9,289,000	12,779,000	668,025	8,695,000
ASSESSMENT BOND FUND					
Limited Tax, Series 2011 **	192,461	0	192,461	30,000	0
TOTAL ASSESSMENT BOND FUND	192,461	0	192,461	30,000	0
FACILITIES SERVICES FUND					
Atrium Full Faith and Credit, Series 1998 A and B	200,000	0	200,000	11,165	0
RISK AND BENEFITS FUND					
Pension Obligation Bonds, Series 2002	50,868,230	0	1,051,915	5,622,457	49,816,315
TOTAL ALL FUNDS	$69,122,691	$9,289,000	$14,416,376	$6,503,296	$63,995,315

* These revolving LOC facilities will be drawn down as needed to pay for project costs, and those draws will be repaid within the same fiscal year. Actual activity may differ.

** The City remits all assessment proceeds to pay the assessment bonds twice each year. Actual activity may differ.

Interfund loan appropriations are made pursuant to ORS 294.468 and reflect loans made from one fund to another. Oregon Budget Law requires that loans appropriated for operating purposes be paid back in the following fiscal year, while capital loans must be repaid within five years.

Interfund loans are not contributions or transfers to the borrowing funds. They are used as a mechanism to ensure that sufficient cash is available in each fund to meet its obligations. Loans must be repaid with interest from the resources of the borrowing fund. Interfund loan interest repayments are considered debt service expenditures and are included in the debt service portion of the Non-Departmental Budget.

The City does not have any interfund loans outstanding.

Interfund transfers are authorized by ORS 294.361 and ORS 294.463 and represent transfers of resources between funds for the repayment of costs incurred by one fund on behalf of another, or represent transfers of equity between funds.

The majority of interfund transfers represent Central Service Allocation (CSA) payments from the various funds receiving General Fund services. Allocations are based on an internal cost allocation plan designed to recover costs in the General Fund for Council and City Manager's Office, Human Resources, Finance, Information Services, and department administration. Other transfers are described below.

General Fund – Transfers from the General Fund include $3,169,300 to the General Capital Projects Fund for general capital projects, $1,466,755 to the Fleet Services Fund for scheduled replacement of vehicles, $30,000 to the Transportation Capital Projects Fund for traffic calming projects, $5,000 to the Public Safety Communications fund for regional radio systems, and $1,000,000 to the Ambulance Transport fund for emergency medical services.

Road Fund – Transfer of $135,000 to the General Capital Projects Fund to support the previously authorized funding plan for the City Hall project.

Telecom Registration/Licensing Fund – Transfer of $450,000 to the General Fund to cover a portion of telephone costs.

Parking Services Fund – Transfer of $838,350 to the General Fund for Downtown police officers.

Wastewater Utility Fund – Transfer of $135,000 to the General Capital Projects Fund to support the previously authorized funding plan for the City Hall project.

Ambulance Transport Fund – Transfer of $395,757 to the General Fund to support dispatch costs.

Professional Services Fund – Transfer of $270,000 to the General Capital Projects Fund to support the previously authorized funding plan for the City Hall project.

Interfund Transfer by Fund

Fund	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
General	$7,643,328	$5,279,300	$4,530,280	$5,580,280	$5,671,055
Special Assessment Management	9,000	7,000	8,000	8,000	9,000
Road	1,032,752	863,000	965,000	965,000	1,024,000
Public Safety Communications	186,000	197,000	160,000	160,000	131,000
Telecom Registration/Licensing	490,000	1,493,000	479,000	479,000	487,000
Construction and Rental Housing	744,000	820,000	884,000	884,000	919,000
Solid Waste and Recycling	104,000	74,000	52,000	52,000	73,000
Community Development	140,000	123,000	105,000	105,000	93,000
Special Assessment Bond	0	353,535	10,000	10,000	10,000
System Development Cap. Proj.	34,000	39,000	41,000	41,000	44,000
Special Assessments Cap. Proj.	0	610,291	20,000	20,000	20,000
Municipal Airport	508,000	520,000	603,000	603,000	605,000
Parking Services	1,940,100	1,502,755	1,064,425	1,064,425	1,087,350
Wastewater Utility	1,492,000	1,520,000	1,718,000	1,718,000	1,785,000
Stormwater Utility	1,005,000	1,086,000	1,154,000	1,154,000	1,111,000
Ambulance Transport	947,031	932,390	899,998	899,998	979,757
Information Systems and Services	259,000	299,000	339,000	339,000	402,000
Fleet Services	343,000	356,000	406,000	406,000	394,000
Facilities Services	524,598	433,000	421,000	421,000	477,000
Risk and Benefits	152,000	129,000	156,000	156,000	224,000
Professional Services	571,000	665,000	888,000	888,000	920,000
TOTAL	**$18,124,808**	**$17,302,271**	**$14,903,703**	**$15,953,703**	**$16,466,162**

Interfund Transfers to Other Funds:	FY18 Adopted
From General Fund	
To General Capital Projects Fund	$3,169,300
To Transportation Capital Projects Fund	30,000
To Fleet Services Fund	1,466,755
To Public Safety Communications Fund	5,000
To Ambulance Transport Fund	1,000,000
Subtotal	5,671,055
From Special Assessment Management Fund	
To General Fund*	9,000
Subtotal	9,000
From Public Safety Communications Fund	
To General Fund*	131,000
Subtotal	131,000
From Road Fund	
To General Fund*	889,000
To General Capital Projects Fund	135,000
Subtotal	1,024,000
From Telecom Registration/Licensing Fund	
To General Fund*	37,000
To General Fund	450,000
Subtotal	487,000
From Construction and Rental Housing Fund	
To General Fund*	919,000
Subtotal	919,000
From Solid Waste and Recycling Fund	
To General Fund*	73,000
Subtotal	73,000
From Community Development Fund	
To General Fund*	93,000
Subtotal	93,000
From Special Assessment Bond Fund	
To Special Assessment Management Fund	10,000
Subtotal	10,000
From System Development Capital Projects Fund	
To General Fund*	44,000
Subtotal	44,000
From Special Assessments Capital Projects Fund	
To Special Assessment Management Fund	20,000
Subtotal	20,000

*Interfund transfer is for the Central Services Allocation.

Interfund Transfers to Other Funds:	FY18 Adopted
From Municipal Airport Fund	
To General Fund*	$605,000
Subtotal	605,000
From Parking Services Fund	
To General Fund*	249,000
To General Fund	838,350
Subtotal	1,087,350
From Wastewater Utility Fund	
To General Fund*	1,650,000
To General Capital Projects Fund	135,000
Subtotal	1,785,000
From Stormwater Utility Fund	
To General Fund*	1,111,000
Subtotal	1,111,000
From Ambulance Transport Fund	
To General Fund*	584,000
To General Fund	395,757
Subtotal	979,757
From Information Systems and Services Fund	
To General Fund*	402,000
Subtotal	402,000
From Fleet Services Fund	
To General Fund*	394,000
Subtotal	394,000
From Facilities Services Fund	
To General Fund*	477,000
Subtotal	477,000
From Risk and Benefits Fund	
To General Fund*	224,000
Subtotal	224,000
From Professional Services Fund	
To General Fund*	650,000
To General Capital Projects Fund	270,000
Subtotal	920,000
TOTAL INTERFUND TRANSFERS TO OTHER FUNDS	**$16,466,162**

*Interfund transfer is for the Central Services Allocation.

Reserves are resources set aside for a future period. In the appropriation resolution, the line item for "Reserves" is not an expendable appropriation. Council resolution or ordinance is required to move funds out of reserves into an account for expenditure. In the FY18 Adopted Budget, overall reserves have increased by 30.4%.

The increase in total reserves is primarily due to an increase in General Fund reserves from a one-time payment of $18.75 million from Comcast due to a legal settlement.

A decrease in the Public Safety Communications Fund reserves is attributed to the total reserve and balance available amounts being moved into the project balance available account.

Decreases to the Municipal Airport Fund reserves is due to the assumption during fund balancing that all capital dollars will be spent, and if any are not spent, they will be reconciled during the supplemental budget process.

An increase in the Fleet Services Fund reserves is primarily due to extending the lifecycles for fleet vehicles, resulting in a reduction of vehicles replaced.

Decreases to the Professional Services Fund are due to the professional service rates not increasing since FY12 resulting in a reduction in reserves in the fund. The move was intentional in order to spend down reserves and balance available. The goal was to get close to a two-month operating reserve, which is now realized. Because the reserves were spent down, rates will increase during FY18 as the fund moves toward full-cost recovery over the next few years.

Fund	FY15* Adopted Budget	FY16* Adopted Budget	FY17* Adopted Budget	FY17 Budget 12/31/2016	FY18* Adopted Budget
General	$10,989,241	$15,331,964	$12,193,023	$26,928,138	$24,958,133
Special Assessment Management	50,000	50,000	50,000	50,000	50,000
Library Local Option Levy	0	0	168,000	168,000	376,372
Public Safety Communications	1,414,185	903,409	908,520	908,520	0
Telecom Registration/Licensing	340,907	340,907	302,847	302,847	592,847
Community Development	992,266	1,190,000	984,224	1,121,997	1,186,658
Library, Parks and Recreation	2,067,895	2,639,530	2,459,461	2,753,750	2,761,895
Special Assessment Bond Debt	395,394	56,718	58,521	63,891	62,538
General Capital Projects	26,560	566,560	26,560	26,560	26,560
Municipal Airport	3,969,706	2,610,001	1,387,902	781,060	139,025
Information Systems and Services	2,945,985	755,599	1,364,919	1,364,919	1,617,024
Fleet Services	16,332,215	11,755,102	14,629,159	11,879,943	17,157,656
Facilities Services	10,368,607	542,000	536,500	536,500	412,000
Risk and Benefits	5,273,394	6,703,895	6,813,473	6,963,777	6,961,697
Professional Services	2,503,270	2,225,204	1,576,066	1,576,066	388,512
TOTAL	$57,669,625	$45,670,889	$43,459,175	$55,425,968	$56,690,917

* Includes Reserve for Encumbrance (RFE).

Special payments are comprised of interfund loans, loans to parties outside of the City and payments to other governmental agencies.

Intergovernmental "pass-throughs" imposed by a municipality must have the expenditure and corresponding revenue formally appropriated in accordance with ORS 294.466. Examples of pass-throughs that require legal appropriations are Metropolitan Wastewater Management Commission sewer user fees dedicated to the regional management of the wastewater system, septic hauler fees, Construction Excise Tax collected on behalf of the Bethel School District, and Municipal Court fines and fees collected on behalf of other governments.

Special Assessment Management Fund loans are for deferred sewer assessments (under both State and City deferral programs) and the City Street Subsidy Program.

Appropriations for special payments in the Public Safety Communications Fund are for the Lane Regional Interoperability Group (LRIG) regional radio system subscription fees. Beginning in FY15, financial management of the LRIG system was transferred to Lane County.

Appropriations for special payments in the Community Development Fund are for loans made for purposes primarily related to property improvement programs and for Federal Housing and Urban Development pass-through grants to the Urban Renewal Agency for downtown development projects.

Fund	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
General	$560,099	$430,071	$700,000	$700,000	$700,000
Special Assessment Management	0	0	30,000	30,000	30,000
Public Safety Communications	201,443	0	0	0	0
Construction and Rental Housing	585,470	642,290	800,000	800,000	880,000
Community Development	2,777,343	2,681,703	9,098,915	8,219,046	7,651,061
Library, Parks and Recreation	0	16,000	102,006	86,295	86,872
Stormwater Utility	450	350	15,000	15,000	15,000
Wastewater Utility	23,888,320	24,689,715	27,254,200	27,254,200	28,765,127
TOTAL	$28,013,124	$28,460,129	$38,000,121	$37,104,541	$38,128,060

The Unappropriated Ending Fund Balance (UEFB), authorized by ORS 294.398, allows cash to be set aside for the period between the beginning of the next fiscal year and late fall when sufficient property tax revenues are collected to finance expenditures. The property tax-supported funds may require this reserve. In these funds, expenditures may exceed revenues received between July 1 and the first property tax receipts in November. Once the UEFB has been adopted as a part of the budget, Oregon Budget Law stipulates that it cannot be decreased – it cannot be spent in the current budget year unless there is a revenue shortfall or a catastrophic emergency. The UEFB represents an estimate of the unexpended resources that will be carried over to the next fiscal year.

In July 1997, the City Council adopted a policy which requires the UEFB to be budgeted at a level equivalent to two months of operating expenditures in the main subfund of the General Fund.

Fund	FY15 Adopted Budget	FY16 Adopted Budget	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget
General	$21,710,000	$23,040,000	$23,930,000	$23,930,000	$25,330,000
TOTAL	$21,710,000	$23,040,000	$23,930,000	$23,930,000	$25,330,000

Legal Forms

Table of Contents

FY18 Adopted Budget Resolution 415
Exhibit A – Expenditure Appropriations by Fund 418
Exhibit B – Fund Names 425

FY18 State Shared Revenues Resolution 427

FY18 State Revenue Sharing Funds Resolution 429

FY18 Budget Committee Meeting Notice 431

FY18 City Council Public Hearing and Financial Summary Notice 433

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property (Form LB-50 Filed with Lane County) 434

FY18 Tax Differentials 435

This page intentionally left blank.

COUNCIL RESOLUTION NO. 5198

A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DETERMINING, LEVYING AND CATEGORIZING THE ANNUAL AD VALOREM PROPERTY TAX LEVY FOR THE CITY OF EUGENE FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018.

PASSED: 7:0

REJECTED:

OPPOSED:

ABSENT: Ward 4 seat vacant

CONSIDERED: June 26, 2017

RESOLUTION NO. 5198

A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DETERMINING, LEVYING AND CATEGORIZING THE ANNUAL AD VALOREM PROPERTY TAX LEVY FOR THE CITY OF EUGENE FOR THE FISCAL YEAR BEGINNING JULY 1, 2017, AND ENDING JUNE 30, 2018

The City Council of the City of Eugene finds that Adopting the Budget and Making Appropriations is necessary under ORS 294.305 to 294.565.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, A Municipal Corporation of the State of Oregon, as follows:

Section 1. That the budget for the City of Eugene, Oregon, for the fiscal year commencing July 1, 2017 and ending June 30, 2018, as set forth in attached Exhibit A is hereby adopted.

Section 2. That the City Council of the City of Eugene, Oregon makes appropriations for the purposes as set forth in attached Exhibit A.

Section 3. That a total levy in the amount of $7.0058 per $1,000 of Assessed Value be made against all taxable property within the City of Eugene in general, a Library Local Option Levy of $2,700,000 and a Bonded Debt Levy of $13,794,001 for the purpose of deriving funds necessary to carry on the different programs and to meet the expenses of the government of the City of Eugene for the fiscal year beginning July 1, 2017 and ending June 30, 2018; and to create and provide sinking funds and interest funds for the various outstanding bonds and obligations of the City.

Section 4. That the following allocation and categorization subject to the limits of section 11b, Article XI of the Oregon Constitution constitute the above levy:

	Subject to the General Government Limitation	Excluded from the Limitation
General Fund	$7.0058 per $1,000 of Assessed Value	$0
Library Local Option Levy Fund	$2,700,000	$0
Bonded Debt Fund	$0	$13,794,001

Section 5. That the Finance Director of the City of Eugene is hereby requested to certify the levies as herein made and set forth to the County Assessor of Lane County, Oregon, and shall file with the Lane County Assessor and the Lane County Clerk a copy of the adopted budget for Fiscal Year 2017-2018, and such other documents as required by ORS 294.458.

Section 6. That the list of fund numbers and fund titles set forth in attached Exhibit B is hereby adopted, and any fund numbers and fund titles in conflict herewith are hereby repealed.

The foregoing Resolution adopted this 26th day of June, 2017.

Deputy City Recorder – RAWSON BAYLOR-PIND

Exhibit A

City of Eugene
Expenditure Appropriations by Fund

General Fund	$
Department Operating	
Central Services	26,213,689
Fire and Emergency Medical Services	30,238,972
Library, Recreation and Cultural Services	30,731,736
Planning and Development	7,203,900
Police	53,279,325
Public Works	6,463,030
Total Department Operating	154,130,652
Non-Departmental	
Interfund Transfers	5,671,055
Special Payments	700,000
Contingency	12,000
Reserve*	24,958,133
Unappropriated Ending Fund Balance*	25,330,000
Total Non-Departmental	56,671,188
Total General Fund	**210,801,840**
Special Assessment Management Fund	
Department Operating	
Central Services	102,155
Total Department Operating	102,155
Non-Departmental	
Interfund Transfers	9,000
Special Payments	30,000
Reserve*	50,000
Balance Available*	1,085,177
Total Non-Departmental	1,174,177
Total Special Assessment Management Fund	**1,276,332**
Library Local Option Levy Fund	
Department Operating	
Library, Recreation and Cultural Services	2,415,896
Total Department Operating	2,415,896
Non-Departmental	
Reserve*	376,372
Total Non-Departmental	376,372
Total Library Local Option Levy Fund	**2,792,268**
Road Fund	
Department Operating	
Public Works	12,517,888
Total Department Operating	12,517,888
Non-Departmental	
Interfund Transfers	1,024,000
Balance Available*	2,564,336
Total Non-Departmental	3,588,336
Total Road Fund	**16,106,224**

Public Safety Communications Fund	$
Department Operating	
Police	2,158,200
Total Department Operating	2,158,200
Non-Departmental	
Interfund Transfers	131,000
Balance Available*	1,587,238
Total Non-Departmental	1,718,238
Total Public Safety Communications Fund	**3,876,438**

Telecommunications Registration/Licensing Fund	
Department Operating	
Central Services	2,747,204
Total Department Operating	2,747,204
Non-Departmental	
Interfund Transfers	487,000
Reserve*	592,847
Balance Available*	1,586,956
Total Non-Departmental	2,666,803
Total Telecommunications Registration/Licensing Fund	**5,414,007**

Construction and Rental Housing Fund	
Department Operating	
Fire and Emergency Medical Services	333,961
Planning and Development	7,741,765
Public Works	465,363
Total Department Operating	8,541,089
Non-Departmental	
Interfund Transfers	919,000
Special Payments	880,000
Balance Available*	4,315,568
Total Non-Departmental	6,114,568
Total Construction and Rental Housing Fund	**14,655,657**

Solid Waste and Recycling Fund	
Department Operating	
Planning and Development	1,115,198
Total Department Operating	1,115,198
Non-Departmental	
Interfund Transfers	73,000
Balance Available*	622,641
Total Non-Departmental	695,641
Total Solid Waste and Recycling Fund	**1,810,839**

Community Development Fund	$
Department Operating	
Planning and Development	3,890,857
Total Department Operating	3,890,857
Total Capital Projects	551,200
Non-Departmental	
Debt Service	364,649
Interfund Transfers	93,000
Special Payments	7,651,061
Reserve*	1,186,658
Total Non-Departmental	9,295,368
Total Community Development Fund	**13,737,425**
Library, Parks and Recreation Fund	
Department Operating	
Library, Recreation and Cultural Services	392,845
Total Department Operating	392,845
Total Capital Projects	809,450
Non-Departmental	
Special Payments	86,872
Reserve*	2,761,895
Balance Available*	1,042,464
Total Non-Departmental	3,891,231
Total Library, Parks and Recreation Fund	**5,093,526**
General Obligation Debt Service Fund	
Non-Departmental	
Debt Service	13,447,025
Total Non-Departmental	13,447,025
Total General Obligation Debt Service Fund	**13,447,025**
Special Assessment Bond Debt Fund	
Non-Departmental	
Debt Service	250,000
Interfund Transfers	10,000
Reserve*	62,538
Total Non-Departmental	322,538
Total Special Assessment Bond Debt Fund	**322,538**
General Capital Projects Fund	
Department Operating	
Library, Recreation and Cultural Services	20,000
Total Department Operating	20,000
Total Capital Projects	26,031,254
Non-Departmental	
Debt Service	40,000
Reserve*	26,560
Balance Available*	3,348,017
Total Non-Departmental	3,414,577
Total General Capital Projects Fund	**29,465,831**

Systems Development Capital Projects Fund	$
Department Operating	
Planning and Development	119,171
Public Works	544,406
Total Department Operating	663,577
Total Capital Projects	16,486,369
Non-Departmental	
Interfund Transfers	44,000
Balance Available*	15,802,565
Total Non-Departmental	15,846,565
Total Systems Development Capital Projects Fund	**32,996,511**
Transportation Capital Projects Fund	
Total Capital Projects	41,519,426
Non-Departmental	
Debt Service	10,000
Balance Available*	860,303
Total Non-Departmental	870,303
Total Transportation Capital Projects Fund	**42,389,729**
Special Assessments Capital Projects Fund	
Non-Departmental	
Interfund Transfers	20,000
Balance Available*	1,221,312
Total Non-Departmental	1,241,312
Total Special Assessments Capital Projects Fund	**1,241,312**
Municipal Airport Fund	
Department Operating	
Fire and Emergency Medical Services	919,653
Police	634,276
Public Works	9,033,831
Total Department Operating	10,587,760
Total Capital Projects	18,166,302
Non-Departmental	
Interfund Transfers	605,000
Reserve*	139,025
Balance Available*	5,123,314
Total Non-Departmental	5,867,339
Total Municipal Airport Fund	**34,621,401**

Parking Services Fund	$
Department Operating	
Central Services	401,966
Planning and Development	6,267,708
Public Works	78,727
Total Department Operating	6,748,401
Total Capital Projects	298,200
Non-Departmental	
Interfund Transfers	1,087,350
Balance Available*	518,643
Total Non-Departmental	1,605,993
Total Parking Services Fund	**8,652,594**

Wastewater Utility Fund	
Department Operating	
Public Works	25,179,845
Total Department Operating	25,179,845
Total Capital Projects	6,270,937
Non-Departmental	
Interfund Transfers	1,785,000
Special Payments	28,765,127
Balance Available*	347,072
Total Non-Departmental	30,897,199
Total Wastewater Utility Fund	**62,347,981**

Stormwater Utility Fund	
Department Operating	
Public Works	15,817,205
Total Department Operating	15,817,205
Total Capital Projects	8,193,347
Non-Departmental	
Interfund Transfers	1,111,000
Special Payments	15,000
Balance Available*	3,258,531
Total Non-Departmental	4,384,531
Total Stormwater Utility Fund	**28,395,083**

Ambulance Transport Fund	
Department Operating	
Fire and Emergency Medical Services	9,340,077
Total Department Operating	9,340,077
Non-Departmental	
Interfund Transfers	979,757
Balance Available*	3,805
Total Non-Departmental	983,562
Total Ambulance Transport Fund	**10,323,639**

Fleet Services Fund	$
Department Operating	
Public Works	18,157,111
Total Department Operating	18,157,111
Non-Departmental	
Interfund Transfers	394,000
Reserve*	17,157,656
Balance Available*	1,370,946
Total Non-Departmental	18,922,602
Total Fleet Services Fund	**37,079,713**
Information Systems and Services Fund	
Department Operating	
Central Services	13,762,115
Total Department Operating	13,762,115
Non-Departmental	
Interfund Transfers	402,000
Reserve*	1,617,024
Balance Available*	2,265,603
Total Non-Departmental	4,284,627
Total Information Systems and Services Fund	**18,046,742**
Facilities Services Fund	
Department Operating	
Central Services	10,092,109
Planning and Development	507,065
Total Department Operating	10,599,174
Total Capital Projects	631,860
Non-Departmental	
Debt Service	211,165
Interfund Transfers	477,000
Reserve*	412,000
Balance Available*	2,015,803
Total Non-Departmental	3,115,968
Total Facilities Services Fund	**14,347,002**
Risk and Benefits Fund	
Department Operating	
Central Services	38,017,440
Total Department Operating	38,017,440
Non-Departmental	
Debt Service	6,674,500
Interfund Transfers	224,000
Reserve*	6,961,697
Balance Available*	7,087,098
Total Non-Departmental	20,947,295
Total Risk and Benefits Fund	**58,964,735**

Professional Services Fund	$
Department Operating	
Public Works	6,642,967
Total Department Operating	6,642,967
Non-Departmental	
Interfund Transfers	920,000
Reserve*	388,512
Balance Available*	1,082,377
Total Non-Departmental	2,390,889
Total Professional Services Fund	**9,033,856**
Total Resolution	**677,240,248**

* Reserve, Balance Available, and Unappropriated Ending Fund Balance amounts are not appropriated for spending and are shown for informational purposes only.

Exhibit B

City of Eugene
Fund Names

Reporting Fund*	Managing Fund	Fund Title
010	(011, 031, 041)	General Fund Reporting Fund
	011	General Fund Main Subfund
	031	Cultural Services Fund
	041	Equipment Replacement Fund
110	(114 - 117)	Special Assessment Management Reporting Fund
	114	Local Improvement Assistance Fund
	115	Assessment Management Fund
	117	City Sewer Deferral Fund
111	111	Library Local Option Levy Fund
131	131	Road Fund
130	(132 - 134)	Public Safety Communications Reporting Fund
	132	Public Safety Answering Point Fund
	134	Regional Radio System Fund
135	135	Telecommunications Registration/Licensing Fund
150	(151-152)	Construction and Rental Housing Reporting Fund
	151	Construction Permits Fund
	152	Rental Housing Program Fund
155	155	Solid Waste and Recycling Fund
170	(171 - 178)	Community Development Reporting Fund
	171	Community Development Block Grant Fund
	172	CDBG-108/Brownfields Economic Development Initiative Fund
	174	Historic Preservation Loan Fund
	175	Low-Income Housing Fund
	176	Community Revitalization Loan Fund
	177	CDBG Loan Program Revolving Fund
	178	HOME Fund
180	(181 - 187)	Library, Parks and Recreation Reporting Fund
	181	Library Miscellaneous Trust Fund
	183	Art Loan Program Fund
	185	Parks and Recreation Miscellaneous Trust Fund
	186	Hayes Trust Fund
	187	Parks Maintenance Fund
211	211	General Obligation Debt Service Fund
250	(251 - 278)	Special Assessment Bond Debt Reporting Fund
	251	In-City Assessment Bond Reserve Fund
	278	Special Assessment Bonds, Series 2011 Fund
310	(311 - 324)	General Capital Projects Reporting Fund
	311	General Capital Projects Fund
	314	Housing Capital Projects Fund
	319	Public Art Fund
	321	Parks/Open Space Capital Project Fund
	323	City Hall Complex Fund
	324	2006 PROS Bond Projects Fund

* City of Eugene appropriates and reports to these combined funds.

City of Eugene
Fund Names

Reporting Fund*	Managing Fund	Fund Title
330	(332 - 336)	Systems Development Capital Projects Reporting Fund
	332	Systems Development Capital Administration Fund
	333	Transportation Systems Development Capital Projects Fund
	334	Wastewater Systems Development Capital Projects Fund
	335	Stormwater Systems Development Capital Projects Fund
	336	Parks Systems Development Capital Projects Fund
340	(341 - 344)	Transportation Capital Projects Reporting Fund
	341	Road General Capital Fund
	342	Pavement Preservation Program Fund
	344	2012 Street Bonds Fund
350	(351 - 352)	Special Assessments Capital Projects Reporting Fund
	351	Special Assessments Capital Fund
	352	Delayed Assessments Fund
510	(511 - 512)	Municipal Airport Reporting Fund
	511	Airport Fund
	512	Airport Construction Fund
520	(525 - 527)	Parking Services Reporting Fund
	525	On-Street Parking Fund
	527	Off-Street Parking Fund
530	(532 - 534)	Wastewater Utility Reporting Fund
	532	Wastewater Utility - Capital Fund
	533	Wastewater Utility - Treatment Fund
	534	Wastewater Utility - Collection Fund
539	(531, 535, 536)	Stormwater Utility Reporting Fund
	531	Stormwater Utility - Capital Fund
	535	Stormwater Utility - Operation Fund
	536	Wetlands Mitigation Bank Fund
592	592	Ambulance Transport Fund
600	(616, 619)	Fleet Services Reporting Fund
	616	Fleet Replacement and Acquisition Fund
	619	Fleet Operations Fund
610	(611 - 613)	Information Systems and Services Reporting Fund
	611	Information Systems and Services Fund
	612	Public Safety Information Systems Fund
	613	Central Business Software Fund
615	(617, 618, 635)	Facilities Services Reporting Fund
	617	Atrium Fund
	618	Facilities Maintenance Fund
	635	Facilities Professional Services Fund
620	(622 - 625)	Risk and Benefits Reporting Fund
	622	Risk Management Fund
	623	Employee Health and Benefits Fund
	624	Pension Bond Fund
	625	Other Post Employment Benefits (OPEB) Fund
630	(631)	Professional Services Fund

* City of Eugene appropriates and reports to these combined funds.

COUNCIL RESOLUTION NO. 5197

A RESOLUTION CERTIFYING THAT THE CITY OF EUGENE PROVIDES THE MUNICIPAL SERVICES REQUIRED BY OREGON REVISED STATUES SECTION 221.760 IN ORDER TO RECEIVE STATE SHARED REVENUES.

PASSED: 7:0

REJECTED:

OPPOSED:

ABSENT: Ward 4 seat vacant

CONSIDERED: June 26, 2017

Eugene

RESOLUTION NO. 5197

A RESOLUTION CERTIFYING THAT THE CITY OF EUGENE PROVIDES THE MUNICIPAL SERVICES REQUIRED BY OREGON REVISED STATUTES SECTION 221.760 IN ORDER TO RECEIVE STATE SHARED REVENUES

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, A Municipal Corporation of the State of Oregon, as follows:

Section 1. The City of Eugene, Oregon, recognizes the desirability of assisting the State officer responsible for determining the eligibility of cities to receive State Shared Revenues under Oregon Revised Statutes Sections 323.455, 366.785 to 366.820 and 471.805.

Section 2. The City of Eugene, Oregon, declares its eligibility to receive such funds as a city located within a county having more than 100,000 inhabitants according to the most recent federal decennial census that provides four or more of the following municipal services, as required by Oregon Revised Statutes Subsection 221.760(1):

(a) Police protection.

(b) Fire protection.

(c) Street construction, maintenance, and lighting.

(d) Sanitary sewers.

(e) Storm sewers.

(f) Planning, zoning and subdivision control.

The foregoing Resolution adopted the 26th day of June, 2017.

Deputy **City Recorder** – RAWSON BAYLOR-PINO

COUNCIL RESOLUTION NO. 5196

A RESOLUTION ELECTING TO RECEIVE STATE REVENUE SHARING FUNDS PURSUANT TO SECTION 221.770 OF OREGON REVISED STATUTES.

PASSED: 7:0

REJECTED:

OPPOSED:

ABSENT: Ward 4 seat vacant

CONSIDERED: June 26, 2017

Eugene

RESOLUTION NO. 5196

A RESOLUTION ELECTING TO RECEIVE STATE REVENUE SHARING FUNDS PURSUANT TO SECTION 221.770 OF OREGON REVISED STATUTES

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EUGENE, A Municipal Corporation of the State of Oregon, as follows:

Section 1. The City of Eugene, Oregon, for the fiscal year starting July 1, 2017, and ending June 30, 2018, elects to receive distribution of funds from State Revenue Sharing pursuant to Oregon Revised Statutes Section 221.770.

Section 2. The Finance Director of the City of Eugene is hereby requested to file a copy of this Resolution with the Department of Administrative Services of the State of Oregon as prescribed by Oregon Revised Statutes Section 221.770.

The foregoing Resolution adopted the 26th day of June, 2017.

Deputy **City Recorder** – RAWSON BAYLOR-PIND

Budget Committee FY18 Budget Meeting Notice

City of Eugene
and Eugene Urban Renewal Agency
Budget Committee Meetings Notice

The City of Eugene and Eugene Urban Renewal Agency Budget Committee is preparing to review the proposed budget for fiscal year 2017-2018 (FY18) and to provide its recommendations on the budget to the City Council. The Budget Committee wants your help in setting funding priorities for our community. Please join the Budget Committee at its upcoming meetings to learn more and to speak about your priorities.

City Manager's FY18 Proposed Budget Presentation
This presentation consists of both the City and Urban Renewal Agency (URA) budgets, as well as the Unfunded Needs Assessment.
Wednesday, April 26, 2017 • 5:30 p.m.

Budget Committee Public Comment and Deliberation on FY18 Proposed City Budget
Proposed discussion items for this meeting include the remaining Comcast revenues and an update on City preparations for the 2021 World Championships.
Wednesday, May 3, 2017 • 5:30 p.m.

Budget Committee Public Comment and Deliberation on FY18 Proposed URA Budget
Wednesday, May 10, 2017 • 5:30 p.m.

Budget Committee Public Hearing, Deliberation and Action on FY18 Proposed Budget
Wednesday, May 24, 2017 • 5:30 p.m.

All meetings will be held in the Eugene Downtown Public Library Bascom-Tykeson Room, 100 West 10th Avenue.

How You Can Get Involved

Members of the public are encouraged to express their views on the FY18 proposed budget. Public testimony will be taken at **5:30 pm at the May 3** Budget Committee meeting, at **5:30 p.m. at the May 10** Budget Committee meeting and at **5:30 p.m. at the May 24** Budget Committee meeting. Public testimony can also be submitted by sending a written statement to the Budget Committee or City Council, c/o City of Eugene Finance Division, 100 W. 10th Ave. Ste. 400, Eugene, Oregon, 97401; submit a written statement at the meeting or public hearing; or via the Budget Committee contact form at www.eugene-or.gov/budget. At the bottom of the webpage, click the "Contact the Budget Committee" button.

How to Get More Information

The FY18 proposed budget is available on the City of Eugene website at **www.eugene-or.gov/budget** starting on Wednesday, April 19, 2017. Hard copies of the FY18 proposed budget are available for public review at the City of Eugene Finance Division (100 W 10th Avenue, Suite 400, Eugene, Oregon 97401), Downtown Public Library reference desk (100 W 10th Avenue, 2nd floor, Eugene, Oregon 97401), and at the City Manager's Office (Lane County Public Service Building, 125 E 8th Avenue, Eugene, Oregon 97401), starting on Wednesday, April 19, 2017. Budget Committee meeting materials and webcasts are available at w**ww.eugene-or.gov/budget** by selecting the "Budget Meeting Materials" link. Please contact the City of Eugene Finance Division at 541-682-5512 if you have any questions or need additional information.

This notice was published on Thursday, April 13, 2017 at the City of Eugene's website, and may be viewed at www.eugene-or.gov/DocumentCenter/View/32068

Eugene

6914041A17

Published on April 17, 2017 in the Eugene Register-Guard newspaper and posted for over ten days on the City of Eugene website per ORS 294.426(5)(b).

Budget Committee FY18 Budget Meeting Notice

City of Eugene and Eugene Urban Renewal Agency Budget Committee Meetings Notice

The City of Eugene and Eugene Urban Renewal Agency Budget Committee is preparing to review the proposed budget for fiscal year 2017-2018 (FY18) and to provide its recommendations on the budget to the City Council. The Budget Committee wants your help in setting funding priorities for our community. Please join the Budget Committee at its upcoming meetings to learn more and to speak about your priorities.

City Manager's FY18 Proposed Budget Presentation
This presentation consists of both the City and Urban Renewal Agency (URA) budgets, as well as the Unfunded Needs Assessment.
Wednesday, April 26, 2017 • 5:30 p.m.

Budget Committee Public Comment and Deliberation on FY18 Proposed City Budget
Proposed discussion items for this meeting include the remaining Comcast revenues and an update on City preparations for the 2021 World Championships.
Wednesday, May 3, 2017 • 5:30 p.m.

Budget Committee Public Comment and Deliberation on FY18 Proposed URA Budget
Wednesday, May 10, 2017 • 5:30 p.m.

Budget Committee Public Hearing, Deliberation and Action on FY18 Proposed Budget
Wednesday, May 24, 2017 • 5:30 p.m.

All meetings will be held in the Eugene Downtown Public Library Bascom-Tykeson Room, 100 West 10th Avenue.

How You Can Get Involved

Members of the public are encouraged to express their views on the FY18 proposed budget. Public testimony will be taken at 5:30 pm at the May 3 Budget Committee meeting, at 5:30 p.m. at the May 10 Budget Committee meeting and at 5:30 p.m. at the May 24 Budget Committee meeting. Public testimony can also be submitted by sending a written statement to the Budget Committee or City Council, c/o City of Eugene Finance Division, 100 W. 10th Ave., Ste. 400, Eugene, Oregon, 97401; submit a written statement at the meeting or public hearing; or via the Budget Committee contact form at www.eugene-or.gov/budget. At the bottom of the webpage, click the "Contact the Budget Committee" button.

How to Get More Information

The FY18 proposed budget is available on the City of Eugene website at www.eugene-or.gov/budget starting on Wednesday, April 19, 2017. Hard copies of the FY18 proposed budget are available for public review at the City of Eugene Finance Division (100 W 10th Avenue, Suite 400, Eugene, Oregon 97401), Downtown Public Library reference desk (100 W 10th Avenue, 2nd floor, Eugene, Oregon 97401), and at the City Manager's Office (Lane County Public Service Building, 125 E 8th Avenue, Eugene, Oregon 97401), starting on Wednesday, April 19, 2017. Budget Committee meeting materials and webcasts are available at www.eugene-or.gov/budget by selecting the "Budget Meeting Materials" link.

Please contact the City of Eugene Finance Division at 541-682-5512 if you have any questions or need additional information.

This notice was published on Thursday, April 13, 2017 at the City of Eugene's website, and may be viewed at www.eugene-or.gov/DocumentCenter/View/32068

Published on April 20, 2017 in the Eugene Weekly newspaper.

City Council Public Hearing and Financial Summary of the FY18 Budget Notice

Notice of the City of Eugene
Public Hearing on the Recommended FY18 Budget
Monday, June 26, 2017, 7:30 p.m.
Harris Hall, Lane County Public Service Building
125 E 8th Avenue, Eugene, OR 97401

The purpose of this public hearing is to receive public comment on the Fiscal Year 2017/2018 (FY18) Budget for the City of Eugene. The fiscal year begins July 1, 2017 and ends June 30, 2018. The public hearing will be held to receive citizen comments on the proposed uses of City funds. Immediately after the public hearing, the City Council is scheduled to take action on the resolutions adopting the FY18 Budget.

The total budget recommended by the Eugene Budget Committee for FY18 is $636,590,248. This includes $7,404,544 in capital carryover and $12,987,523 in prior year encumbrances, as authorized by the Budget Committee.

At this meeting, pursuant to ORS 221.770, a public hearing will be held to take public testimony on the proposed uses of State Revenue Sharing Funds in the amount of $1,930,000. These uses include police protection, fire protection, planning, zoning and subdivision control.

The FY18 Budget was prepared using a basis of accounting consistent with the preceding fiscal year.

City of Eugene
2017-18 Recommended Budget Summary - All Funds

	FY16 Last Year's Actual	FY17 This Year's Budget as of 12/31/2016	FY18 Next Year's Recomm'd Budget
RESOURCES			
Beginning Fund Balance	$269,706,043	$210,227,225	$247,968,340
Revenues			
Property Taxes	$106,660,621	$113,241,486	$114,175,121
Other Taxes	18,187,498	18,441,800	19,159,000
Licenses and Permits	15,456,545	15,718,230	17,163,306
Intergovernmental	24,915,922	40,522,270	34,210,585
Rental	2,803,689	2,831,670	2,726,913
Charges for Services	184,314,133	184,985,753	202,614,244
Fines and Forfeitures	3,321,330	3,392,250	3,421,100
Miscellaneous Revenues	5,906,296	5,597,417	5,001,415
Other Financing Sources	22,439,647	19,012,291	14,145,659
Interfund Transfers	17,002,271	15,930,733	15,964,142
Current Resources other than Property Taxes	313,511,235	329,675,760	314,446,571
Total Revenues	$424,171,856	$443,417,246	$428,621,908
Total Resources	$693,877,399	$653,644,471	$676,590,248
REQUIREMENTS			
Departmental Operating			
Personnel Services	$167,619,355	$185,137,830	$191,322,301
Materials and Services	109,013,344	135,066,271	139,103,924
Capital Outlay	4,760,149	19,192,730	11,473,321
Total Departmental Operating	$282,392,848	$339,396,831	$341,897,956
Capital	$38,229,855	$101,451,770	$118,958,345
Non-Departmental			
Debt Service	$24,285,563	$26,717,529	$20,997,339
Interfund Transfers	17,002,271	15,930,733	15,964,142
Special Payments	28,460,129	37,104,541	36,126,900
Contingency/Reserves*	0	95,436,819	57,702,917
Ending Fund Balance* (FY16) or USFB/Balance Available* (FY17, FY18)	216,227,225	81,729,278	82,429,709
Total Non-Departmental	$296,755,185	$216,941,870	$214,714,247
Total Requirements	$693,877,399	$653,644,471	$676,590,248
Number of Budgeted FTE	1,446.25	1,473.99	1,487.79

* Funds that are not appropriated for spending. Total FY16 budgeted reserves and contingencies as of June 30, 2016 were $45,371,447.

City of Eugene
Operating Budget Summary by Department

The City of Eugene Budget Committee recommended a department operating budget in the amount of $342,897,956 for Fiscal Year 2017-2018 (FY18). This is a 4.0% increase from the FY17 adopted operating budget and a 1% increase from the FY17 operating budget as of December 31, 2016.

	FY16 Last Year's Actual	FY17 This Year's Budget as of 12/31/2016	FY18 Next Year's Recomm'd Budget
Department			
Central Services	$71,383,494	$80,034,894	$81,336,678
Fire and EMS	35,777,642	38,149,560	40,182,663
Library, Recreation and Cultural Services	27,229,275	31,851,720	31,556,471
Planning and Development	18,077,451	25,317,147	26,845,664
Police	53,032,188	56,205,544	56,971,801
Public Works	73,861,248	96,902,160	94,906,177
Total Operating	$282,392,598	$339,390,831	$342,897,956

The following is a summary of the full time Equivalents (FTE) by department.

Department FTE			
Central Services	203.75	230.75	222.55
Fire and EMS	206.00	206.00	206.00
Library, Recreation and Cultural Services	172.80	196.08	196.08
Planning and Development	90.80	99.05	107.85
Police	326.05	326.10	326.16
Public Works	412.25	415.95	427.35
Total Budgeted FTE	1,446.25	1,473.99	1,487.79

In FY17, the increase in FTE was primarily due to the Library Levy which added over 15 FTE to the Library Local Option Levy Fund. Additionally, the Cultural Services subfund added almost five FTE for the Hult Center backed by ticket revenue, the Airport added one operational duty officer and part of a senior program coordinator in the Municipal Airport Fund, Planning and Development added a partial FTE in the Construction and Rental Housing, Solid Waste and Recycling, and Community Development Funds for a code compliance officer and senior program coordinators, and Central Services added an emergency management analyst in the Risk and Benefits Fund. Changes made in FY16 after 12/31/2015 include an additional 1.0 FTE in Central Services and a decrease of 0.8 FTE in Public Works, resulting in a net increase of 0.2 FTE between 12/31/2015 and the FY17 Proposed Budget. After 12/31/2015, Central Services added 1.0 FTE in Information Services, and Public Works de-authorized 1.0 FTE in Fleet and added 0.2 FTE in Parks and Open Space through the existing budget. These changes are reflected in FY17 figures, although the changes are not part of the FY17 Proposed Budget. As such, Central Services shows an increase of 2.0 FTE in FY17, and Public Works shows an increase of 1.1 FTE.

The FY18 Proposed Budget includes 13.80 additional FTE as compared to the FY17 Authorized Budget as of 12/31/2016, however 1.00 of these FTE were added in FY17 after the development of the FY18 Proposed Budget. Of these added FTE, 12 of them are backed by revenues. The additional FTE by department include the following:

Planning and Development, 8.0 FTE
- 1.0 FTE Associate Planner
- 1.0 FTE Structural Engineer Plans Reviewer
- 0.5 FTE Executive Director position increased to full time
- 1.0 FTE Plumbing Inspector
- 0.5 FTE Business Intelligence Analyst for Parking Services
- 1.0 FTE Downtown and Riverfront Urban Renewal project management
- 1.0 FTE Business Liaison

Public Works, 4.0 FTE
- 1.0 FTE Airport Worker
- 0.5 FTE Utility Locate Technical Specialist
- 1.0 FTE Utility Administration Program Coordinator position
- 1.0 FTE Facility maintenance worker (Added in FY17)

Central Services, 1.8 FTE
- 0.8 FTE Police Auditor's Office Community Engagement Specialist
- 0.5 FTE Assistant City Manager position increased to full time
- 0.5 FTE Emergency management Analyst in Risk Services

Major Programs

The Central Services Department provides business management and support services to the City organization and the public. It provides information management, financial management, civic leadership and collaboration services, human rights and neighborhood involvement services, legal services, facilities management, human resource and risk management, municipal court, and prevention services. Funding comes from the General, Special Assessment Management, Telecommunications Registration/Licensing, General Capital Projects, Parking Services, Information Systems and Services, Facilities Services, and Risk and Benefits funds.

The Fire and Emergency Medical Services Department provides fire prevention, safety education, emergency medical services, ambulance transport, and fire suppression services. This department is supported by the General, Construction and Rental Housing, Municipal Airport, and Ambulance Transport funds.

The Library, Recreation and Cultural Services Department provides cultural services, aquatics, athletics, adaptive recreation, adult and senior services programs, youth and family recreation programs and operates the Eugene Public Library, the Hult Center for the Performing Arts, and the Cuthbert Amphitheater. The department uses the General, Library Local Option Levy, Library, Parks and Recreation, and General Capital Projects funds.

The Planning and Development Department provides building and permits services, land use permits, metropolitan, community and land use planning services, business, liquor, and tobacco licenses, and operates parking, solid waste and recycling, and zoning and nuisance administration programs. The department also manages community development services including housing opportunities and economic prosperity, social service and homeless assistance, housing and business development loan programs, enterprise zone management, and the Urban Renewal Agency. Department programs are funded by the General, Construction and Rental Housing, Solid Waste and Recycling, Community Development, General Capital Projects, Systems Development Capital Projects, Parking Services, and Facilities Services funds.

The Police Department provides police services, animal services, and operates the 911 Call Center. The department promotes safety and security, enforces laws, dispatches emergency service equipment and personnel, prevents and investigates crime, and safeguards the constitutional rights of all people. Department funding sources are the General, Public Safety Communications, and Municipal Airport funds.

The Public Works Department provides services and programs related to parks and open space, fleet services, transportation, airport, stormwater and wastewater infrastructure, and natural resource stewardship. Funding sources are the General, Road, Construction and Rental Housing, Community Development, Library, Parks and Recreation, General Capital Projects, Systems Development Capital Projects, Transportation Capital, Municipal Airport, Parking Services, Wastewater Utility, Stormwater Utility, Fleet Services, and Professional Services funds.

Major Program Changes

The City of Eugene FY18 Proposed Budget as presented to the Budget Committee on April 26, 2017 includes a $1 million reduction to achieve ongoing savings in the General Fund. The savings are achieved by withholding customary increases such as inflationary adjustments to General Fund materials and services budgets which include things such as utilities, contracts, fuel, facility maintenance and insurance costs.

The Proposed Budget included the following changes to prior year service levels.

FY18 Proposed Budget Changes - General Fund

Main Subfund (Subfund 011)		
Proposed Ongoing Funding	FTE	Amount
Downtown Urban Renewal Staffing (revenue-backed) *	2.50	$202,000
Criminal Justice System Funding Gaps (revenue-backed)	3.00	$250,000
Police Reimbursable Overtime (revenue-backed)	0.00	$200,000
Assistant City Manager Position	0.50	$124,000
Planning and Development Executive Director Position	0.50	$192,000
Land Use Planning (revenue-backed)	1.00	$105,000
Police Auditor Community Engagement Specialist	0.80	$75,000
Urban Renewal Finance Manager (revenue-backed) *	0.50	$92,000
Park Safety and Security (revenue-backed)	1.00	$90,000
Marijuana Tax Administration (revenue-backed)	0.00	$20,000
Total	9.80	$1,278,000

* See corresponding Urban Renewal proposed changes in Urban Renewal Agency section of the legal advertisement

Proposed Limited Duration Funding (End Date)	FTE	Amount
Downtown and Urban Parks Improvements (FY18)	0.00	$500,000
Body Worn Cameras (FY18)	0.00	$250,000
Eviction Eugene Legal Services (FY18)	0.00	$183,000
Veterans Affairs Clinic SDC Repayment from Property Taxes (FY27)	0.00	$175,000
Growth Contract Increase (FY18)	0.00	$100,000
Total	0.00	$1,166,000

Cultural Services Subfund (Subfund 012)		
Proposed Ongoing Funding	FTE	Amount
Cultural Services Activity Increase	0.00	$818,000
Total	0.00	$818,000
Proposed Limited Duration Funding	FTE	Amount
Hult Ticketing Improvements, Web Redesign and Marketing Outreach	0.00	$158,000
Total	0.00	$158,000

FY18 Proposed Budget Changes - Other Funds:		
Road Fund (Fund 123)	FTE	Amount
Signs and Markings Inventory Growth	0.00	$100,000
Utility Locate Technical Specialist (partially funded by Fund 520)	0.50	$52,000
Telecom Registration/Licensing Fund (Fund 128)		
Telecom Equipment Replacement Fund Shortfall	0.00	$500,000
Construction and Rental Housing Fund (Fund 199)		
Plumbing Inspector and Van	1.00	$144,000
Structural Engineer Plans Reviewer	1.00	$137,000
Business Liaison	1.00	$137,000
Municipal Airport Fund (Fund 520)		
Air Show	0.00	$106,000
Airport Worker	1.00	$95,000
Parking Services Fund (Fund 520)		
Business Intelligence Analyst	0.50	$0
Wastewater Utility Fund (Fund 526)		
Utility Locate Technical Specialist (partially funded by Fund 131)	0.50	$62,000
Utility Administration Coordinator	1.00	$80,000
Stormwater Utility Fund (Fund 529)		
Green Infrastructure Maintenance	0.00	$50,000
Ambulance Transport Fund (Fund 592)		
Basic Life Support System (revenue-backed)	0.00	$250,000
Risk and Benefits Fund (Fund 620)		
Emergency Management Analyst	0.50	$53,000
Total	7.00	$1,700,000

The Budget Committee recommended the FY18 Proposed Budget with the following amendments:

- Move to allocate $40,000 ($20,000 one-time) to implement a public budget transparency solution from the following sources: Up to $20,000 in one-time funding to cover one-time costs, such as the bid/RFP process itself and the upfront establishment of City capabilities. One-time funds shall come from the Reserve for Revenue Shortfall (RRSF), and ongoing from Council Contingency.
- Move to increase FY18 General Fund contribution on a one-time basis to the Human Services Commission by $154,655 to provide Eugene's share of FY18 cost for Duck to Drawn winter warming site program. Funding would initially come from Reserve for Revenue Shortfall Fund (RRSF) with direction to the City Manager to replenish said reserve using Marginal Beginning Working Capital (MBWC) in Supplemental Budget #1 after the capital transfer and any other prearranged expenditures are accounted for.
- Move to allocate $1 million dollars of one-time Comcast Settlement Funds for future shelter options and request that the City Manager develop a plan for City Council approval for spending these funds within the next 2 years in conjunction with inter-jurisdictional partners.
- Move to increase funding for one additional BLS ambulance in the amount of $500,000 on a one-time basis in FY18, and complete a preliminary ambulance capacity analysis and implementation options, and present both to Council prior to their 2018 winter break. The funding for this addition would come from the Reserve for Revenue Shortfall.
- Amend the budget to reflect appropriations for prior year encumbrances and prior year capital projects.

The FY18 Recommended Budget advertised in this Notice reflects all of the recommended changes made by the Eugene Budget Committee.

For additional information on the FY18 budget, please visit the City of Eugene website at www.eugene-or.gov/budget. Links to Eugene Budget Committee meeting materials, minutes and webcasts are available for public review on the City of Eugene website at www.eugene-or.gov/budgetcommittee.

Capital Budget

The City of Eugene Budget Committee recommended a capital budget in the amount of $118,958,345 for FY18. This is a 17.3% increase from the FY17 Capital Budget as of December 31, 2016. The capital budget is presented by fund and includes multi-year projects that continue from prior years, as well as new capital projects.

	FY16 Last Year's Actual	FY17 This Year's Budget as of 12/31/2016	FY18 Next Year's Recomm'd Budget
Funds			
Community Development	$843,259	$1,298,457	$651,296
Facilities Services	157,167	646,596	631,864
General Capital Projects	4,572,351	25,602,245	26,031,254
Library, Parks and Recreation	199,117	1,027,396	989,450
Municipal Airport	11,803,448	18,355,958	18,166,302
Parking Services	0	50,000	298,200
Stormwater Utility	2,070,440	6,358,274	8,263,347
Systems Development Capital Projects	2,790,933	17,794,282	16,486,340
Transportation Capital Projects	16,008,250	16,785,650	41,520,426
Wastewater Utility	2,484,029	4,518,891	5,379,917
Total Capital Projects	$38,229,855	$101,451,770	$118,958,345

Major new capital projects included in the FY18 Recommended Budget are street rehabilitation related to the 2017 street bond ($8.0 million), the Ferry Street Bridge and viaduct repair ($5.8 million), a two-way protected bikeway on 13th Avenue ($1.9 million), the Airport terminal building roof replacement ($2.0 million), Priority 1 neighborhood parks ($1.0 million), replacement of the West Irvin Pump Station ($1.9 million) and preservation of existing facilities ($1.9 million).

Multi-year capital projects are budgeted in their entirety in the first year, and unspent appropriations are carried forward into subsequent fiscal years. The FY18 Recommended Budget includes $74.9 million in projects that are continuing from prior years.

Non-Departmental Budget

The non-departmental budget consists of debt service, contingencies, interfund transfers, special payments, reserves, unappropriated ending fund balance and balance available. These requirements are not part of the anticipated department operating or capital expenditures. The non-departmental budget for FY18 totals $214,714,247, which is a 1.0% increase from the FY17 budget as of December 31, 2016.

Debt Outstanding

The estimated outstanding debt as of June 30, 2017 for the FY18 Recommended Budget totals $69,129,795, which is a 7.2% decrease from the estimate as of July 1, 2016.

DEBT OUTSTANDING

	Debt Outstanding July 1, 2017	Debt Authorized, Not Issued July 1, 2017
Bonds	$63,452,795	$25,440,000
Other Long-Term Debt	5,677,000	0
Total Long-Term Indebtedness	$69,129,795	$25,440,000

AD VALOREM PROPERTY TAXES - ALL FUNDS

	FY16 Actual	FY17 Estimate	FY18 Budget
Total Property Taxes Required to Balance Budget	$104,672,605	$108,944,000	$112,295,331
Plus Estimated Property Taxes Not To Be Received, Discounts Allowed, Other Uncollected Amounts	5,259,026	6,294,956	6,525,562
Total Estimated Tax Levy - All Funds	$110,929,231	$115,150,955	$118,820,893

CERTIFIED TAX LEVIES BY TYPE
ALL FUNDS

	FY16 (Rate or Amount)	FY17 (Rate or Amount)	FY18 (Rate or Amount)
Permanent Rate Limit Levy (Rate limit: $7.0950 per $1,000 Assessed Value)	$7.0950	$7.0950	$7.0950
Library Local Option Levy	$0	$2,700,000	$2,700,000
Levy for Payment of Bonded Debt	$15,080,760	$13,876,354	$13,794,061

PROPERTY TAX LEVY SEGREGATED BY TYPE
Allocated and Categorized per Section 11b, Article XI of the Oregon Constitution

	General Government Limitation	Subject to the Limitation	Excluded from the Limitation
General Fund	$7.0950	$0	$0
Library Local Option Levy Fund	$2,700,000	$0	$0
Bonded Debt Fund	$0	$0	$13,794,061

How You Can Participate

Get a copy of the budget. Paper copies of the FY18 Proposed Budget for the City of Eugene are available for inspection at the City Finance Division, 100 W 10th Avenue, 4th Floor; the Eugene Public Library (Reference Desk); and the City Manager's Office, 125 E 8th Avenue, 2nd floor, during regular business hours. The FY18 Proposed Budget document and amendments to the FY18 budget recommended by the Eugene Budget Committee are also available on the City's website at www.eugene-or.gov/budget.

Testify at the public hearing, or submit written testimony. You may speak at the FY18 City of Eugene budget public hearing, send a letter or e-mail to the Eugene City Council prior to the public hearing, or submit written testimony at the hearing. Copies of the agenda packet containing the Budget Committee recommendations and draft City Council resolution will be available starting on June 23, 2017, at the City Manager's Office, the City Finance Division, and on the City's website. Contact the City of Eugene Finance Division at 541-682-5512 for additional information.

This notice is published pursuant to ORS 294.428 on June 19, 2017

No. 6905712 - June 19, 2017

Published on June 19, 2017 in the Eugene Register-Guard newspaper.

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50
2017–2018

To assessor of Lane County

☐ Check here if this is an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

The City of Eugene (District name) has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of Lane (County name) County. The property tax, fee, charge, or assessment is categorized as stated by this form.

Mailing address of district	City	State	ZIP code	Date submitted
100 West 10th Ave Ste 400	Eugene	OR	97401	July 11, 2017

Contact person	Title	Daytime telephone number	Contact person e-mail address
Jessica Mumme	Management Analyst 1 (AIC)	(541) 682-5127	CEFNJLM@ci.eugene.or.us

CERTIFICATION— You **must** check one box if you are subject to Local Budget Law.

☒ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.

☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

	Subject to General Government Limits: Rate —**or**— Dollar Amount	Excluded from Measure 5 Limits: Dollar Amount of Bond Levy
1. Rate per $1,000 **or** total dollar amount levied (within permanent rate limit) ... 1	7.0058	
2. Local option operating tax ... 2	2,700,000	
3. Local option capital project tax ... 3		
4. City of Portland Levy for pension and disability obligations ... 4		
5a. Levy for bonded indebtedness from bonds approved by voters **prior** to October 6, 2001 ... 5a		1,934,511
5b. Levy for bonded indebtedness from bonds approved by voters **after** October 6, 2001 ... 5b		11,859,490
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) ... 5c		13,794,001

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per $1,000 ... 6	7.0058
7. Election date when your new district received voter approval for your permanent rate limit ... 7	
8. **Estimated** permanent rate limit for newly **merged/consolidated** district ... 8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —**or**— rate authorized per year by voters
Library Operating	November 3, 2015	2016	2020	$2,700,000

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES

Description	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1		
2		

If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.
The authority for putting these assessments on the roll is ORS _____. (Must be completed if you have an entry in Part IV.)

150-504-073-7 (Rev. 11-16)

Form LB-50 (continued on next page)

(see the back for worksheet for lines 5a, 5b, and 5c)
File with your assessor no later than JULY 15, unless granted an extension in writing.

Map & Tax Lot #	Ratio to Apply to City General Government Rates	Ratio to Apply to Bonded Debt
17-04-09-20-1500	33%	100%
17-04-09-20-1700	33%	100%
17-04-09-20-1800	33%	100%
17-04-09-20-2000	33%	100%
17-04-09-20-2100	33%	100%
17-04-23-20-0123	69%	69%

Note: Attachment to Tax Year 2017-2018 Form LB-50

This page intentionally left blank.

Urban Renewal Agency

Table of Contents

Overview 439

Downtown District 440

Riverfront District 445

Property Taxes 447

Maximum Indebtedness 452

Other Information 454

Approved Motions 456

Description of Funds 457

Summary of Changes to the Urban Renewal Agency FY18 Proposed Budget 458

Budget Changes 459

Net Budget 463

Fund Summaries
- Combined Statement of Revenues, Expenditures, and Changes in Fund Balance 465
- Resources/Requirements Summary 466
- Fund Schedules 467

Legal Forms
- FY18 Adopted Budget Resolution 473
  - Exhibit A – Expenditure Appropriations by Fund 475
  - Exhibit B – Fund Names 477
- FY18 URA Board Public Hearing and Financial Summary Notice 478
- Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment or Charge on Property (Form UR-50 Filed with Lane County) 479

This page intentionally left blank.

Mission Statement

The purpose of urban renewal is to stimulate economic development through private investment to provide public benefit in a specific area of the community in compliance with ORS Chapter 457. It is a means to support economic development and civic improvement by financing needed improvements within designated districts such as infrastructure, public open spaces, public plazas, public parking garages, land acquisition, renovation and façade improvements, or environmental improvements. The City currently manages two urban renewal districts: the Downtown District and the Riverfront District.

Broadway and Willamette

Governance

The City of Eugene Urban Renewal Agency (Agency) is a separate budgetary entity authorized by State statutes. The Agency was established in 1958 as a separate corporate body. In 1982, the City Council assumed the role of the Agency Board and delegated budget review to the City's Budget Committee. The Agency has two urban renewal districts, and each one has its own adopted plan.

Public Involvement

The Expenditure Review Panel (ERP) was first created with the Downtown District 2010 Plan amendment and continued in the 2016 Plan amendment (the Plan). The ERP meets annually to report to the Agency Director on the activities for the previous fiscal year, and whether expenditure of tax increment dollars was limited to projects authorized by the Plan. City Council formed a five-member panel in January 2012. The ERP's annual reports on Downtown District tax increment expenditures can be found on the City's website at www.eugene-or.gov/UR.

A Riverfront District advisory committee will be formed this fall to advise on the activities of the district.

Agency Management

The City's Planning and Development Department manages Agency activities. Staff and most material and service costs that support Agency projects are recorded in the City of Eugene General Fund. The operating budgets of each district reimburse the City's General Fund for these costs. As a result, these expenses are shown twice, once as operating expenses in the City's General Fund budget for the department, and again in the Agency budget as Planning and Development operating expenses to reimburse the City's General Fund.

Downtown District

The Downtown District was first established in 1968 to redevelop 17 blocks in the downtown core. The original project goals involved land acquisition, building rehabilitation, and construction of public improvements.

An update of the 1968 Plan was approved by voters in 1990. The update aligned the Plan with Metro Plan policies, revised the goals and activities, and set a district expiration date of FY10.

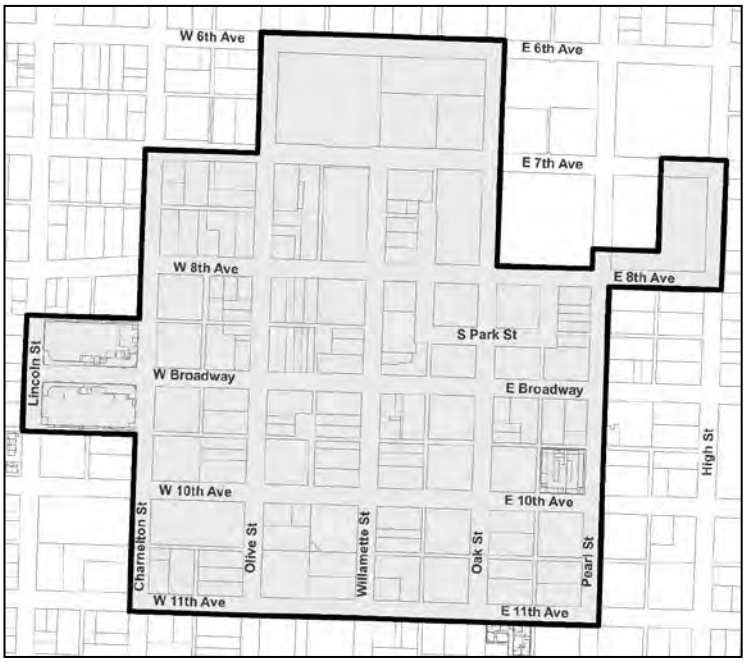
In June 1998, the City Council chose one of the options provided by Measure 50 legislation that allowed for a citywide special levy as well as dividing the taxes collected within the district. The Council limited expenditures of new funds to completing existing projects and construction of a new Downtown Library (100 West 10th Avenue). They also approved a plan to reduce district administration.

In FY05, City Council amended the Plan to allow funding for other activities including economic revitalization strategies and to extend the termination date to June 30, 2024.

The City Council amended the Plan in May 2010 after considering options for providing public financial support to boost the local economy and revitalize downtown. The 2010 Plan amendment included three specific projects: 1) Lane Community College Downtown Campus, 2) Broadway Place Garages and Public Safety Improvements, and 3) Park Blocks Improvements for the Farmers' Market. The 2010 Plan amendment also provided for termination of the district after sufficient funds were accumulated to pay for these three projects. It was estimated that sufficient funds would be received by December 2016, and thus the Downtown District would subsequently terminate absent Council action.

City Council began a conversation in December 2015 regarding additional downtown improvements and the various funding options available. Over the course of several work sessions, Council discussed urban renewal as a funding option along with alternative funding strategies.

After considering comments from the Planning Commission, overlapping taxing districts, and the general public, City Council ultimately approved a plan amendment in June 2016 in order to build upon the existing momentum of revitalization occurring in the downtown area.



Downtown Urban Renewal District as of 2016 Plan Amendment

The 2016 Plan amendment made the following changes:

1. Increased the spending limit ("maximum indebtedness") by $19.4 million, to a total of $66.0 million.

2. Specified four project activities that are eligible for urban renewal funds (described below), each with a maximum amount of tax increment funding allowed.

3. Outlined a community engagement and approval process for specific projects.

4. Expanded the boundary by five acres to include the East Park Block area and a portion of the former City Hall block, with a prohibition against using funds for the City Hall building or for a parking lot on the eastern half of the block.

The four projects included in the 2016 Plan are:

- **High-Speed Fiber (not to exceed $3 million of tax increment funds)**
  The 2013 City of Eugene Broadband Strategic Plan identified the development of a downtown fiber network as a strategic goal. After completion of the Strategic Plan, City staff worked with Lane Council of Governments (LCOG) and Eugene Water & Electric Board (EWEB) on a successful pilot project to test the feasibility of implementing a municipally owned downtown fiber network. The City, EWEB, and LCOG identified a workable method to connect buildings by running fiber optic cables through existing electrical conduit. The Downtown District has high-speed fiber in several buildings as a result of the pilot project that was completed in 2016. Construction of the network began in 2017, with several buildings in the Downtown District now able to sign up for high-speed service from private Internet Service Providers (ISPs), who lease the fiber from EWEB. Construction of the network is expected to continue into 2018.

Fiber Lighting Ceremony March 21, 2017 Photo: EWEB General Manager Frank Lawson and City of Eugene Mayor Lucy Vinis

  The fiber network also now includes a large-capacity 'Middle Mile' connection from our local Willamette Internet Exchange (WIX) to major peering points in San Jose and Portland. The expanded connection offers high-volume backhaul capacity to ISPs connected to the WIX, at a relatively low price. This connection has enabled local ISPs to offer faster and lower cost service to their customers. For example, School District 4J has a new contract for telecommunications service that is 10 times faster and half the price of its previous contract.

Providing high-speed fiber connections downtown creates a competitive landscape for telecommunications, which has been shown to expand service options and lower prices for consumers. This project will provide telecommunications infrastructure to support the needs of the growing technology sector and other businesses in the downtown area. In addition, the fiber project expands the telecommunications infrastructure that will reduce costs and increase telecommunications speeds for Lane Community College, Lane County Government, the Lane Council of Governments, and the 4J and Bethel school districts.

- **Farmers' Market (not to exceed $4 million* of tax increment funds)**
  The Lane County Farmers' Market operates multiple times per week during the spring, summer, and fall on a portion of the Park Blocks on 8th Avenue. The Farmers' Market continues to encounter issues with that location, such as inadequate electrical service, uneven, unpaved, and inaccessible surfaces, and lack of a permanent shelter. In June 2017, the City of Eugene and Lane County agreed to key deal points that would provide a site for a new County Courthouse on the former City Hall site and provide a site for a new City Hall and Farmers' Market on the current Butterfly Lot. The agreement builds on the community founders' original vision of a 'public square', supports mutual goals of providing a permanent location for a year-round public Farmers' Market, and continues the momentum of downtown revitalization. For the past few years, the Farmers' Market has expressed a need and desire to expand its offerings to maintain financial viability and potentially operate year-round. In coordination with the development of City Hall, the Agency will improve the Park Blocks in order to make that location more attractive and functional for the Farmers' Market and accessible, safe, and inviting for the public.

Lane County Farmers' Market

** $500,000 of unspent Downtown District funds approved in the 2010 Plan amendment are still available for the Farmers' Market project, for a total cost not to exceed $4.5 million of tax increment funds.*

- **Park Blocks and Open Spaces (not to exceed $5.2 million of tax increment funds)**
  The City founders understood the importance of public spaces; the Park Blocks are a living legacy of their forethought and civic spirit. The design, appearance and function of the Park Blocks are a critical component of Eugene's identity and economic health and the long-term location for two beloved organizations, the Saturday Market and the Lane County Farmers' Market. On a direct path to the Willamette River from downtown, the Park Blocks are also a key part of the Willamette to Willamette Initiative.

Improving these spaces and increasing the opportunities for desired activities downtown requires a focused, strategic investment in the amenities, character, and public identity of the Park Blocks, as well as the other key public open spaces downtown. The first step of this project was asking the community about their hopes and vision for our town square, and assessing the needs of our growing downtown neighborhood. The Project for Public Spaces presented results of that work to Council in February 2017, which will help inform plans to implement the community vision.

West Park Block

For the other public spaces in the Downtown District (Broadway Plaza, the Hult Center Plaza, the Library Plaza, and the new City Hall plaza) improvements are needed to benefit the public in terms of the safety, health, and welfare of residents through the removal of blighted conditions, improved amenities and attractiveness of these spaces, as well as their impact on existing and desired adjacent uses. However, tax revenue funds cannot be used to pay for construction of a new City Hall building, nor to pay for a parking lot on the block bounded by Pearl Street, 8th Avenue, High Street, and 7th Avenue. With the needed improvements in place, these downtown spaces will have the potential to more fully support the emerging downtown neighborhood and to provide an inviting urban open space in the core of the city for the entire community. A focused, strategic investment in the amenities, design, and character of these spaces strengthens the conditions for increased desired uses and development downtown.

- **Former LCC Downtown Center (not to exceed $6 million of tax increment funds)**
  The former LCC Downtown Center on Willamette between 11th and 10th Avenues was vacated in January 2013 when the new LCC Downtown Campus opened on 10th Avenue and Olive Street. At present, the vacant building neither provides space for active uses nor adds to downtown vitality. Redevelopment of this large three-story structure with full basement may include housing or activities that advance the Regional Prosperity Economic Development Plan (e.g. an

Former LCC Downtown Center

innovation center with maker space, wet lab, art/tech incubator, or educational uses). LCC and the City are collaborating on a redevelopment plan that considers an innovation center, as well as other uses. The redevelopment plan will aim to identify a use that benefits the community at large, by providing space for workforce development, education, economic development, or a mix of those activities. The redevelopment plan will also identify uses that enable the building to generate revenue for LCC, the building owner.

The 2016 Plan amendment requires a community engagement and approval process for the Farmers' Market, Park Blocks and Open Spaces, and the former LCC Downtown Center. Before the Council decides on the specifics of what each project will include and how it may be funded, there will be several opportunities for community input. The plan outlines a process which includes:

- Community engagement and project scoping;
- Council review of the results and discussion of funding options (urban renewal and others);
- Council public hearing on the specific project and how it should be funded;
- Council review and decisions (to determine project specifics and funding sources); and
- Council budget approval, which includes a public hearing.

Riverfront District

The Riverfront District was created in 1985 to assist in financing public infrastructure. The Riverfront Plan was reviewed and amended by the City Council in March 2004. Major changes in the amendment included extending the termination date to 2024, expanding and revising the list of project activities, providing new cost estimates of the projects to be undertaken, establishing a spending limit ("maximum indebtedness") of $34.8 million, expanding the existing boundary, and providing other information about the impact of the amendments. The current boundary of the district is shown in the map below.

Riverfront Urban Renewal District

Major goals in the Riverfront District are to:

- Stimulate appropriate redevelopment in the riverfront area for the EWEB Riverfront Master Plan implementation;
- Promote redevelopment of public and private properties in the area around the Wayne Morse Federal Courthouse;
- Improve connections between the core of downtown, the riverfront area, and the University of Oregon; and
- Protect or enhance the riparian area.

The Agency and Eugene Water and Electric Board (EWEB) signed an agreement for the sale of the utility's riverfront property, marking a key milestone in the efforts to redevelop the property. Redevelopment of this site has been a part of the community's vision for many decades, reinforced through numerous public engagement opportunities over many years, and now adopted as policy and land use code. The transformation of the approximately 16-acre property is a critical piece in connecting downtown to the river and creating an active place for the entire community. The Riverfront Master Plan outlines the creation of a world-class public park along the waterfront and a high-quality riverfront development that will reflect the community's vision and provide economic and housing opportunities, compact urban development, and enhanced natural resources.

City Council, acting as the Urban Renewal Agency Board, approved the terms and conditions and budget authority in 2016. The purchase price for the property is $5.75 million. Funds for the purchase will come from the Riverfront District. The closing of the sale is expected to occur after the Agency's due diligence work.

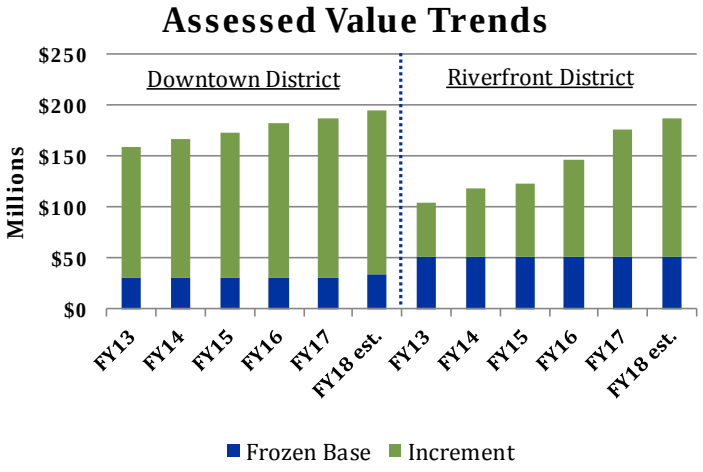
With the agreement in place for purchasing the property, the Agency signed an Exclusive Negotiating Agreement (ENA) with Williams/Dame & Associates (WD). The ENA formally expresses WD's interest in owning and redeveloping the property consistent with the Riverfront Master Plan. The six month agreement provides WD time to complete due diligence activities while working with the Agency toward an agreement on the redevelopment of the property. During that time, the Agency has committed to negotiate exclusively with WD. The agreement provides for an extension of up to three additional months to negotiate a formal sale and redevelopment agreement. The Agency Board will need to review and approve any final deal points prior to the sale or redevelopment of the property. The ENA does not commit the Agency at this time to anything more than a due diligence and negotiating process.

The Agency is committed to delivering a high-quality, legacy project that connects downtown to the river, catalyzes economic growth, and reflects the community's vision. The riverfront redevelopment will be a key destination as Eugene takes its place on the world stage as host of the 2021 World Championships. With a new park, an improved riverfront path, and an inviting link to downtown, the site will draw people from near and far to the center of our city, and will provide a long-lasting legacy for the community.

Assessed Value

When an urban renewal district is first created, the assessed value within the district boundaries is established as the "frozen base". If any boundary expansions subsequently occur, the assessed value within the expansion area is added to the district's existing frozen base. In theory, urban renewal efforts will lead to increases in the value of the district above the base amount. That increase is called the "incremental" or "excess" value. Overlapping jurisdictions continue to receive property taxes on the frozen base, while the Urban Renewal Agency receives property taxes related to the incremental value. This is called the "division of tax" method of raising revenue in an urban renewal district.

The division of tax method for funding projects results in the Agency receiving significantly more tax revenue than what the City would receive in its General Fund from district property. This method enables the Agency to complete more projects than the City would have been able to complete during the same time period.



The five-year history of assessed value in the two districts is shown in the charts above and below, along with estimates for the upcoming year. For FY18, the assessed values in both districts are projected to increase.

Assessed Value Trends

	Downtown District			Riverfront District		
Fiscal Year Ending	Frozen Base	Incremental Value	Total Assessed Value	Frozen Base	Incremental Value	Total Assessed Value
6/30/13	$31,386,991	$127,427,292	$158,814,283	$50,609,448	$54,226,527	$104,835,975
6/30/14	31,386,991	134,700,092	166,087,083	50,609,448	67,177,238	117,786,686
6/30/15	31,386,991	141,006,848	172,393,839	50,609,448	72,252,493	122,861,941
6/30/16	31,386,991	150,214,907	181,601,898	50,609,448	95,966,627	146,576,075
6/30/17	31,386,991	156,119,649	187,506,640	50,609,448	125,700,670	176,310,118
6/30/18 Estimate*	33,736,746	161,800,000	195,536,746	50,609,448	136,300,000	186,909,448

Source: Lane County Assessment & Taxation for historic information; City of Eugene Finance Division for budget year estimates.

** The Downtown District plan amendment approved in June 2016 included a five-acre boundary expansion. The assessed value of the expansion area is included in division of tax calculations beginning with FY18.*

Tax Increment Revenue

The primary revenue source for urban renewal is tax increment revenue. Tax increment revenue comes from increases in property values since the district was created. These increased property values generate tax increment which is directed to the district.

The two urban renewal districts differ in which tax rates are used to calculate the division of taxes amount. The Downtown District is a "reduced rate plan" that may collect tax increment based on

the permanent tax rates plus any bonded debt or local option levy tax rate that was approved by voters prior to October 2001. For FY17, the tax rate used for the Downtown District tax increment calculation was $14.3793 per $1,000 of assessed value. The Riverfront District is a "standard rate plan" that may collect tax increment based on all tax rates on the tax bill except for any urban renewal special levy or any local option tax approved after January 1, 2013. For FY17, the effective Riverfront District rate was $16.6898 per $1,000 of assessed value.

The five-year history of property tax revenues in the two urban renewal districts is shown in the table below. The amount of property tax collections is affected by three factors: 1) the assessed value in the district, 2) the overlapping tax rates applicable to the district, and 3) the percentage of property taxpayers that pay their tax bills on time.

For FY18, property tax revenues in the Downtown and Riverfront Districts are expected to increase due to a projected increase in the assessed value of the districts. The property tax collection rate is projected to be 94% (including both current and delinquent tax collections).

Property Tax Levies and Collections

	Downtown District		Riverfront District	
Fiscal Year Ending	Division of Tax Amount	Net Taxes Collected	Division of Tax Amount	Net Taxes Collected
6/30/13	$1,872,726	$1,818,345	$968,285	$935,604
6/30/14	1,921,334	1,867,638	1,267,018	1,221,175
6/30/15	2,009,246	1,944,927	1,322,616	1,275,140
6/30/16	2,122,700	2,039,799	1,597,478	1,529,129
6/30/17 Estimate	2,241,470	2,105,000	2,090,334	1,965,000
6/30/18 Budget	2,325,000	2,185,000	2,275,000	2,140,000

Source: Lane County Assessment & Taxation for historic information; City of Eugene Finance Division for budget year estimates.

Effect of Urban Renewal on Tax Bills

Urban renewal districts do not impose new taxes; rather, they redistribute taxes from overlapping taxing districts to the urban renewal districts. The tax bills for Eugene taxpayers include two lines for urban renewal. All taxpayers in the city will pay these taxes. There is no difference between the taxes paid by taxpayers inside the district and outside the district. The tax lines are:

- ***Eugene Urban Renewal Downtown*** is the division of tax funding for the Downtown District
- ***Eugene Urban Renewal Riverfront*** is the division of tax funding for the Riverfront District

There are two basic steps to understand how an individual tax bill is affected by tax increment financing in Oregon. The first step determines the amount of property taxes that the urban renewal agency should receive; the second step determines how the taxes are accounted for on property tax statements.

For step one, the applicable tax rates of the taxing districts (such as the city, county, and school districts) are applied to the incremental value of the urban renewal district. That product is the amount of taxes that the urban renewal agency should receive.

For step two, the Lane County Assessor determines how to divide or split the tax rates of the taxing districts so that when those divided rates are applied to all tax bills in the city, the urban renewal agency receives its share, and the taxing districts receive the remainder. As an example, the City's permanent tax rate is $7.0058 per $1,000 of assessed value. For the FY17 tax year, the Lane County Assessor divided that tax rate into three pieces: $6.8683 goes to the City of Eugene, $0.0762 goes to the Downtown Urban Renewal District and $0.0613 goes to the Riverfront Urban Renewal District. This calculation is done for each tax rate on the tax bill.

After taking the information from the Lane County Assessor about the division of tax rates, an analysis can be made to determine how an individual tax bill is affected by urban renewal division of tax. The tax bill shown below is for the typical Eugene home that the Lane County Assessor calculated for FY17. As can be seen, this typical taxpayer would pay the same amount of total taxes before or after urban renewal division of taxes. The difference is that some tax revenues are reallocated from the overlapping taxing districts to the urban renewal districts.

Effect of Urban Renewal on Tax Bill for Typical Eugene Home in FY17

	Taxes Before UR Reallocation	Taxes Directed To: Taxing Districts	Downtown UR District	Riverfront UR District	Taxes After UR Reallocation	Difference
Education Taxes						
Eugene School District 4J	$930.29	$907.98	$12.36	$9.95	$907.98	($22.31)
Eugene School District 4J LOL	293.87	293.87	0.00	0.00	293.87	0.00
Lane Community College	121.29	118.92	1.31	1.06	118.92	(2.37)
Lane Education Service District	43.73	42.89	0.47	0.37	42.89	(0.84)
Total	**$1,389.18**	**$1,363.65**	**$14.14**	**$11.38**	**$1,363.65**	**($25.53)**
General Government Taxes						
City of Eugene	$1,372.53	$1,345.59	$14.93	$12.01	$1,345.59	($26.94)
City of Eugene Library LOL	36.83	36.83	0.00	0.00	36.83	0.00
Lane County	250.63	245.73	2.72	2.17	245.73	(4.90)
Lane County 4-H/Extension LOL	2.94	2.94	0.00	0.00	2.94	0.00
Lane County Public Safety LOL	74.45	74.45	0.00	0.00	74.45	0.00
Eugene UR Downtown District	0.00	0.00	0.00	0.00	33.01	**33.01**
Eugene UR Riverfront District	0.00	0.00	0.00	0.00	30.95	**30.95**
Total	**$1,737.38**	**$1,705.54**	**$17.65**	**$14.18**	**$1,769.51**	**$32.13**
Bonded Debt Taxes						
City of Eugene Bond I	$28.66	$28.13	$0.29	$0.24	$28.13	($0.53)
City of Eugene Bond II	162.53	161.12	0.00	1.41	161.12	(1.41)
Eugene School District 4J Bond I	69.96	68.30	0.92	0.74	68.30	(1.67)
Eugene School District 4J Bond II	246.48	243.85	0.00	2.63	243.85	(2.63)
Lane Community College Bond II	43.65	43.28	0.00	0.37	43.28	(0.37)
Total	**$551.28**	**$544.68**	**$1.21**	**$5.39**	**$544.68**	**($6.60)**
Total Taxes	**$3,677.84**	**$3,613.87**	**$33.01**	**$30.95**	**$3,677.84**	**($0.00)**

Source: Lane County Assessment & Taxation, Table 4e, Detail of Urban Renewal Plan Areas by Taxing District, Tax Year 2016-17.

Note: Calculations based on assessed value of $195,913 for the typical Eugene home per Lane County Assessment & Taxation annual media release dated 10/18/16.

Urban Renewal Tax Rates

A five-year history of the urban renewal tax rates is shown in the chart below, along with estimates for the FY18 tax rates.

Urban Renewal Tax Rates
Per $1,000 of Assessed Value

Fiscal Year Ending	Downtown District	Riverfront District	Total Urban Renewal Tax Rate	Bill for Typical Taxpayer
6/30/13	$0.1641	$0.0859	$0.2500	$43
6/30/14	0.1627	0.1091	0.2718	48
6/30/15	0.1632	0.1095	0.2727	50
6/30/16	0.1638	0.1243	0.2881	55
6/30/17	0.1685	0.1580	0.3265	64
6/30/18 Estimate	0.1700	0.1600	0.3300	67

Source: Lane County Assessment & Taxation for historic information; City of Eugene Finance Division for budget year estimates.

Impact on Other Taxing Jurisdictions

As previously explained, the overlapping jurisdictions are kept whole when a district is created through the division of taxes. The overlapping districts retain the taxes on the value of property within the district when it was created. The share of property taxes from the excess value or incremental value is not collected by the overlapping jurisdictions while a district is active.

Although school property taxes are reduced as a result of urban renewal division of tax, the net impact on an individual school system's operating budget is minimal because schools are funded by the State on a per-pupil basis. The State determines how much money must be allocated for the education of each pupil across the state. If the money is not available from local property taxes, the State will make up the difference.

In FY17, the City's two urban renewal districts diverted approximately $1,475,000 that would have gone to local education through Eugene School District 4J, Lane Community College, and Lane Education Service District. If those funds had not been diverted to the urban renewal districts, the State would have had additional funds that it could choose to direct to the state-wide education budget. Using rough estimates of the distributions to local schools, if Eugene's two urban renewal districts did not exist, local schools would have received about 5% of the amount that had been diverted, and schools throughout the state would have received the remainder.

Urban renewal nominally affects certain voter-approved local option levies and bonds because the affected district has less property value to levy taxes against, resulting in slightly higher tax rates.

The amount of urban renewal taxes diverted for both districts in FY17, net of discounts and delinquencies, is shown in the chart on the next page. The items on the tax bill that can be used in the division of tax calculation are different for the Downtown District and the Riverfront District.

The Downtown District, as a reduced rate plan, can only collect division of tax revenues from permanent tax rates, and bonded debt and local option levies that were approved by voters prior

to October 2001. Therefore, the Downtown District does not collect any division of tax revenues from the tax rates indicated by a zero in the Downtown column in the chart below.

The Riverfront District, as a standard rate plan, can collect division of tax revenues from all of the items on the tax bill, except for any urban renewal special levy or certain local option taxes. HB 2632 was approved by the Oregon Legislature in the 2013 session and changed the items from which the Riverfront District can collect division of tax. This bill reduced future tax increment revenues in the Riverfront District by eliminating division of the revenue from local option levies approved by voters after January 1, 2013. Therefore, the Riverfront District does not collect any division of tax revenues from the tax rates indicated by a zero in the Riverfront column in the chart below.

Division of Tax Impact on Overlapping Taxing Jurisdictions in FY17
Estimate, Net of Discounts and Delinquencies

Taxing District	Type of Tax	Downtown	Riverfront	Total
Education Taxes				
Eugene School District 4J	Permanent Rate	$695,000	$560,000	$1,255,000
Eugene School District 4J	Local Option Levy	0	0	0
Lane Community College	Permanent Rate	90,000	75,000	165,000
Lane Education Service District	Permanent Rate	30,000	25,000	55,000
Total		**$815,000**	**$660,000**	**$1,475,000**
General Government Taxes				
City of Eugene	Permanent Rate	$1,030,000	$830,000	$1,860,000
City of Eugene	Library LOL	0	0	0
Lane County	Permanent Rate	190,000	150,000	340,000
Lane County	4-H/Extension LOL	0	0	0
Lane County	Public Safety LOL	0	0	0
Total		**$1,220,000**	**$980,000**	**$2,200,000**
Bonded Debt Taxes				
City of Eugene	Bonded Debt	$20,000	$110,000	$130,000
Eugene School District 4J	Bonded Debt	50,000	190,000	240,000
Lane Community College	Bonded Debt	0	25,000	25,000
Total		**$70,000**	**$325,000**	**$395,000**
Total Taxes		**$2,105,000**	**$1,965,000**	**$4,070,000**

Source: Lane County Assessment & Taxation, Table 4e, Detail of Urban Renewal Plan Areas by Taxing District, Tax Year 2016-17.

Note: Although local property taxes to schools are reduced as a result of the division of taxes, school budgets are only minimally reduced, all else being equal, because schools are funded through a per-pupil formula from the State, and any loss in local property taxes is made up by an increase in State funding. This chart does not take into account any effects of Measure 5 compression on education taxes.

Maximum Indebtedness

Oregon Revised Statutes require that each urban renewal district that receives property tax revenue include a "maximum indebtedness" limit in their urban renewal plan. Maximum indebtedness is a required spending cap for all property tax expenditures over a period of time. Maximum indebtedness is not a legal debt limit, it is more like a spending limit.

Adopting a maximum indebtedness figure does not authorize or obligate the Agency to spend money or enter into debt. Within the maximum indebtedness limitation, the Agency Board has the ability to fund projects over time, either with cash or by issuing debt.

Certain expenditures are included in maximum indebtedness, and certain expenditures are excluded. For instance, interest on debt is excluded, but cash payments for projects and administrative expenses are included in the spending limit. Expenditures made from sources other than tax increment revenues are not included in the spending limit, such as loan program funds. In addition, the refinancing of existing urban renewal indebtedness is not included in maximum indebtedness.

Downtown District

The Agency Board amended the plan for the Downtown District in 1998 to include an original maximum indebtedness limit of $33.0 million. The maximum indebtedness amount was increased to $46.6 million in the 2010 Plan amendment and subsequently increased to $66.0 million in the 2016 Plan amendment. This $66.0 million figure represents the amount that the Downtown District may cumulatively spend in tax increment revenues starting in 1998.

The amount of remaining maximum indebtedness is an estimate based on both actual historic spending and estimated future commitments. The following chart sets out the estimated balance of maximum indebtedness in the Downtown District as of June 2017. The amount expected to be spent represents the FY17 and FY18 budgeted expenditures plus an estimate of the cost for administering the district through the year the district is estimated to terminate.

Downtown District Maximum Indebtedness
Estimate as of June 2017

$ in millions	Amount Spent FY99-FY16	Expected to be Spent in FY17-FY27	Total Spent or Committed	Total Maximum Indebtedness
Total Maximum Indebtedness Limit				$66.0
Less: Library Expenditures	$25.4	$0	$25.4	
Less: Beam Project	2.0	0	2.0	
Less: Other Projects	1.8	0	1.8	
Less: Lane Community College Downtown Campus	8.0	0	8.0	
Less: Broadway Place Garages Debt	4.8	0	4.8	
Less: Farmers' Market	0	0.5	0.5	
Less: High-Speed Fiber	0	3.0	3.0	
Less: Project Delivery Administration*	3.9	4.4	8.3	
Less: Amount Spent or Committed	$45.9	$7.9	$53.8	
Uncommitted Amount**				$12.2

** See Report on the 2016 Plan Amendment, page 14.*

*** Amount available for eligible projects: Farmers' Market, Park Blocks and Open Spaces, and former LCC Downtown Center.*

Riverfront District

The Agency amended the plan for the Riverfront District in 2004 to include a maximum indebtedness limit of $34.8 million. This $34.8 million figure represents the amount that the Riverfront District may cumulatively spend in tax increment revenues starting in 2004.

The following chart sets out the estimated maximum indebtedness remaining in the Riverfront District as of June 2017. Tax increment funds have been spent or committed to projects such as courthouse district transportation improvements, Chiquita property redevelopment, Northwest Community Credit Union system development charges, design for railroad quiet zone crossings, bike share stations, and the EWEB riverfront property purchase and district administration costs. The amount expected to be spent represents the FY17 and FY18 budgeted expenditures plus an estimate of the cost for administering the district through the year the district is scheduled to terminate.

Riverfront District Maximum Indebtedness
Estimate as of June 2017

$ in millions	Amount Spent FY04-FY16	Expected to be spent in FY17-FY24	Total Spent or Committed	Total Maximum Indebtedness
Total Maximum Indebtedness Limit				$34.8
Less: EWEB Riverfront Property Purchase*	$0	$6.9	$6.9	
Less: Capital Projects and Project Delivery Admin	3.4	3.4	6.8	
Less: Amount Spent or Committed	$3.4	$10.3	$13.7	
Uncommitted Amount				$21.1

** $6.875 million was appropriated for the EWEB property purchase, but actual purchase price may vary.*

Bonded Debt

On May 25, 2011, the Agency issued $7,900,000 of Downtown Urban Renewal District Tax Increment Bonds, Series 2011 A, bearing a fixed interest rate of 5.2% and maturing on June 1, 2020. The proceeds of the bonds were used to refund (at a lower interest rate) $4.4 million in debt associated with the City's Broadway Place Garages limited tax bonds, and to grant $3.5 million in financial assistance to Lane Community College for construction of their new Downtown Campus.

The Agency's outstanding indebtedness as of July 1, 2017 is shown below. In FY14, the Agency made an initial early principal payment of $500,000 to reduce the outstanding balance. Additional early principal payments of $1 million and $1.2 million were also made in FY15 and FY16, respectively. The final payoff of this debt will occur in FY18.

	Interest Rates on Outstanding Bonds	Original Amount	Maturity Date	Outstanding Principal
Tax Increment Bonds:				
URA Tax Increment Bonds, Series 2011 A	5.200%	$7,900,000	6/1/2018	$298,000
Total Outstanding Debt as of July 1, 2017				**$298,000**

Downtown Revitalization Loan Program

The Downtown Revitalization Loan Program (DRLP) is a revolving loan program funded through Downtown District program revenue, which is derived from non-property tax sources. Available to businesses and property owners located within the Downtown District, the DRLP is a flexible financing program designed to encourage investments that contribute to the economic vibrancy and density goals for downtown. The program is also designed to be responsive to unique redevelopment opportunities, specific downtown redevelopment challenges, and specific individual project financing needs.

The DRLP aims to encourage private, non-profit, mixed-use development, and public/private partnerships in overcoming issues with low loan-to-value ratio, insufficient cash flow, or extraordinary project-specific costs. The DRLP provides project financing typically between 25% and 50% of total eligible project costs. Eligible projects include building rehabilitation, façade improvements, tenant improvements, awnings, historic preservation, and accessibility improvements. Remaining project financing is provided by private sources. Loan amounts are generally between $50,000 and $500,000. Examples of Agency-assisted downtown projects with DRLP funds include First National Tap House, Ambrosia, Broadway Commerce Center, First on Broadway, Harlequin Beads & Jewelry, McDonald Theatre Building, Strand Building, The Jazz Station, The Barn Light, Tiffany Building, and the Woolworth Building.

The Agency currently has approximately $2.2 million of outstanding loans under the DRLP. The revolving nature of the program means that it is self-financing. The loan repayments are returned to the loan pool and loaned out for new projects. Loans are reviewed by a Loan Advisory Committee and approved by the Agency Director, or his designee.

Riverfront Renewal Loan Program

In May 2015, the Agency adopted guidelines for the Riverfront Renewal Loan Program (River Loans), a revolving loan program designed to encourage capital investment within the Riverfront District. The program is modeled after the Downtown Revitalization Loan Program, which has assisted numerous property owners and businesses in the Downtown District since FY04, as previously described. River Loans is funded through Riverfront District program revenue, which is derived from non-property tax sources. A loan pool of almost $3.2 million is included in the FY18 budget.

The program is designed to be flexible and responsive to unique redevelopment opportunities, challenges, and specific individual project financing needs of the Riverfront District. It is intended to encourage private, nonprofit, and public/private partnership development.

Other Revenue Sources

The largest single revenue source in most years for the two districts is property tax revenue. There are, however, other revenue sources that contribute to the Agency's resources:

- ***Loan Repayments***: The DRLP was established in FY04 to encourage redevelopment in the Downtown District; principal and interest payments are estimated to be approximately $500,000 in FY18. River Loans will also generate future principal and interest payments as loans are disbursed and repaid.

- ***Interest Income:*** Investment earnings on cash balances are estimated to be $107,000 in FY18.

- ***Rental Income:*** Rental income is estimated to be $66,150 in FY18.

Expenditure Summary

The Agency's primary goal is to promote redevelopment within the districts. In doing so, funds are expended among the following activities:

- ***Capital Projects:*** Public space improvements and infrastructure enhancements in the Downtown and Riverfront Districts.

- ***Loan Disbursements:*** Funding of the Downtown Revitalization Loan Program (DRLP) and the Riverfront Renewal Loan Program (River Loans) which provide loans to business and property owners, encouraging redevelopment in the Downtown and Riverfront Districts.

- ***Project Delivery Administration:*** Promotion of redevelopment projects, oversight of district-owned property, and general administration. Costs are initially incurred in the City's General Fund and then reimbursed by each district at the end of the fiscal year.

There are two opportunities for the FY18 Proposed Budget for the Urban Renewal Agency to be altered. The first opportunity takes place during Budget Committee meetings. During this time, the Budget Committee reviews the City Manager's proposed budget for the Urban Renewal Agency, holds public comment opportunities for citizens to weigh-in, holds a public hearing and deliberates on the proposed budget presented by the City Manager. During the deliberation process, Budget Committee members have the opportunity to ask questions about the budget and make formal motions. These motions are then debated and voted on by the Budget Committee. If a motion passes, it then becomes a change to the recommended budget.

The following motion was debated, voted on and approved by the Budget Committee:

- Move that the Budget Committee recommend to the Eugene City Council, acting as the Urban Renewal Agency Board of Directors, the FY18 Budget for the Eugene Urban Renewal Agency that consists of the City Manager's FY18 Proposed Budget, including property tax levies and/or rates contained therein, amended to reflect appropriations for prior year encumbrances and prior year capital projects.

The Budget Committee then forwards its budget recommendation to the City Council, which serves as the Urban Renewal Agency Board of Directors. The Board holds a public hearing and deliberates on the recommended budget. The Board has the opportunity to make formal motions for debate and action at this meeting, making changes to the recommendation received from the Budget Committee.

The following motion was debated, voted on and approved by the Urban Renewal Agency Board:

- Adopt Resolution 1082 of the Urban Renewal Agency of the City of Eugene adopting the budget, making appropriations and declaring the amount of tax to be certified for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

Description of Funds

The two urban renewal districts have separate budgets and account for activities in separate funds.

The Downtown District operates three funds: the Downtown General Fund, the Downtown Debt Service Fund, and the Downtown Capital Projects Fund.

- ***URA Downtown General Fund (Fund 817):*** This fund receives revenue from DRLP repayments (principal and interest on outstanding loans), property sales and leases, interest on cash balances, and interfund transfers from the Downtown Debt Service Fund. These revenues are used to:
  - Provide funding for DRLP loans for property improvements in the district boundaries;
  - Reimburse the City's General Fund for district management costs; and
  - Pay other operating costs, including property management expenses.

- ***URA Downtown Debt Service Fund (Fund 812):*** This fund receives all of the Downtown District tax increment revenues and uses those resources to:
  - Provide funding for the principal and interest payments on the URA's outstanding debt;
  - Provide funding (through interfund transfers) to the Downtown General Fund for district management costs and other operating expenses; and
  - Provide funding (through interfund transfers) to the Downtown Capital Projects Fund for specific capital improvements.

- ***URA Downtown Capital Projects Fund (Fund 813):*** This fund accounts for capital projects in the Downtown District. The Downtown Debt Service Fund uses resources to pay for specific, approved capital expenditures charged to this fund.

The Riverfront District operates three funds: the Riverfront General Fund, the Riverfront Capital Projects Fund, and the Riverfront Program Revenue Fund. The Riverfront Program Revenue Fund was created in FY16.

- ***URA Riverfront General Fund (Fund 821):*** This fund receives the Riverfront District tax increment revenues and uses those resources to:
  - Reimburse the City's General Fund for district management costs;
  - Pay other operating costs, including property management expenses; and
  - Provide funding (through interfund transfers) to the Riverfront Capital Projects Fund for specific capital projects.

- ***URA Riverfront Capital Projects Fund (Fund 823):*** This fund accounts for capital projects in the Riverfront District. The Riverfront General Fund transfers resources to this fund to pay for specific, approved capital expenditures.

- ***URA Riverfront Program Revenue Fund (Fund 824):*** This fund contains program revenue from the Riverfront District. Program revenues are funds that have been derived from non-property tax sources and can be used for different purposes than tax increment dollars, such as providing funding for River Loans.

Fund / Department	FY18 Proposed Budget	<---------- Budget Committee Actions ----------> Misc. Actions	Encumbrances Reserve/Carryover	Capital Carryover	Budget Comm. Recommend.	URA Board Action	FY18 Adopted Budget
A. Downtown General Fund							
Planning and Development	2,943,284		130,300		3,073,584		3,073,584
Special Payments	2,318,316				2,318,316		2,318,316
Balance Available	74,000				74,000		74,000
Total	**$ 5,335,600**	**-**	**$ 130,300**	**-**	**$ 5,465,900**	**-**	**$ 5,465,900**
B. Downtown Debt Service Fund							
Debt Service	314,000				314,000		314,000
Interfund Transfers	2,943,284				2,943,284		2,943,284
Balance Available	1,249				1,249		1,249
Total	**$ 3,258,533**	**-**	**-**	**-**	**$ 3,258,533**	**-**	**$ 3,258,533**
C. Downtown Capital Projects Fund							
Capital Projects	-			506,367	506,367		506,367
Balance Available	27,251				27,251		27,251
Total	**$ 27,251**	**-**	**-**	**$ 506,367**	**$ 533,618**	**-**	**$ 533,618**
D. Riverfront General Fund							
Planning and Development	522,763				522,763		522,763
Balance Available	3,064,205				3,064,205		3,064,205
Total	**$ 3,586,968**	**-**	**-**	**-**	**$ 3,586,968**	**-**	**$ 3,586,968**
E. Riverfront Capital Projects Fund							
Capital Projects*	-			7,212,111	7,212,111		7,212,111
Balance Available	513,607				513,607		513,607
Total	**$ 513,607**	**-**	**-**	**$ 7,212,111**	**$ 7,725,718**	**-**	**$ 7,725,718**
F. Riverfront Program Revenue Fund							
Special Payments	3,195,218				3,195,218		3,195,218
Total	**$ 3,195,218**	**-**	**-**	**-**	**$ 3,195,218**	**-**	**$ 3,195,218**
TOTAL URBAN RENEWAL AGENCY BUDGET	**$ 15,917,177**	**-**	**$ 130,300**	**$ 7,718,478**	**$ 23,765,955**	**-**	**$ 23,765,955**

* The carryover is primarily due to the purchase of the Eugene Water and Electric Board (EWEB) riverfront property.

This section sets out significant changes in the Urban Renewal Agency's FY18 Adopted Budget versus the FY17 Adopted Budget. Significant is defined as any percentage change that is above 5% or any budget reduction. Changes below 5% are generally due to normal year-to-year inflationary increases in contracts, salaries, health and benefit costs, and internal service charges.

Significant Changes in Expenditures by District
It's important to note that the two Urban Renewal Districts do not include FTE. Personnel and material and service costs for staff support of Agency projects are recorded in the City of Eugene General Fund, and are later reimbursed by the appropriate Urban Renewal District funds.

The FY18 Adopted Budget includes the following significant changes, by district:

Downtown District: Budget increased by $4,505,589 or 96.9% from the FY17 Adopted Budget to the FY18 Adopted Budget due to the Plan amendment approved by City Council in June 2016. Significant changes in expenditures are outlined in the table below.

Downtown District	Amount
High-Speed Fiber	$2,150,000
Park Blocks and Open Spaces	$300,000
Former LCC Downtown Center	$50,000
Downtown Urban Renewal Staffing *	$302,000
Urban Renewal Finance Manager *	$28,000
Interfund Transfer of Tax Increment Revenue	$2,764,252
Debt Service Payments	($1,034,000)
Downtown Revitalization Loan Program	($109,610)

** See corresponding General Fund changes in Budget Message section.*

- **High-Speed Fiber** – Downtown District funds in the amount of $3 million were appropriated for the creation of a high-speed fiber network during Supplemental Budget #1 in December 2016. It was estimated that up to $850,000 would be spent in FY17, thus the remaining $2.15 million was included in the FY18 Adopted Budget.

- **Park Blocks and Open Spaces** – Community engagement regarding the Park Blocks and other downtown open spaces began in FY17, and the Project for Public Spaces presented the results of that work to Council in February 2017. This additional funding in FY18 will support continuation of this effort as it moves into the design phase of the project.

- **Former LCC Downtown Center** – Downtown District funds in the amount of $50,000 were appropriated for consultant work related to the former Lane Community College downtown center during Supplemental Budget #1 in December 2016. It was anticipated that these funds would not be spent in FY17, thus the same amount was included in the FY18 Adopted Budget.

- **Downtown Urban Renewal Staffing** – Provides ongoing reimbursement to the City of Eugene General Fund for personnel costs related to supporting the Downtown District. This expense will fund personnel expenses associated with managing projects for a downtown high-speed

fiber network, Park Blocks and open space improvements, improved space for Farmers' Market, and redevelopment of the former LCC downtown center.

- **Urban Renewal Finance Manager** – This expense will fund the City of Eugene's personnel expenses associated with financial management related to work on complex financial budgeting, tracking, reconciling and reporting needs of City staff working on Downtown District projects.

- **Interfund Transfer of Tax Increment Revenue** – Tax increment revenue for the Downtown District is received in the Downtown Debt Service Fund, and some of it is then transferred to the Downtown General Fund to pay for eligible expenses. An increase in this interfund transfer is needed to cover the expenditures described above, the largest being high-speed fiber.

- **Debt Service Payments** – A decrease in debt service payments is from the debt payoff associated with the Broadway Place Garages and LCC Downtown Campus. The final principal and interest payments related to this debt will occur in FY18.

- **Downtown Revitalization Loan Program** – This is a revolving loan program, thus the amount of program revenue available varies from year-to-year as loan repayments are returned to the loan pool and subsequently loaned out for new projects.

Riverfront District: Budget increased by $9,354,093 or 593.5% from the FY17 Adopted Budget to the FY18 Adopted Budget primarily because of capital carryover in support of the EWEB riverfront property redevelopment. Another key driver is additional funding added to the loan program from reserve. Significant changes in expenditures are outlined in the table below.

Riverfront District	Amount
Capital Carryover	$6,887,993
Riverfront Renewal Loan Program	$2,195,218
High-Speed Fiber	$200,000
W2W - 8th & Mill Connector	$50,000
Urban Renewal Finance Manager *	$28,000

** See corresponding General Fund changes in Budget Message section.*

- **Capital Carryover** – Capital carryover represents unspent budget authority for capital projects carried over from prior years. Riverfront District funds in the amount of $6,875,000 were appropriated for the EWEB riverfront property purchase during Supplemental Budget #1 in December 2016. The purchase is anticipated to occur in FY18, so this funding was carried over to the FY18 Adopted Budget.

- **Riverfront Renewal Loan Program** – Additional program revenue for this loan program was held in a reserve in prior years. With the expected increase in Riverfront District activity in FY18, this funding was pulled out of the reserve and added to the available loan pool.

- **High-Speed Fiber** – Riverfront District funds in the amount of $200,000 were appropriated for the creation of a high-speed fiber network during Supplemental Budget #1 in December 2016. It was anticipated that these funds would not be spent in FY17, thus the same amount was included in the FY18 Adopted Budget.

- **Willamette to Willamette 8th & Mill Connector** – These funds are for transportation analysis related to the feasibility of circulation enhancements for the Willamette to Willamette Initiative. This initiative is focused on creating strong connections between the downtown core and the redeveloping waterfront, and between downtown and the University of Oregon.

- **Urban Renewal Finance Manager** – This expense will fund the Riverfront District's portion of the City of Eugene's personnel expenses associated with financial management related to work on complex financial budgeting, tracking, reconciling and reporting needs of City staff working on Riverfront District projects.

Significant Changes in Funding Sources
The FY18 Adopted Budget includes the following significant changes in funding sources:

- ***Downtown General Fund:*** Increased by $2,784,942 or 106.8% primarily due to increased expenditures related to the 2016 Plan amendment, including $2,150,000 for high-speed fiber, $300,000 for Park Blocks and open spaces, and $50,000 for the former LCC downtown center. The FY18 Adopted Budget also includes $302,000 for additional staff to support the 2016 Plan amendment projects, and $28,000 for additional staff to support the financial management of the district. These increased expenditures are partially offset by a reduction of $109,610 in the loan pool for the Downtown Revitalization Loan Program.

- ***Downtown Debt Service:*** Increased by $1,730,252 or 113.3% primarily due to an increase of $2,764,252 in the interfund transfer to the Downtown General Fund to pay for 2016 Plan amendment expenses and additional staffing with tax increment revenue. This increased expenditure is partially offset by a decrease of $1,034,000 in debt service payments from the final pay off of debt associated with the Broadway Place Garages and LCC Downtown Campus.

- ***Downtown Capital Projects:*** Decreased by $9,605 or 1.9% because some capital expenses were incurred during FY17 for downtown lighting and thus less funding carried over to FY18.

- ***Riverfront General Fund:*** Increased by $270,882 or 107.5% due to increases of $200,000 for the Riverfront District portion of the high-speed fiber project, $50,000 for the Willamette to Willamette Initiative, and $28,000 for personnel expenses to support the financial management of the district.

- ***Riverfront Capital Projects:*** Increased by $6,887,993 or 2125.1% primarily due to $6,875,000 in funding carried over to FY18 for the EWEB riverfront property purchase.

- ***Riverfront Program Revenue:*** Increased by $2,195,218 or 219.5% due to additional funding available for the Riverfront Renewal Loan Program.

Change by District

	FY17 Adopted Budget	FY18 Adopted Budget	$ Change	% Change
Downtown District				
Total Expenditures	$4,649,962	$9,155,551	$4,505,589	96.9%
Riverfront District				
Total Expenditures	$1,575,999	$10,930,092	$9,354,093	593.5%
Urban Renewal Agency				
TOTAL EXPENDITURES	$6,225,961	$20,085,643	$13,859,682	222.6%

Change by Funding Source

Downtown General	$2,606,958	$5,391,900	$2,784,942	106.8%
Downtown Debt Service	1,527,032	3,257,284	1,730,252	113.3%
Downtown Capital Projects	515,972	506,367	(9,605)	-1.9%
Riverfront General	251,881	522,763	270,882	107.5%
Riverfront Capital Projects	324,118	7,212,111	6,887,993	2125.1%
Riverfront Program Revenue	1,000,000	3,195,218	2,195,218	219.5%
TOTAL FUNDING SOURCES	$6,225,961	$20,085,643	$13,859,682	222.6%

The Agency's FY18 Adopted net budget is $20.8 million, an increase of 13.8% over the FY17 Adopted net budget. This is primarily due to increased operating and capital expenditures in support of the Downtown District's 2016 Plan amendment and the EWEB riverfront redevelopment in the Riverfront District. There is also an increase in the budgeted loan pool (Special Payments) for the Riverfront Renewal Loan program in anticipation of increased activity in the Riverfront District. The net budget subtracts internal charges, transfers, and loans.

The budget is divided into two categories: Department Operating (including internal charges) and Non-Departmental (Capital, Debt Service, Interfund Transfers, Special Payments, Contingency/Reserves, and Balance Available). Net Department Operating expenditures across all funds are anticipated to increase by 734.6% in FY18. This large increase is mostly attributed to the installation of high-speed fiber in the downtown area. Additional drivers include expenses related to other projects contained in the Downtown District's 2016 Plan amendment, such as Park Blocks and Open Spaces and the Former LCC Downtown Center.

The total budget is the legal appropriation adopted by the Agency Board. The total budget reflects the actual resources needed by the Agency plus internal charges, transfers, and loans in accordance with Oregon Budget Law (ORS 294) and accounting requirements.

For more details regarding year-to-year fund balance changes, see the Combined Statement of Revenues, Expenditures, and Changes in Fund Balance.

	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY18 Adopted Budget	% Change FY17 Adopted to FY18 Adopted
Total Budget	**$5,894,449**	**$18,481,643**	**$30,730,629**	**$23,765,955**	**28.6%**
Less Internal Expend./Trans./Loans	(3,116,000)	(179,032)	(10,698,494)	(2,943,284)	1544.0%
Net Budget	**2,778,449**	**18,302,611**	**20,032,135**	**20,822,671**	**13.8%**
Resources					
Beginning Working Capital	12,665,124	13,911,461	13,950,092	15,423,521	10.9%
Revenues					
Taxes	3,570,356	3,700,000	3,700,000	4,325,000	16.9%
Rental	66,150	66,150	66,150	66,150	0.0%
Miscellaneous	165,100	175,000	1,865,893	558,000	218.9%
Interfund Transfers/Loans	3,116,000	179,032	10,698,494	2,943,284	1544.0%
Principal on Notes/Loans	261,811	450,000	450,000	450,000	0.0%
Total Revenues	**7,179,417**	**4,570,182**	**16,780,537**	**8,342,434**	**82.5%**
Less Interfund Transfers/Loans	(3,116,000)	(179,032)	(10,698,494)	(2,943,284)	1544.0%
Net Revenues	4,063,417	4,391,150	6,082,043	5,399,150	23.0%
Net Resources	**16,728,541**	**18,302,611**	**20,032,135**	**20,822,671**	**13.8%**
Requirements					
Department Operating					
Planning and Development	328,168	430,913	4,337,875	3,596,347	734.6%
Net Department Operating	**328,168**	**430,913**	**4,337,875**	**3,596,347**	**734.6%**
Non-Departmental					
Capital	200,681	840,090	7,769,544	7,718,478	818.8%
Debt Service	2,249,600	1,348,000	1,050,000	314,000	-76.7%
Interfund Transfers	3,116,000	179,032	10,698,494	2,943,284	1544.0%
Special Payments	0	3,427,926	3,427,926	5,513,534	60.8%
Contingency/Reserves	0	2,005,000	2,005,000	0	-100.0%
Balance Available	0	10,250,682	1,441,790	3,680,312	-64.1%
Total Non-Departmental	**5,566,281**	**18,050,730**	**26,392,754**	**20,169,608**	**11.7%**
Less Interfund Transfers and Loans	(3,116,000)	(179,032)	(10,698,494)	(2,943,284)	1544.0%
Net Non-Departmental	2,450,281	17,871,698	15,694,260	17,226,324	-3.6%
Net Requirements	**$2,778,449**	**$18,302,611**	**$20,032,135**	**$20,822,671**	**13.8%**

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

All Governmental Fund Types, Three-Year Comparison

	Downtown Urban Renewal District				Riverfront Urban Renewal District			
	FY16 Actual	FY17 Projections	FY18 Adopted		FY16 Actual	FY17 Projections	FY18 Adopted	
Fund Balance, Beginning of Year	**$3,513,109**	**$3,534,477**	**$3,189,767**	**(a)**	**$9,152,015**	**$10,415,615**	**$12,233,754**	**(a)**
Revenues								
Taxes	2,040,614	2,105,000	2,185,000		1,529,742	1,965,000	2,140,000	
Rental	0	0	0		66,150	66,150	66,150	
Charges for Services	0	0	0		0	0	0	
Miscellaneous	102,339	91,000	490,000		62,761	105,000	68,000	
Interfund Transfers	126,000	1,448,694 **(b)**	2,943,284	**(b)**	2,990,000	6,975,000 **(c)**	0	
Principal on Notes/Loans	261,811	156,000	450,000		0	0	0	
Total	**2,530,764**	**3,800,694**	**6,068,284**		**4,648,653**	**9,111,150**	**2,274,150**	
Operating Expenditures								
Planning and Development **(d)**	**133,796**	**1,448,694**	**3,073,584**		**194,372**	**382,917**	**522,763**	
Capital Projects (e)	**0**	**522,339**	**506,367**		**200,681**	**7,147,205**	**(f) 7,212,111**	**(f)**
Non-Departmental Expenditures								
Debt Service	2,249,600	987,544	314,000	**(g)**	0	0	0	
Interfund Transfers	126,000	1,523,494 **(b)**	2,943,284	**(b)**	2,990,000	6,975,000 **(c)**	0	
Special Payments	0	300,000	2,318,316	**(h)**	0	0	3,195,218	**(h)**
Total	**2,375,600**	**2,811,038**	**5,575,600**		**2,990,000**	**6,975,000**	**3,195,218**	
Total Expenditures	**2,509,396**	**4,782,071**	**9,155,551**		**3,385,053**	**14,505,122**	**10,930,092**	
Revenues Over (Under) Expenditures (i)	**21,368**	**(981,377)**	**(3,087,267)**		**1,263,600**	**(5,393,972)**	**(8,655,942)**	
Fund Balance, End of Year	**$3,534,477**	**$2,553,100**	**$102,500**		**$10,415,615**	**$5,021,643**	**$3,577,812**	

Notes:

(a) Includes adjustments for prior year appropriations for encumbrances and capital projects.
(b) Transfer from Downtown Debt Service Fund to Downtown General Fund to support eligible 2016 Plan amendment expenses, the largest being high-speed fiber.
(c) Transfer from Riverfront General Fund to Riverfront Capital Projects Fund for EWEB property purchase ($6.875 million) and bike share stations ($100,000).
(d) Increased operating expenditures in FY17 and FY18 to support Downtown District's 2016 Plan amendment and the EWEB riverfront redevelopment in the Riverfront District.
(e) Capital projects are budgeted in their entirety during the first year, and unspent appropriation balances are carried forward from year-to-year for those projects that require multiple years to complete.
(f) Includes capital funding for EWEB property purchase ($6.875 million) and bike share stations ($100,000).
(g) Final payoff of debt associated with Broadway Place Garages and LCC Downtown Campus will occur in FY18.
(h) Available fund balance budgeted for loans through Downtown Revitalization Loan Program and Riverfront Renewal Loan Program.
(i) Annual deficits in FY17 and FY18 result from the planned spending of revenues accumulated in prior years.

ALL FUNDS

	Resources	Requirements		
		Department Operating	Capital Projects	Non-Departmental
Downtown General Fund	$5,465,900	$3,073,584	$0	$2,392,316
Downtown Debt Service Fund	3,258,533	0	0	3,258,533
Downtown Capital Projects Fund	533,618	0	506,367	27,251
Riverfront General Fund	3,586,968	522,763	0	3,064,205
Riverfront Capital Projects Fund	7,725,718	0	7,212,111	513,607
Riverfront Program Revenue Fund	3,195,218	0	0	3,195,218
Total	**$23,765,955**	**$3,596,347**	**$7,718,478**	**$12,451,130**

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Rental	18,000	0	0	0	0	0
Charges for Services	932	0	0	0	0	0
Miscellaneous	49,373	62,607	65,000	65,000	75,000	75,000
Interfund Transfers	98,285	126,000	179,032	3,723,494	1,448,694	2,943,284
Principal on Notes/Loans	780,832	261,811	450,000	450,000	156,000	450,000
Total Revenues	947,422	450,418	694,032	4,238,494	1,679,694	3,468,284
Expenditures						
Planning and Development	102,763	133,796	179,032	3,723,494	1,448,694	3,073,584
Special Payments	60,000	0	2,427,926	2,427,926	300,000	2,318,316
Total Expenditures	162,763	133,796	2,606,958	6,151,420	1,748,694	5,391,900
Excess (deficiency) of revenues over expenditures	**784,659**	**316,622**	**(1,912,926)**	**(1,912,926)**	**(69,000)**	**(1,923,616)**
Beginning Working Capital (Fund Balance), July 1	835,035	1,619,694	1,942,766	1,936,316	1,936,316	1,997,616
Ending Working Capital (Fund Balance), June 30	1,619,694	1,936,316	29,840	23,390	1,867,316	74,000

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	835,035	1,619,694	1,942,766	1,936,316	1,936,316	1,997,616
Total Revenues	947,422	450,418	694,032	4,238,494	1,679,694	3,468,284
Total Resources	1,782,457	2,070,112	2,636,798	6,174,810	3,616,010	5,465,900
Requirements						
Total Expenditures	162,763	133,796	2,606,958	6,151,420	1,748,694	5,391,900
Ending Working Capital (Fund Balance)	1,619,694	1,936,316	29,840	23,390	1,867,316	74,000
Total Requirements	1,782,457	2,070,112	2,636,798	6,174,810	3,616,010	5,465,900

Reserves (Budgeted amounts only)						
Balance Available	17,650	22,442	29,840	23,390	23,390	74,000
Total Reserves	17,650	22,442	29,840	23,390	23,390	74,000

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Taxes	1,945,547	2,040,614	2,075,000	2,075,000	2,105,000	2,185,000
Miscellaneous	13,592	36,406	14,000	1,704,893	11,000	410,000
Total Revenues	1,959,139	2,077,020	2,089,000	3,779,893	2,116,000	2,595,000
Expenditures						
Debt Service	2,102,020	2,249,600	1,348,000	1,050,000	987,544	314,000
Interfund Transfers	98,285	126,000	179,032	3,723,494	1,523,494	2,943,284
Total Expenditures	2,200,305	2,375,600	1,527,032	4,773,494	2,511,038	3,257,284
Excess (deficiency) of revenues over expenditures	**(241,166)**	**(298,580)**	**561,968**	**(993,601)**	**(395,038)**	**(662,284)**
Beginning Working Capital (Fund Balance), July 1	1,598,317	1,357,151	993,601	1,058,571	1,058,571	663,533
Ending Working Capital (Fund Balance), June 30	1,357,151	1,058,571	1,555,569	64,970	663,533	1,249

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,598,317	1,357,151	993,601	1,058,571	1,058,571	663,533
Total Revenues	1,959,139	2,077,020	2,089,000	3,779,893	2,116,000	2,595,000
Total Resources	3,557,456	3,434,171	3,082,601	4,838,464	3,174,571	3,258,533
Requirements						
Total Expenditures	2,200,305	2,375,600	1,527,032	4,773,494	2,511,038	3,257,284
Ending Working Capital (Fund Balance)	1,357,151	1,058,571	1,555,569	64,970	663,533	1,249
Total Requirements	3,557,456	3,434,171	3,082,601	4,838,464	3,174,571	3,258,533

Reserves (Budgeted amounts only)						
Balance Available	1,266,317	974,151	1,555,569	64,970	64,970	1,249
Total Reserves	1,266,317	974,151	1,555,569	64,970	64,970	1,249

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Miscellaneous	2,766	3,326	4,000	4,000	5,000	5,000
Total Revenues	2,766	3,326	4,000	4,000	5,000	5,000
Expenditures						
Capital	2,540	0	515,972	522,339	522,339	506,367
Total Expenditures	2,540	0	515,972	522,339	522,339	506,367
Excess (deficiency) of revenues over expenditures	**226**	**3,326**	**(511,972)**	**(518,339)**	**(517,339)**	**(501,367)**
Beginning Working Capital (Fund Balance), July 1	536,038	536,264	539,438	539,590	539,590	528,618
Ending Working Capital (Fund Balance), June 30	536,264	539,590	27,466	21,251	22,251	27,251

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	536,038	536,264	539,438	539,590	539,590	528,618
Total Revenues	2,766	3,326	4,000	4,000	5,000	5,000
Total Resources	538,804	539,590	543,438	543,590	544,590	533,618
Requirements						
Total Expenditures	2,540	0	515,972	522,339	522,339	506,367
Ending Working Capital (Fund Balance)	536,264	539,590	27,466	21,251	22,251	27,251
Total Requirements	538,804	539,590	543,438	543,590	544,590	533,618

Reserves (Budgeted amounts only)						
Balance Available	19,526	23,292	27,466	21,251	21,251	27,251
Total Reserves	19,526	23,292	27,466	21,251	21,251	27,251

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Taxes	1,275,548	1,529,742	1,625,000	1,625,000	1,965,000	2,140,000
Rental	63,000	66,150	66,150	66,150	0	0
Miscellaneous	41,084	55,982	70,000	70,000	70,000	19,000
Total Revenues	1,379,632	1,651,874	1,761,150	1,761,150	2,035,000	2,159,000
Expenditures						
Planning and Development	157,375	194,372	251,881	614,381	382,917	522,763
Interfund Transfers	0	2,990,000	0	6,975,000	6,975,000	0
Total Expenditures	157,375	3,184,372	251,881	7,589,381	7,357,917	522,763
Excess (deficiency) of revenues over expenditures	**1,222,257**	**(1,532,498)**	**1,509,269**	**(5,828,231)**	**(5,322,917)**	**1,636,237**
Beginning Working Capital (Fund Balance), July 1	7,061,126	8,283,383	6,720,792	6,750,885	6,750,885	1,427,968
Ending Working Capital (Fund Balance), June 30	8,283,383	6,750,885	8,230,061	922,654	1,427,968	3,064,205

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	7,061,126	8,283,383	6,720,792	6,750,885	6,750,885	1,427,968
Total Revenues	1,379,632	1,651,874	1,761,150	1,761,150	2,035,000	2,159,000
Total Resources	8,440,758	9,935,257	8,481,942	8,512,035	8,785,885	3,586,968
Requirements						
Total Expenditures	157,375	3,184,372	251,881	7,589,381	7,357,917	522,763
Ending Working Capital (Fund Balance)	8,283,383	6,750,885	8,230,061	922,654	1,427,968	3,064,205
Total Requirements	8,440,758	9,935,257	8,481,942	8,512,035	8,785,885	3,586,968

Reserves (Budgeted amounts only)						
Balance Available	8,188,126	6,478,623	8,230,061	922,654	922,654	3,064,205
Total Reserves	8,188,126	6,478,623	8,230,061	922,654	922,654	3,064,205

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Miscellaneous	4,514	4,861	7,000	7,000	6,000	7,000
Interfund Transfers	0	0	0	6,975,000	6,975,000	0
Total Revenues	4,514	4,861	7,000	6,982,000	6,981,000	7,000
Expenditures						
Capital	20,270	200,681	324,118	7,247,205	7,147,205	7,212,111
Total Expenditures	20,270	200,681	324,118	7,247,205	7,147,205	7,212,111
Excess (deficiency) of revenues over expenditures	**(15,756)**	**(195,820)**	**(317,118)**	**(265,205)**	**(166,205)**	**(7,205,111)**
Beginning Working Capital (Fund Balance), July 1	884,388	868,632	724,864	672,812	672,812	7,718,718
Ending Working Capital (Fund Balance), June 30	868,632	672,812	407,746	407,607	506,607	513,607

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	884,388	868,632	724,864	672,812	672,812	7,718,718
Total Revenues	4,514	4,861	7,000	6,982,000	6,981,000	7,000
Total Resources	888,902	873,493	731,864	7,654,812	7,653,812	7,725,718
Requirements						
Total Expenditures	20,270	200,681	324,118	7,247,205	7,147,205	7,212,111
Ending Working Capital (Fund Balance)	868,632	672,812	407,746	407,607	506,607	513,607
Total Requirements	888,902	873,493	731,864	7,654,812	7,653,812	7,725,718

Reserves (Budgeted amounts only)						
Balance Available	493,427	399,746	407,746	407,607	407,607	513,607
Total Reserves	493,427	399,746	407,746	407,607	407,607	513,607

	FY15 Actual	FY16 Actual	FY17 Adopted Budget	FY17 Budget 12/31/2016	FY17 Projections	FY18 Adopted Budget
Revenues						
Rental Income	0	0	0	0	66,150	66,150
Miscellaneous	0	1,918	15,000	15,000	29,000	42,000
Interfund Transfers	0	2,990,000	0	0	0	0
Total Revenues	0	2,991,918	15,000	15,000	95,150	108,150
Expenditures						
Special Payments	0	0	1,000,000	1,000,000	0	3,195,218
Total Expenditures	0	0	1,000,000	1,000,000	0	3,195,218
Excess (deficiency) of revenues over expenditures	**0**	**2,991,918**	**(985,000)**	**(985,000)**	**95,150**	**(3,087,068)**
Beginning Working Capital (Fund Balance), July 1	0	0	2,990,000	2,991,918	2,991,918	3,087,068
Ending Working Capital (Fund Balance), June 30	0	2,991,918	2,005,000	2,006,918	3,087,068	0

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	0	0	2,990,000	2,991,918	2,991,918	3,087,068
Total Revenues	0	2,991,918	15,000	15,000	95,150	108,150
Total Resources	0	2,991,918	3,005,000	3,006,918	3,087,068	3,195,218
Requirements						
Total Expenditures	0	0	1,000,000	1,000,000	0	3,195,218
Ending Working Capital (Fund Balance)	0	2,991,918	2,005,000	2,006,918	3,087,068	0
Total Requirements	0	2,991,918	3,005,000	3,006,918	3,087,068	3,195,218

Reserves (Budgeted amounts only)						
Reserve	0	1,995,000	2,005,000	2,005,000	2,005,000	0
Balance Available	0	0	0	1,918	1,918	0
Total Reserves	0	1,995,000	2,005,000	2,006,918	2,006,918	0

URBAN RENEWAL AGENCY
RESOLUTION NO. 1082

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE ADOPTING THE BUDGET, MAKING APPROPRIATIONSM AND DECLARING THE AMOUNT OF TAX TO BE CERTIFIED FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

PASSED: 7:0

REJECTED:

OPPOSED:

ABSENT: Ward 4 seat vacant

CONSIDERED: June 26, 2017

RESOLUTION NO. 1082

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING THE AMOUNT OF TAX TO BE CERTIFIED FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018

The Urban Renewal Agency of the City of Eugene finds that adopting the budget and making appropriations is necessary under ORS 294.305 to ORS 294.565.

NOW, THEREFORE,

BE IT RESOLVED by the Urban Renewal Agency of the City of Eugene, as follows:

Section 1. The budget for the Urban Renewal Agency of the City of Eugene for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018, set forth in attached Exhibit A is hereby adopted.

Section 2. The amounts for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018, and for the purposes shown in the attached Exhibit A are hereby appropriated.

Section 3. That the following be certified to the County Assessor of Lane County, Oregon:

The Downtown Plan Area shall receive the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution. This plan shall be certified under Part 4, Other Reduced Rate Plans.

The Riverfront Plan Area shall receive the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution. This plan shall be certified under Part 3, Other Standard Rate Plans.

Section 4. That the City of Eugene Finance Director is hereby requested to certify the levies as herein made and set forth to the County Assessor of Lane County, Oregon, and shall file with the Lane County Assessor and the Lane County Clerk a copy of the adopted budget for fiscal year 2017-2018, and such other documents as required by ORS 294.458.

Section 5. The list of fund numbers and fund titles set forth in attached Exhibit B is hereby adopted, and any fund numbers or fund titles in conflict herewith are hereby repealed.

The foregoing Resolution adopted this 26th day of June, 2017.

Deputy **City Recorder** – RAWSON BAYLOR-PIND

Exhibit A

Urban Renewal Agency of the City of Eugene
Expenditure Appropriations by Fund

Downtown General Fund	$
Department Operating	
Planning and Development	3,073,584
Total Department Operating	3,073,584
Non-Departmental	
Special Payments	2,318,316
Balance Available*	74,000
Total Non-Departmental	2,392,316
Total Downtown General Fund	**5,465,900**
Downtown Debt Service Fund	
Non-Departmental	
Debt Service	314,000
Interfund Transfers	2,943,284
Balance Available*	1,249
Total Non-Departmental	3,258,533
Total Downtown Debt Service Fund	**3,258,533**
Downtown Capital Projects Fund	
Total Capital Projects	506,367
Non-Departmental	
Balance Available*	27,251
Total Non-Departmental	27,251
Total Downtown Capital Projects Fund	**533,618**
Riverfront General Fund	
Department Operating	
Planning and Development	522,763
Total Department Operating	522,763
Non-Departmental	
Balance Available*	3,064,205
Total Non-Departmental	3,064,205
Total Riverfront General Fund	**3,586,968**

Riverfront Capital Projects Fund	
Total Capital Projects	7,212,111
Non-Departmental	
Balance Available*	513,607
Total Non-Departmental	513,607
Total Riverfront Capital Projects Fund	**7,725,718**
Riverfront Program Revenue Fund	
Non-Departmental	
Special Payments	3,195,218
Total Non-Departmental	3,195,218
Total Riverfront Program Revenue Fund	**3,195,218**
Total Resolution	**23,765,955**

* Reserve and Balance Available amounts are not appropriated for spending and are shown for informational purposes only.

Exhibit B

Urban Renewal Agency
Fund Names

Reporting Fund	Managing Fund	Fund Title
817	817	Downtown General Fund
812	812	Downtown Debt Service Fund
813	813	Downtown Capital Projects Fund
821	821	Riverfront General Fund
823	823	Riverfront Capital Projects Fund
824	824	Riverfront Program Revenue Fund

Notice of the URA Board Public Hearing and Financial Summary

Notice of Urban Renewal Agency of the City of Eugene
Public Hearing on the Recommended FY18 Budget
Monday, June 26, 2017, 7:30 p.m.
Harris Hall, Lane County Public Service Building
125 E 8th Avenue, Eugene, OR 97401

The purpose of this public hearing is to receive public comment on the Fiscal Year 2017/2018 (FY18) Budget for the Urban Renewal Agency (URA) of the City of Eugene. The fiscal year begins on July 1, 2017 and ends June 30, 2018. The public hearing will be held to receive citizen comments on the proposed uses of Agency funds. Immediately after the public hearing, the URA Board of Directors is scheduled to take action on the resolution adopting the FY18 URA Budget.

The total URA budget recommended by the Eugene Budget Committee for FY18 is $23,765,955. This includes $7,718,478 in capital carryover and $130,300 in prior year encumbrances, as authorized by the Budget Committee.

This budget was prepared using a basis of accounting consistent with the preceding fiscal year.

Major Programs

Downtown District: Improve the function, condition, and appearance of the urban renewal area through construction of a high-speed fiber network; site improvements for the Farmers' Market; improvements to the Park Blocks and other key open spaces; and the redevelopment of the former Lane Community College downtown center.

Riverfront District: Stimulate appropriate redevelopment in the Riverfront area for the EWEB Riverfront Master Plan implementation; promote redevelopment of public and private properties in the area around the Wayne Morse Federal Courthouse; improve connections between the core of downtown, the riverfront area and the University of Oregon; and protect or enhance the riparian area.

Major Program Changes

The URA FY18 Proposed Budget as presented to the Budget Committee on April 26, 2017 includes the following changes to prior year service levels:

FY18 Proposed Budget Changes - Urban Renewal Agency

Downtown District	Amount
High-Speed Fiber	$2,150,000
Park Blocks and Open Spaces	$300,000
Former LCC Downtown Center	$50,000
Downtown Urban Renewal Staffing *	$302,000
Urban Renewal Finance Manager *	$28,000

* See corresponding General Fund proposed changes in City of Eugene section of the legal advertisement.

Riverfront District	Amount
Riverfront Renewal Loan Program	$2,195,218
High-Speed Fiber	$200,000
Willamette to Willamette (W2W) - 8th & Mill Connector	$50,000
Urban Renewal Finance Manager *	$28,000

* See corresponding General Fund proposed changes in City of Eugene section of the legal advertisement.

Urban Renewal Agency
2017-18 Recommended Budget Summary - All Funds

	FY16 Last Year's Actual	FY17 This Year's Budget as of 12/31/2016	FY18 Next Year's Recm'd Budget
RESOURCES			
Beginning Fund Balance	$12,665,124	$13,950,092	$15,423,521
Revenues			
Property Taxes	$3,568,927	$3,700,000	$4,325,000
Other Taxes	1,429	0	0
Rental	66,150	66,150	66,150
Miscellaneous Revenues	165,100	1,865,893	558,000
Other Financing Sources	261,811	450,000	450,000
Interfund Transfers	3,116,000	10,698,494	2,943,284
Total Revenues	$7,179,417	$16,780,537	$8,342,434
Total Resources	$19,844,541	$30,730,629	$23,765,955
REQUIREMENTS			
Department Operating			
Materials and Services	$328,168	$4,337,875	$3,596,347
Total Department Operating	$328,168	$4,337,875	$3,596,347
Capital	$200,681	$7,769,544	$7,718,478
Non-Departmental			
Debt Service	$2,249,600	$1,050,000	$314,000
Special Payments	0	3,427,926	5,513,534
Interfund Transfers	3,116,000	10,698,494	2,943,284
Contingency/Reserves*	0	2,005,000	0
Ending Fund Balance* (FY16) or Balance Available* (FY17, FY18)	13,950,092	1,441,790	3,680,312
Total Non-Departmental	$19,315,692	$18,623,210	$12,451,130
Total Requirements	$19,844,541	$30,730,629	$23,765,955

*Funds that are not appropriated for spending.

Urban Renewal Agency of the City of Eugene
STATEMENT OF INDEBTEDNESS

	Debt Outstanding July 1, 2017	Debt Authorized, Not Incurred July 1, 2017
Bonds	$298,000	$0
Other Long-Term Debt	0	0
Total Indebtedness	$298,000	$0

ESTIMATED AD VALOREM PROPERTY TAXES – ALL FUNDS

	FY16 Actual	FY17 Estimate	FY18 Budget
Total Property Taxes Required to Balance Budget	$3,568,927	$4,070,000	$4,325,000
Plus Net Estimated Property Taxes Not To Be Received, Discounts Allowed, Other Uncollected Amounts	151,251	261,804	275,000
Total Estimated Taxes – All Funds	$3,720,178	$4,331,804	$4,600,000

CERTIFIED TAXES BY TYPE - ALL FUNDS

	FY16	FY17	FY18
Downtown (Reduced Rate Plan)			
Division of Tax	100%	100%	100%
Special Levy	No	No	No
Riverfront (Standard Rate Plan)			
Division of Tax	100%	100%	100%
Special Levy	No	No	No

How You Can Participate

Get a copy of the budget. Paper copies of the FY18 Proposed Budget for the Urban Renewal Agency of the City of Eugene are available for inspection at the City Finance Division, 100 W 10th Avenue, 4th Floor; the Eugene Public Library (Reference Desk); and the City Manager's Office, 125 E 8th Avenue, 2nd floor, during regular business hours. The FY18 Proposed Budget document and amendments to the FY18 budget recommended by the Eugene Budget Committee are also available on the City's website at www.eugene-or.gov/budget

Testify at the public hearing, or submit written testimony. You may speak at the FY18 URA budget public hearing, send a letter or e-mail to the URA Board of Directors prior to the public hearing, or submit written testimony at the hearing. Copies of the agenda packet containing the Budget Committee recommendations and draft URA Board resolution will be available starting on June 23, 2017 at the City Manager's Office, the City Finance Division, and on the City's website. Contact the City of Eugene Finance Division at 541-682-5512 for additional information.

This notice is published pursuant to ORS 294.438 on June 19, 2017.

No. 6965729 - June 19, 2017

Published on June 19, 2017 in the Eugene Register-Guard newspaper.

FORM UR-50 **NOTICE TO ASSESSOR** **2017-2018**

• Submit two (2) copies to county assessor by July 15. ☐ **Check here if this is an amended form.**

Notification

City of Eugene Urban Renewal Agency authorizes its 2017-18 ad valorem tax increment amounts
(Agency Name)

by plan area for the tax roll of Lane County.
(County Name)

Jessica Mumme (541) 682-5127 July 11, 2017
(Contact Person) (Telephone Number) (Date Submitted)

100 West 10th Ave, Suite 400 - Eugene, Oregon - 97401 Jessica.L.Mumme@ci.eugene.or.us
(Agency's Mailing Address) (Contact Person's E-mail Address)

☐ Yes, the agency has filed an impairment certificate by May 1 with the assessor (ORS 457.445).

Part 1: Option One Plans (Reduced Rate). For definition of Option One plans, see ORS 457.435(2)(a)

Plan Area Name	*Increment Value to Use**	*100% from Division of Tax**	*Special Levy Amount***
	$ **Or**	Yes ____	$
	$ **Or**	Yes ____	$
	$ **Or**	Yes ____	$
	$ **Or**	Yes ____	$

Part 2: Option Three Plans (Standard Rate). For definition of Option Three plans, see ORS 457.435(2)(c)

Plan Area Name	*Increment Value to Use****	*100% from Division of Tax****	*Special Levy Amount*****
	$ **Or**		
	$ **Or**		
	$ **Or**		

Part 3: Other Standard Rate Plans. For definition of standard rate plans, see ORS 457.445(2)

Plan Area Name	*Increment Value to Use**	*100% from Division of Tax**	
Riverfront	$ **Or**	Yes __X__	
	$ **Or**	Yes ____	
	$ **Or**	Yes ____	
	$ **Or**	Yes ____	
	$ **Or**	Yes ____	

Part 4: Other Reduced Rate Plans. For definition of reduced rate plans, see ORS 457.445(1)

Plan Area Name	*Increment Value to Use**	*100% from Division of Tax**	
Downtown	$ **Or**	Yes _X_	
	$ **Or**	Yes ____	
	$ **Or**	Yes ____	
	$ **Or**	Yes ____	
	$ **Or**	Yes ____	

Notice to Assessor of Permanent Increase in Frozen Value. Effective 2015-2016, permanently increase frozen value to:

Plan Area Name	New frozen value $
Plan Area Name	New frozen value $

* **All Plans except Option Three**: Enter amount of Increment Value to Use that is less than 100% Or check "Yes" to receive 100% of division of tax. Do NOT enter an amount of Increment Value to Use AND check "Yes".

** If an **Option One plan** enters a Special Levy Amount, you MUST check "Yes" and NOT enter an amount of Increment to Use.

*** **Option Three plans** enter EITHER an amount of Increment Value to Use to raise less than the amount of division of tax stated in the 1998 ordinance under ORS 457.435(2)(c) OR the Amount from Division of Tax stated in the ordinance, NOT both.

**** If an **Option Three plan** requests both an amount of Increment Value to Use that will raise less than the amount of division of tax stated in the 1998 ordinance and a Special Levy Amount, the Special Levy Amount cannot exceed the amount available when the amount from division of tax stated in the ordinance is subtracted from the plan's Maximum Authority.

150-504-076-5 (Rev. 12-15)

This page intentionally left blank.

APRIL 2017

2017 UNFUNDED NEEDS ASSESSMENT

CITY OF EUGENE

This page intentionally left blank.

Table of Contents

Section	Page #
Purpose of the Unfunded Needs Assessment	1
History of the UNA	2
Summary of the UNA Items	3
Items Related to Major Initiatives, Plans or Policies	4
Executive Team Prioritization	6
How an UNA Item Becomes a Funded Project	7
Potential Funding Sources	8
Debt Capacity	9
Appendix A – Related Initiatives, Plans and Policies	
Appendix B – 2017 Unfunded Needs Assessment List	

This page intentionally left blank.

Unfunded Needs Assessment

Purpose of the Unfunded Needs Assessment (UNA)

The Unfunded Needs Assessment (UNA) is a compilation of significant unfunded financial challenges that the City of Eugene faces in providing current services and anticipated service needs as the community grows and the organization evolves. It is compiled by asking City staff throughout the organization to describe what they see as service needs in their areas.

This assessment reflects a range of priorities driven by policy level direction from City Council goal statements, direction given at Council work sessions and other methods. Community input also drives much of the UNA items through various master planning, neighborhood planning and other processes. The UNA is also informed by City workforce needs, staff planning and assessments and professional analysis performed on infrastructure and capital projects, such as the pavement management plan and the Facility Condition Report.

The purpose of the UNA is to provide policy makers, City staff and citizens with a better understanding of the full range of unfunded needs throughout all of the service areas at a particular point in time. The results are designed to help inform the City's Executive Team, the Budget Committee and the City Council as they are making financial decisions. It is also designed to provide information about the organization's priorities for financial discussions and how those priorities will advance important City plans, policies and goals.

The UNA is an assessment of current service areas and does not address potential new areas of service that may be desired by the community. There are a number of service challenges that the community as a whole faces, and the UNA does not attempt to define or collect all of those unfunded needs. As an example, there is a significant conversation in the community about meeting the needs of the homeless population. While the City contributes to particular services that work with homelessness, that service is primarily provided by Lane County and non-profit organizations.

The UNA is a snapshot in time and is updated periodically. In the interim, there will be items that get funded, high priority items that emerge that are not contained in this report and items that transform into different approaches to service provision. When the City Council requests a policy discussion on a particular topic, the UNA can be a starting place to compile data about those specific unfunded needs, but staff will also use their most current information to provide the City Council with the required background and a range of options.

History of the UNA

This is the first year of the document called the Unfunded Needs Assessment, or UNA. The City previously prepared a document called the Multi-Year Financial Plan (MYFP) in conjunction with the Capital Improvement Program (CIP).

Over the past two years, stakeholders, including the Budget Committee, have provided feedback on the CIP and MYFP documents and processes. As a result, changes were made in order to achieve several goals. These goals include:

- A shared understanding across stakeholder groups of the purpose of the UNA;
- Stronger connections between selected projects and important policy initiatives;
- Increased transparency;
- Enhanced accountability; and
- Reduced complexity and redundancy.

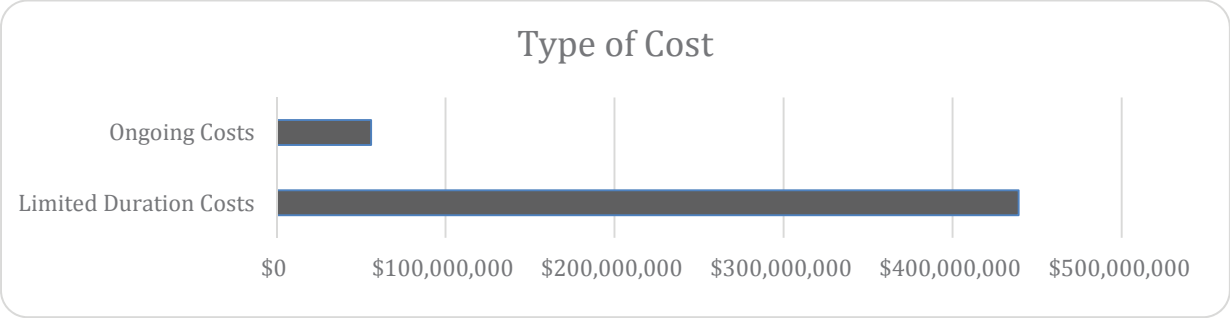
Changes include the following:

- Capital projects with secured or identified funding are included in the CIP, while ***unfunded capital projects are only included in the UNA***. In prior years, projects with "funding not identified" were included in both the CIP and the MYFP, which at times resulted in confusion and/or redundancy. By eliminating duplicate entries, the UNA has been simplified by targeting those capital items without any secured or identified funding sources.
- ***Specific timing of unfunded items has been removed***, as that information was deemed at best an educated guess by staff about when a particular project or program would move into the funded status category. As a project is further developed and funding is identified or secured, annual funding needs for items will be further defined.
- ***Connections are made to UNA items and major City Council initiatives, plans and policies***, such as the Climate Recovery Ordinance, emergency preparedness and preparation for the 2021 World Championships.
- ***The Executive Team's prioritization for UNA programs and projects is explained***, along with connecting those priorities to FY18 budget decisions.

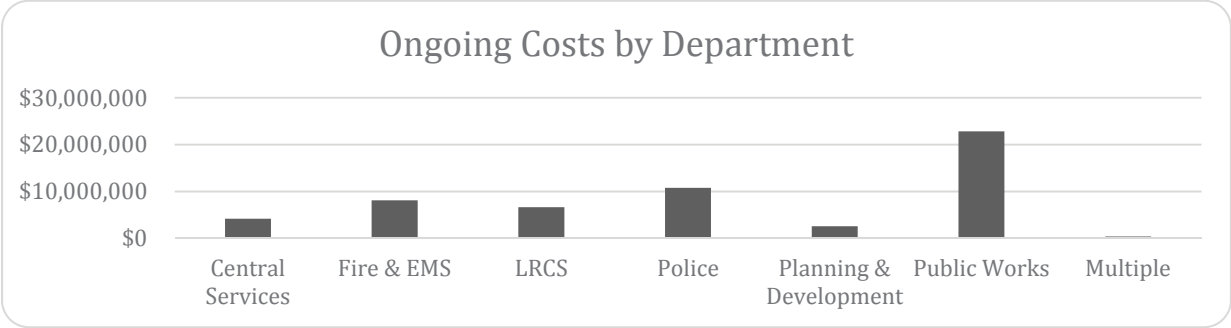
Summary of the UNA Items

The UNA consists of 140 items. These items include unfunded capital projects, as well as program operations and operations and maintenance expenses. To be included in the UNA, capital items must have an unfunded cost of at least $250,000 and items with ongoing operating needs must have an unfunded cost of at least $50,000 per year. The charts below set out some of the breakdown of UNA items by type and by department.

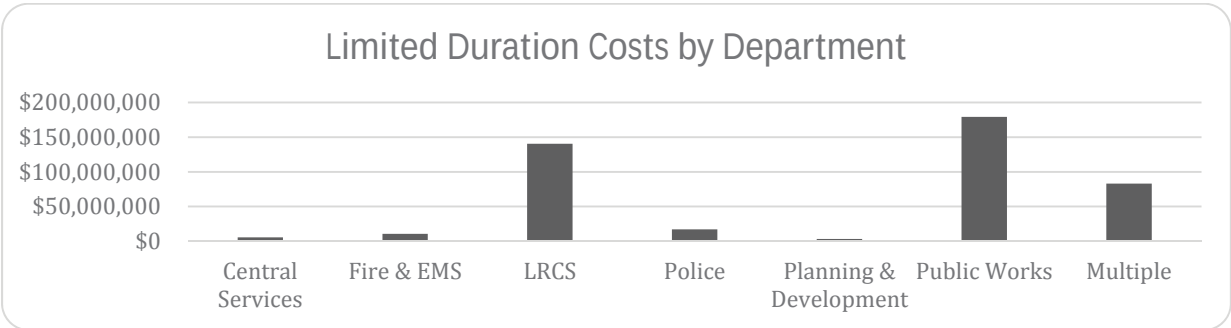
As can be seen in the chart below, both the ongoing and limited duration costs are significant. Approximately $56 million of annual ongoing funding would be needed to pay for all of the items in the UNA. The limited duration or one-time costs are nearly $440 million.



Ongoing costs are distributed throughout the various departments, with Public Works having the largest need for ongoing resources. The single largest ongoing unfunded need is for the pavement preservation program, with an $18 million estimated annual cost.



Limited duration or one-time costs are more concentrated in the Library, Recreation and Cultural Services Department (LRCS) and Public Works. The largest unfunded projects in LRCS are for new or renovated community centers and pools, while large items in Public Works revolve around parks and transportation system needs.



Items Related to Major Initiatives, Plans or Policies

A majority of the items in the UNA were identified due to their connection to a major plan, policy, initiative or direction from the City Council. Appendix A shows the UNA items along with the related initiatives, plans or policies highlighted here.

Climate Recovery Ordinance (CRO): If sufficient funding were identified, a number of UNA items provide ways to move forward with the CRO goals. Examples include setting up a revolving loan fund for internal climate reduction projects, hiring an analyst to support the CRO and related activities, hiring a data engineer to assist with growth monitoring activities, implementing an expansion to the bike share system, improving the bikeways, improving urban forestry maintenance, modernizing traffic signals, and improved transportation signs and markings.

Community Justice System: The Community Justice System is comprised of a set of programs and processes designed to address municipal code offenses and includes the services of the Eugene Police Department, City Prosecutor's Office, Eugene Municipal Court, as well as local partners such as Lane County Adult Correction and social service providers. The Community Justice team uses a system-wide approach in addressing resource needs or service delivery changes in addressing community safety needs. Projects related to the UNA include stabilizing funding for Community Court, the Community Outreach Response Team (CORT) and several items related to system funding and resource gaps.

Disaster Preparedness: While the City of Eugene has a robust emergency management program, there are always additional projects that could improve the organization and community's preparations for disasters. Projects could include additional staffing, seismic upgrades to facilities and bridges, upgrading data centers and improving disaster recovery of data, improved police and fire staffing, equipment, and facilities, transportation improvements, better communications for emergency response and improving urban forestry maintenance.

Envision Eugene: The efforts of Envision Eugene could be enhanced with some of the proposed UNA items. These include updated software for permits, additional planning staff, additional neighborhood planning efforts, development of a growth monitoring program, transportation improvements and a number of items that would improve neighborhood livability and quality of life.

EWEB Riverfront Master Plan: This plan sets forth the community's vision for redevelopment of a key riverfront property in the downtown and a legacy project that could come out of preparations for the 2021 World Championships. Several UNA items would further the concepts embedded in the Master Plan, such as redefining the Mill Street and 8th Avenue intersection and creating the railroad quiet zone. Other UNA items would have associated benefits to the EWEB Master Plan, such as the implementation of the downtown high-speed fiber network and improved wayfinding.

Parks and Recreation System Plan: The City has been hard at work on this effort to plan for the future and identify project and program priorities for the next 10 to 20 years. The UNA includes numerous projects and programs that would further this system plan. Examples in recreation are maintenance and preservation of significant City recreation assets, such as pools, community centers, the River House and other facilities. Priorities also include recreation programming improvements, such as youth after-school enrichment. On the parks side, renovation of parks and park facilities, development of trails, maintenance of natural areas and mitigation of illicit activities are on the list of unfunded needs to further the system plan.

Transportation System Plan: The Transportation System Plan (TSP) is designed to improve transportation safety and reliability for residents and businesses throughout the entire city. Projects that are related to the TSP include the railroad quiet zone, upgrades to or replacement of portions of the traffic signal system, improving signs and markings, seismic retrofits to bridges, repairs to off-street shared-use paths and sidewalks, additional staffing for locates and for planning activities, improving a number of sections of streets around the City, expanding the bike share program and converting 8th Avenue to two-way between Willamette Street and the Willamette River.

Vision Zero: Vision Zero is an effort that aims to achieve a transportation system without any fatalities or serious injuries. The projects that relate to the transportation system plan would, for the most part, also promote Vision Zero goals.

2021 World Championships: There is a wide range of items that could relate to preparation for the 2021 World Championships. This event could be a catalyst to completing community priorities more quickly as there is a specific deadline for the activities. Projects in the UNA related to this effort include preparing the organization and the community for participation in and support of the World Championship event; modernizing, updating, repairing or improving a number of key City facilities that are likely to be visited by or used by visitors to the community; providing better connectivity downtown; and preparing for possible law enforcement activities during the event.

Executive Team Prioritization

The Executive Team uses the UNA, along with other processes and information, to make recommendations to the Budget Committee and City Council around funding for projects, programs and operations and maintenance. Those recommendations reflect the Executive Team's prioritization of spending. Other ways that the Executive Team expresses their prioritization of spending and staff efforts are through ongoing discussions with the City Council about various programs, such as the updates the Council receives on the Parks and Recreation System Plan and on downtown revitalization. The Executive Team strives to balance all of the priority programs, projects and services that the City Council has put forward, with the constraint that there is limited capacity to pay for all of the community and organizational needs.

During FY17, the Executive Team prioritized several items as part of the Supplemental Budget that was presented to City Council in December 2016. Those included:

- Support for homelessness
- Community Justice Initiative
- Parks safety and security
- Downtown safety and security efforts
- Downtown facilities and cleanliness
- Downtown programming
- Climate Recovery Ordinance
- Envision Eugene
- Fire training
- Neighborhood Planning
- Software replacement
- Spending on general capital maintenance
- City Hall project

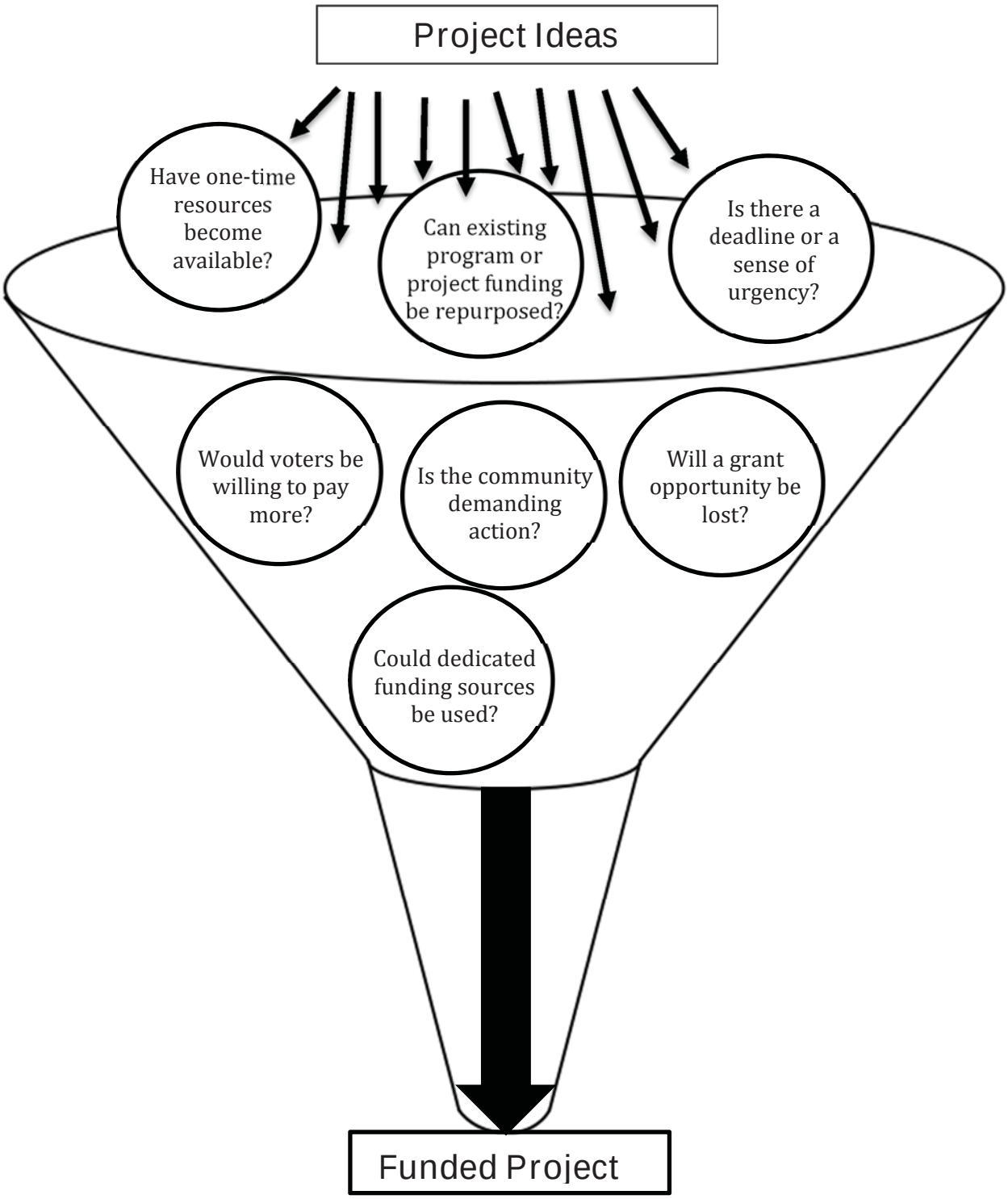
The FY18 Proposed Budget also includes prioritization of several important initiatives:

- Downtown and parks safety and security
- Community Justice Initiative
- Envision Eugene
- Body Camera Program
- Downtown Development
- Ambulance Services

The Executive Team will continue to balance all of the City Council's priority programs and projects, such as the Climate Recovery Ordinance, Parks and Recreation System Plan, EWEB Riverfront Master Plan and others. Some of the UNA items will become funded projects or programs over time, depending on a number of factors that are described in the following section.

How an UNA Item Becomes a Funded Project

The path from an idea to a funded project is not a standardized, linear process. It can take a variety of different forms and go through many different potential processes. The graphic below is meant to capture some of those things that could occur along the path to funding an idea as a concrete program or project.



Potential Funding Sources

The determination of which revenue is appropriate for which kind of program or project can be complicated in municipal government. Many of the revenue streams are restricted as to their use. There are a wide variety of potential options for the range of projects and programs represented in the UNA. Below is a brief explanation of some of those options.

There are other constraints on the selection of a potential funding option, including the economic environment in the community, the City's financial situation, competing needs for a funding source and other factors. When evaluating a particular funding source, the following factors are typically considered:

- Legality and precedence
- Revenue yield and stability
- Administrative effort
- Timeline
- Equity; fairness and indirect impacts
- Nexus of revenue source to spending
- Political feasibility

Funding for capital projects may come from one-time resources, while funding for programs, operations and maintenance should come from ongoing revenues. Some examples of each type of funding source are listed below.

<u>Potential One-Time Funding Sources</u>

- Grants
- Donations
- Property Sales
- Legal Settlements
- General Obligation Bond Approvals
- Local Option Property Tax Measures (5 years for operations and 10 years for capital)
- Marginal Beginning Working Capital (unanticipated carryover balances from the prior year)

<u>Potential Ongoing Funding Sources</u>

- Reprioritization of existing resources
- Alternate revenue sources described in the Budget Committee's 2014 Revenue Team Report:

Admissions Tax
Bicycle Registration Fee
Business Gross Receipts Tax
Business License Fee
City Service Fee
Commuter Tax
Corporate Income Tax
E-Cigarette Tax
Heavy Vehicle Tax
Luxury Tax
Motor Vehicle Rental Tax
Paper Bag Fee
Parking Tax
Payroll Tax
Personal Income Tax
Red Light Cameras
Restaurant Tax
Sales Tax
Solid Waste Collection Fee
Special Districts
Transient Room Tax Increase
Utility Consumption Tax
User Fees & Service Charges

Debt Capacity

This section discusses the affordability of future bond issues for capital projects. There are many capital projects listed in the UNA that could be funded with bond proceeds. There are two ways to look at debt capacity: the first is to look at the capacity to issue debt under legal constraints; and the second is to look at the affordability of that debt recognizing there is a limit to the City's ability to repay obligations.

The City has used only about 2% of its more than $703 million of legal debt capacity for General Obligation bonds as of June 30, 2016. The City's Budget Committee has determined that it would not be prudent for the City to issue debt up to that legal limit. The City has Financial Management Goals and Policies that include the following debt management guidelines. These guidelines were reviewed and approved by the Budget Committee in February 2004.

These limits define the City's affordable level of debt. The following table shows the estimated levels for the City's debt affordability ratios as of June 30, 2016.

Debt Affordability Ratios	As of June 30, 2016	Policy Limit
Net direct debt as a percent of real market value	0.10%	Maximum of 1%
Percent of net direct debt retired within 10 years	100%	Minimum of 50%
Annual debt service on all General Fund-backed debt as a percent of General Fund expenditures*	0.10%	Maximum of 10%

*Excluding pension bonds

Net direct debt includes all of the City's General Obligation bonds except 50% of the Atrium bonds. The City excludes Pension Bonds from the definition of net direct debt.

The City's debt ratios have an impact on its credit rating. The City is rated "Aa1" by Moody's Investors Service and has maintained a double-A rating since 1957. When Moody's last evaluated the City's credit, it was noted that the City's credit strengths included the low debt burden with an above-average repayment schedule.

As of June 30, 2016, there was $75.7 million of total debt and $22.2 million of net direct outstanding. This leaves about $136.5 million of additional capacity for debt issuance within the policy limits. The City has identified about $440 million of unfunded capital projects in the UNA. The projects would likely require some debt issuance in order to be fully funded. There is not sufficient debt capacity available to pay for all of the unfunded capital projects listed in the UNA, and for a number of reasons, it is not prudent to utilize the City's full debt capacity. This means that careful choices will remain regarding the use of debt to help meet the City's unfunded capital needs.

Appendix A: Related Initiatives, Plans and Policies

Dept.	UNA #	Title of Request	2021	Climate Recovery Ordinance	Community Justice Initiative	Disaster Preparedness	Envision Eugene	EWEB Riverfront Plan	Parks & Rec Master Plan	Trans. System Plan	Vision Zero
CS	1	Criminal Justice System Funding Gap			X						
CS	2	Mental Health Court Enhancements			X						
CS	3	Community Justice Innovation			X						
CS	4	Community Court Continuity			X						
CS	5	Municipal Court Contracted Services			X						
CS	6	Climate Recovery Ordinance City Organization Implementation	X	X		X	X	X		X	X
CS	7	Climate Recovery Ordinance Community-Wide Implementation		X							
CS	8	Division Manager Strategic Institute									
CS	9	Equity in Contracting Program									
CS	10	Organization-wide Contracting Support				X					
CS	11	Employee Relations Support									
CS	12	Information Technology Project Management Support									
CS	13	Information Technology Security Enhancement									
CS	14	Digital Engagement and Gamification									
CS	15	Digital Conference and Meeting Rooms									
CS	16	Data Center and Disaster Recovery				X					
CS	17	Information Technology Mobility	X								
CS	18	Public Buildings and Facilities Management	X	X		X					
CS	19	Library Staff Elevator Modernization									
CS	20	Seismic Upgrades to Fire Stations				X					
CS	21	Capital Preservation Shortfall									
CS	22	Downtown Maintenance Enhancements	X								
EPD	23	Staffing Study			X	X					
EPD	24	EPD Financial Management Support									
EPD	25	Public Information Enhancement				X					
EPD	26	Communications Center Improvements									
EPD	27	Resources for Animal Services									

Dept.	UNA #	Title of Request	2021	Climate Recovery Ordinance	Community Justice Initiative	Disaster Preparedness	Envision Eugene	EWEB Riverfront Plan	Parks & Rec Master Plan	Trans. System Plan	Vision Zero
EPD	28	Animal Shelter Facility				X					
EPD	29	Community Liaison Program			X						
EPD	30	Evidence Control Unit									
EPD	31	Body Worn Camera Video Storage Solution									
EPD	32	Public Safety Answering Point (PSAP) Fund Shortfall									
EPD	33	Full Time Community Outreach Response Team (CORT)			X						
EPD	34	Court Liaison Officer and Admin Support			X						
EPD	35	Downtown Seasonal Personnel Enhancements			X						
EPD	36	Crimes Against Children									
EPD	37	Increased Patrol Supervision				X					
EPD	38	Communications Specialist Continuity									
EPD	39	Communications Center - Best Practices Support									
EPD	40	Police Officer Continuity									
EPD	41	Area Coordinator Program									
EPD	42	Expansion of Training Unit									
EPD	43	Lane Radio Interoperability Group (LRIG) & Southwest Seven Counties (SW7) Radio System Fees				X					
EPD	44	Street Crimes Unit									
EPD	45	Crisis Negotiation Team Van	X								
EPD	46	Replace Hilltop Radio Equipment				X					
EPD	47	Police Special Operations Facility	X			X					
Fire	48	Command Training Center				X					
Fire	49	Special Team Training Funding				X					
Fire	50	Fire Protection - Geographic Mapping				X					
Fire	51	Ambulance Transport Fund Shortfall				X					
Fire	52	Basic Life Support System				X					
Fire	53	Ambulance Transport System Enhancements				X					

Dept.	UNA #	Title of Request	2021	Climate Recovery Ordinance	Community Justice Initiative	Disaster Preparedness	Envision Eugene	EWEB Riverfront Plan	Parks & Rec Master Plan	Trans. System Plan	Vision Zero
Fire	54	West Side Fire Station				X					
Fire	55	Fire Records Management System and Rostering Program									
LRCS	56	Washington/Jefferson Skate Park and Plaza Programming									
LRCS	57	Recreation Services Low Income Participant Scholarships									
LRCS	58	Youth After-School Enrichment							X		
LRCS	59	Recreation Inclusion Services									
LRCS	60	Library Levy Service Level Continuation									
LRCS	61	Hult Center Exterior Plaza and 7th Avenue Lighting Upgrade	X								
LRCS	62	Soreng Theatre Remodel									
LRCS	63	Hult Center Elevator Addition									
LRCS	64	Hult Center System Replacement									
LRCS	65	Hult Center Ticket Office and Plaza Remodel	X								
LRCS	66	Pool Systems Preservation							X		
LRCS	67	Cuthbert Backstage Improvements									
LRCS	68	Riverhouse Renovation							X		
LRCS	69	4th Floor Library Renovation and Expansion									
LRCS	70	Campbell Center Renovation							X		
LRCS	71	Amazon Center Renovation							X		
LRCS	72	Petersen Barn Community Center Renovation							X		
LRCS	73	Echo Hollow Pool Remodel							X		
LRCS	74	Sheldon Community Center and Pool Renovation							X		
LRCS	75	Alton Baker White Water Park and Canoe Canal							X		
LRCS	76	Multi-Use Sports Complex							X		
LRCS	77	North Eugene Community Center, Pool and Branch Library							X		

Dept.	UNA #	Title of Request	2021	Climate Recovery Ordinance	Community Justice Initiative	Disaster Preparedness	Envision Eugene	EWEB Riverfront Plan	Parks & Rec Master Plan	Trans. System Plan	Vision Zero
LRCS	78	Southwest Eugene Community Center, Pool and Branch Library							X		
LRCS	79	Downtown/Riverfront Wayfinding	X					X			
Multiple	80	General Fund Equipment Replacement Shortfall									
Multiple	81	Downtown High-Speed Fiber Project Funding Gap									
Multiple	82	Radio Engineering and Replacement				X					
Multiple	83	City Hall Phase 1									
Multiple	84	City Hall Phase 2									
PDD	85	Homeless Support - Singles									
PDD	86	Parking Services Modernization	X								
PDD	87	Parking Services Expansion	X								
PDD	88	Parking - Project and Financial Management Services	X								
PDD	89	Parking Structure Seismic Upgrades				X					
PDD	90	Parking Asset Replacement	X								
PDD	91	Parking Structure Capital Maintenance									
PDD	92	Community-Wide Communications Enhancements	X			X	X	X			
PDD	93	Envision Eugene, Area and Neighborhood Planning, and Urban Design Planning Support					X	X			
PDD	94	Pillar 7 - Growth Monitoring		X			X			X	
PDD	95	Neighborhood Plans to Implement Envision Eugene					X				
PDD	96	Commercial Digital Plans Software					X				
PDD	97	Building Permit Tracking System					X				
PDD	98	Economic Prosperity Financial Management									
PW	99	Airport Infrastructure Support									
PW	100	Airport Fleet Services Support									
PW	101	Airport Sand Shed and Equipment Storage									
PW	102	Old Tower and Hangar Demo									

Dept.	UNA #	Title of Request	2021	Climate Recovery Ordinance	Community Justice Initiative	Disaster Preparedness	Envision Eugene	EWEB Riverfront Plan	Parks & Rec Master Plan	Trans. System Plan	Vision Zero
PW	103	Airport Roadway Improvements									
PW	104	New Auxiliary Terminal									
PW	105	General Taxiway Repairs									
PW	106	Airport Access Road Improvements									
PW	107	Parking Lot Structure/Garage									
PW	108	Terminal/Concourse Expansion									
PW	109	Taxiway Charlie Rehab									
PW	110	Runway Rehab-34R									
PW	111	GIS Planning and Maintenance				X			X		
PW	112	Community Park Planning Response and Support							X		
PW	113	Park Utility Cost Increases									
PW	114	POS Natural Area Maintenance							X		
PW	115	POS Mitigation of Illicit Activities	X						X		
PW	116	Park Safety and Security	X				X		X		
PW	117	POS Developed Park Maintenance	X						X		
PW	118	Private Sewer Laterals Under City Ownership									
PW	119	General Fund Fleet Replacement									
PW	120	Urban Forestry Maintenance	X	X		X	X		X	X	
PW	121	Willamette to Willamette: 8th Avenue Two-Way Conversion	X				X		X	X	
PW	122	Roosevelt Yard Site									
PW	123	New Fleet Facility									
PW	124	Wastewater System Rehabilitation									
PW	125	Alton Baker Park Canoe Canal Renovation							X		
PW	126	Trail System Development	X						X		
PW	127	Urban Riverfront Development	X						X		
PW	128	Riverfront Access Improvement	X						X		
PW	129	Renovate Neighborhood Parks							X		
PW	130	Renovate Aging Park Facilities	X						X		
PW	131	Replacement of Traffic Signal Controller		X						X	X

Dept.	UNA #	Title of Request	2021	Climate Recovery Ordinance	Community Justice Initiative	Disaster Preparedness	Envision Eugene	EWEB Riverfront Plan	Parks & Rec Master Plan	Trans. System Plan	Vision Zero
PW	132	Structurally Deficient Traffic Signal Strain Pole Replacement	X	X		X				X	X
PW	133	County Farm Road Improvements					X			X	X
PW	134	Railroad Quiet Zone						X		X	X
PW	135	Master Traffic Signal Communications Plan	X	X		X				X	X
PW	136	Bethel Drive Improvements					X			X	X
PW	137	Pavement Preservation Backlog Funding								X	
PW	138	Seismic Retrofits for Critical Bridges	X			X		X		X	X
PW	139	Eugene Bike Share System Expansion	X	X						X	
PW	140	River to Ridges Bikeway Path	X	X			X		X	X	X
		TOTAL	28	10	10	27	13	6	27	14	9

Appendix B: 2017 Unfunded Needs Assessment List

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
CS	1	Criminal Justice System Funding Gap	Additional justice system staffing and other resources are needed to keep pace with misdemeanor and violation activity and to address and resolve criminal cases swiftly and efficiently. Partially funded ($250K) in FY18 with anticipated local marijuana tax revenues.	$200		3.5
CS	2	Mental Health Court Enhancements	Plan and implement an expansion of the City's existing Mental Health Court, which seeks to address the special needs of those with metal illness who encounter the criminal justice system.	$120	$5	0.8
CS	3	Community Justice Innovation	Expand the capabilities of the current justice system, which does not have the staffing capacity to implement new programs even on a trial basis. Funding is needed to test a range of new innovative justice programs that are showing evidence of reducing recidivism and improving public safety.		$300	0.0
CS	4	Community Court Continuity	Fully fund the community court program over the two-year pilot project period and to provide ongoing funding after the grant that partially funds the pilot project expires.	$450	$150	1.8
CS	5	Municipal Court Contracted Services	Help the City keep pace with increased arrests and filings of misdemeanor and violation activity by providing funds for additional jail beds and contractual services for indigent defense attorneys and judicial services.	$265		0.0
CS	6	Climate Recovery Ordinance City Organization Implementation	Additional staff to provide organization-wide consultation on carbon emissions, to assist in meeting the requirements of the Climate Recovery Ordinance, and to provide analysis on City services as they relate to plans and policies.	$65		0.5
CS	7	Climate Recovery Ordinance Community-Wide Implementation	Provide resources to help the City implement the Climate Recovery Ordinance, by facilitating community-wide actions and strategies identified in the Climate and Energy Action Plan.	$300	$2,150	0.0
CS	8	Division Manager Strategic Institute	Design, create and implement a new Division Manager Strategic Institute to provide tools and skillsets to prepare managers for the organization of the future.	$75		0.0
CS	9	Equity in Contracting Program	Continue the Equity in Contracting program, to help departments contract with women and minority owned businesses more frequently and effectively.	$100		1.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
CS	10	Organization-wide Contracting Support	Support the organization with their contracting needs by coordinating risk, legal, vendor and project management responsibilities.	$100		1.0
CS	11	Employee Relations Support	Staff expert dedicated to complicated employee relations issues, allowing HR to strategically address more complex and in-depth situations in the areas of Americans with Disabilities Act, Family Medical Leave Act, Worker's Compensation, and other state and federal legal obligations.	$120		1.0
CS	12	Information Technology Project Management Support	Establish a project management section within the City's Information Services Division to improve project management from start to finish, ensuring completion on time and on budget.	$270		2.0
CS	13	Information Technology Security Enhancement	Enhance security, audit and compliance, and assist employees and departments in securing their digital assets.	$270		2.0
CS	14	Digital Engagement and Gamification	Utilize technology and the principles of gaming to increase employee engagement, motivation, team-building, and retention.	$100		0.0
CS	15	Digital Conference and Meeting Rooms	Technology investment is needed to modernize existing conference and meeting rooms. Digital upgrades are intended to reduce staff travel time, enhance employee engagement and communication, and increase productivity.	$10	$500	0.0
CS	16	Data Center and Disaster Recovery	Support the creation of a data center to serve as a secondary location for data storage in the event of a disaster, ensuring data accessibility and continuity of operations during most disasters.	$500	$1,000	3.0
CS	17	Information Technology Mobility	Create mobile applications to improve access to City services and prepare the City for delivering visitors a more digital experience at the 2021 World Track Championships.	$200	$300	1.0
CS	18	Public Buildings and Facilities Management	Improve the Facilities Division's incident management procedures, organization and planning capabilities, and address downtown issues.	$150	$50	1.0
CS	19	Library Staff Elevator Modernization	Replace the downtown library staff elevator, which is often out of service. The modernization of the main Library staff elevator is needed as it has become increasingly unreliable, disrupting staffs' ability to access the workspace and patrons experience.		$250	0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
CS	20	Seismic Upgrades to Fire Stations	Address seismic deficiencies in the Bethel, Danebo and University Fire Stations. A grant has been submitted for funding of these projects.		$675	0.0
CS	21	Capital Preservation Shortfall	The City currently faces a backlog of deferred maintenance for buildings and structures. This item represents the estimated amount of resources needed to close the preservation and major maintenance funding shortfall for the General Fund.	$750		0.0
CS	22	Downtown Maintenance Enhancements	Enhance the level of cleaning and maintenance downtown to address increased trash and sanitary issues that have become more prevalent over the last several years.	$150	$50	2.0
EPD	23	Staffing Study	Conduct a study of EPD staffing needs to inform decision makers as to what can be reasonably expected with current resources and achieve the goals of enhancing public safety in the downtown, City parks, and crime reduction throughout the community.		$150	0.0
EPD	24	EPD Financial Management Support	Meet increased workload in budget, grants, purchasing, accounts payable/receivable, payroll, and other departmental financial administration duties.	$125		1.0
EPD	25	Public Information Enhancement	Increased support the Office of the Chief division, Public Information Office, enhancing positive messaging of law enforcement efforts and responses to critical incidents.	$95		1.0
EPD	26	Communications Center Improvements	The Communications Center requires additional staff to provide consistency with policy and procedure review for 9-1-1 call taking and dispatch services as well as to maintain compliance with accreditation standards and industry-wide best practices.	$115		1.0
EPD	27	Resources for Animal Services	The cost of Animal Services and animal shelter care has risen since the start of this new program in fiscal year 2012. This request would allow EPD to pay the current service provider, Greenhill, for the increased costs without impacting other areas of EPD's budget. This was funded on a one-time basis in FY18.	$120		0.0
EPD	28	Animal Shelter Facility	The current First Avenue Shelter is in need of replacement due to the age and condition of the facility, as well as its functional and capacity limitations. This request would fund construction of a new animal shelter within Eugene's City limits.	$10	$12,000	0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
EPD	29	Community Liaison Program	This request would help EPD improve community relations by developing a more multi-lingual, culturally-capable community liaison, enabling the department to better understand the fears and needs of certain populations in our community, specifically those that are reluctant to access policing services.	$170	$10	1.0
EPD	30	Evidence Control Unit	Evidence Specialists to maintain proper custody of all evidence and property collected by EPD, and in light of the expanding volume of digital evidence (including that from Body Worn Cameras).	$205		2.0
EPD	31	Body Worn Camera Video Storage Solution	Purchase long-term data storage solution for digital information captured through body worn cameras.	$500		0.0
EPD	32	Public Safety Answering Point (PSAP) Fund Shortfall	EPD anticipates receiving $1.5M annually from the State but operational costs are approximately $1.7 to $2M annually. Additional funding is needed for the services accounted for in the PSAP Fund.	$250		0.0
EPD	33	Full Time Community Outreach Response Team (CORT)	Establish a permanent Community Outreach Response Team to address issues faced by homeless individuals by working in partnership with mental health professionals, advocates and various community service providers.	$250	$10	1.0
EPD	34	Court Liaison Officer and Admin Support	Reestablish the Court Liaison Officer position and administrative support position to provide subpoena services, jail arraignments, court documents and police report processing, training, policy development and other duties currently being performed by a multitude of sworn and administrative staff in EPD.	$255	$10	2.0
EPD	35	Downtown Seasonal Personnel Enhancements	Reassignment of duties for four officers to the Downtown Team to meet increased demand for policing services in the downtown area during the spring, summer and fall months.	$420		0.0
EPD	36	Crimes Against Children	Add 3 detectives in the Violent Crimes Unit specifically to address crimes against children.	$525	$30	3.0
EPD	37	Increased Patrol Supervision	Bring the ratio of supervisors to patrol officers in line with the recommended level of six officers to one supervisor.	$565	$30	3.0
EPD	38	Communications Specialist Continuity	Over hire 5 communications specialists to allow the Communications Center to retain a fully-trained staff throughout the year and adapt to a changing workforce.	$615		5.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
EPD	39	Communications Center - Best Practices Support	Conform to Emergency Services Consulting International's best practices staffing guidelines which may include as many as 6.5 additional positions.	$700		1 to 6.5
EPD	40	Police Officer Continuity	Overhire 5 police officers so EPD can retain a fully-trained staff throughout the year and adapt to a changing workforce.	$870		5.0
EPD	41	Area Coordinator Program	The Area Coordinator Program is a central component of a modern community oriented policing strategy. One officer would be assigned to each of four areas of the City.	$860	$50	5.0
EPD	42	Expansion of Training Unit	Full-time training team to keep EPD on the cutting edge of mandatory and optional training, while improving efficiencies in the department and mitigating the impact of detachments for training on patrol activities.	$900	$50	5.5
EPD	43	Lane Radio Interoperability Group (LRIG) & Southwest Seven Counties (SW7) Radio System Fees	Police portion of annual fees paid to Lane County and Linn County to maintain and operate the county-wide radio systems LRIG and SW7.	$1,490		0.0
EPD	44	Street Crimes Unit	Reestablish a Street Crimes Unit to effectively reduce crime by responding quickly to emerging issues in “hotspots” throughout the City.	$1,690	$100	11.0
EPD	45	Crisis Negotiation Team Van	Equipment to assist in responding to critical and high risk incidents and resolving them utilizing the least amount of force possible. This would also assist in addressing potential terrorist plots that may be heightened during the world track championship and other national or world-wide events that occur in Eugene.	$25	$225	0.0
EPD	46	Replace Hilltop Radio Equipment	EPD's portion of the Lane Radio Interoperability Group's (LRIG) replacement of radio equipment on hilltop locations.		$360	0.0
EPD	47	Police Special Operations Facility	Facility to operate EPD's Special Operations functions, to be co-located with an Emergency Operations Center.	$25	$4,000	0.0
Fire	48	Command Training Center	The request is to staff the Command Training Center and implement information technology upgrades to enhance the Center's local and regional emergency training capabilities.	$190		1.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
Fire	49	Special Team Training Funding	This project would provide resources for training to recertify team members, monthly drills, at least one annual inter-team exercise, participation in the City's emergency planning program and more.	$200		0.0
Fire	50	Fire Protection - Geographic Mapping	Increase capacity for the Fire Marshal's Office to complete required fire protection system inspections across the community. The GIS Analyst position would also support fire prevention planning.	$420		3.0
Fire	51	Ambulance Transport Fund Shortfall	The Ambulance Transport Fund (ATF) is currently operating at an annual financial deficit, primarily due to reduced levels of reimbursement from Medicare and Medicaid.	$870		0.0
Fire	52	Basic Life Support System	The Basic Life Support System program is designed to deploy the appropriate medical transport unit to an emergency scene, reducing the need for Advanced Level medic units for less critical calls. Pilot project funded in FY18 with existing personnel and equipment.	$1,250	$750	17.0
Fire	53	Ambulance Transport System Enhancements	The Ambulance Transport System's current staffing levels covering the community's transport needs are not sustainable. This request represents the addition of two advanced life support medic units.	$2,590	$500	16.0
Fire	54	West Side Fire Station	Acquisition of land and construction of fire stations in south and west Eugene.	$2,600	$8,500	12.0
Fire	55	Fire Records Management System and Rostering Program	Aging systems and the merger between the Cities of Eugene and Springfield for fire and EMS, have led to the need to replace the current system and implement a new records management system and rostering program.		$750	0.0
LRCS	56	Washington/Jefferson Skate Park and Plaza Programming	Fund programming at the Washington/Jefferson skate park, including after school drop-ins, skate camps, community special events, basketball, bike polo, pickle ball, inline skating, and soccer. Ongoing operational costs represent expected increases for temporary employee costs.	$65		0.0
LRCS	57	Recreation Services Low- Income Participant Scholarships	Additional Recreation Services low-income scholarship funding is needed to address an increasing number of qualifying patrons and to compensate for an increasing fee structure.	$100		0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
LRCS	58	Youth After-School Enrichment	Create sustainable funding for the afterschool program services in five 4J schools that provide education, recreation, and youth developmental opportunities. Current grant funding is set to expire.	$120		0.0
LRCS	59	Recreation Inclusion Services	Financial support in response to an increase in the number of patrons diagnosed with mental health disorders and disabilities.	$150		0.0
LRCS	60	Library Levy Service Level Continuation	Continue Library services at the level provided by the current Library Levy, which expires after FY21.	$2,700		18.4
LRCS	61	Hult Center Exterior Plaza and 7th Avenue Lighting Upgrade	Enhance the spaces around the Hult Center to make the venue site more attractive for locals and visitors. This is part of the placemaking project being led by Project for Public Spaces.		$260	0.0
LRCS	62	Soreng Theatre Remodel	Soreng Theatre seating, sound and orchestra pit redesign.		$1,400	0.0
LRCS	63	Hult Center Elevator Addition	To improve accessibility and visitor experiences, add elevator capacity at the Hult Center.		$1,500	0.0
LRCS	64	Hult Center System Replacement	The existing Hult Center heating, ventilation and air conditioning system is in need of replacement.		$3,000	0.0
LRCS	65	Hult Center Ticket Office and Plaza Remodel	Enhance the spaces around the Hult Center making them a greater draw for locals and visitors. This is part of the placemaking project being led by Project for Public Spaces.		$4,000	0.0
LRCS	66	Pool Systems Preservation	Major repairs of Echo Hollow Pool and Sheldon Pool are needed to preserve the facilities and increase energy efficiency.		$1,500	0.0
LRCS	67	Cuthbert Backstage Improvements	Make backstage improvements to the Cuthbert Amphitheatre.		$2,000	0.0
LRCS	68	Riverhouse Renovation	Update and remodel Riverhouse Community Center. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	$130	$2,980	0.0
LRCS	69	4th Floor Library Renovation and Expansion	The 4th floor of the Downtown Library is used for City staff offices. LRCS would like to relocate staff and expand library services to the 4th floor.	$90	$2,000	0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
LRCS	70	Campbell Center Renovation	The Campbell Community Center is in need of an update and remodel. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	$110	$4,935	0.0
LRCS	71	Amazon Center Renovation	Update and remodel the Amazon Community Center. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	$110	$9,400	0.0
LRCS	72	Petersen Barn Community Center Renovation	Update and remodel the Petersen Barn Community Center. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	$100	$6,775	0.0
LRCS	73	Echo Hollow Pool Remodel	Update and remodel Echo Hollow Pool. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	$190	$10,165	0.0
LRCS	74	Sheldon Community Center and Pool Renovation	Update and remodel Sheldon Community Center and Pool complex. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	$245	$9,800	0.0
LRCS	75	Alton Baker White Water Park and Canoe Canal	Alton Baker White Water Park and Canoe Canal construction redesign and repurposing for improved recreation.	$30	$9,000	0.0
LRCS	76	Multi-Use Sports Complex	Design, construct and operate a local/regional multi-sport complex. Ongoing costs are net of expected additional revenue.	$200	$20,750	3.3
LRCS	77	North Eugene Community Center, Pool and Branch Library	Construction of community center, pool and branch library in North Eugene. Ongoing operational costs include approximate costs to staff and run an existing community center and pool, including facility related costs net of expected additional revenue. This estimate does not reflect the branch library or related staff costs.	$1,100	$25,000	9.0
LRCS	78	Southwest Eugene Community Center, Pool and Branch Library	Construction of community center, pool and branch library in Southwest Eugene. Ongoing operational costs include approximate costs to staff and run an existing community center and pool, including facility related costs net of expected additional revenue. This estimate does not reflect the branch library or related staff costs.	$1,100	$25,000	9.0
LRCS	79	Downtown/Riverfront Wayfinding	Enhance Eugene's pedestrian wayfinding program to provide consistent and clear information to assist the travelling public.	$100	$1,050	0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
Multiple	80	General Fund Equipment Replacement Shortfall	Provide adequate funds for the City's equipment replacement costs, allowing Police, Fire, and LRCS to achieve their public safety and cultural policy objectives.	$265		0.0
Multiple	81	Downtown High-Speed Fiber Project Funding Gap	Close the funding gap for the downtown high-speed fiber project, in the event that the City does not secure federal or state grant funds.		$765	0.0
Multiple	82	Radio Engineering and Replacement	Coordination and replacement of current radio systems.	$120	$10,000	1.0
Multiple	83	City Hall Phase 1	Resources for the fourth floor tenant improvements that will be needed to make the space useable for staff under the last design iteration.		$2,240	0.0
Multiple	84	City Hall Phase 2	The City currently leases space throughout the downtown for City offices. This request would consolidate dispersed City functions into a Phase 2 of the City Hall development.		$70,000	0.0
PDD	85	Homeless Support - Singles	Allow the Lindholm Center to be open to provide services during the weekend.	$75		0.0
PDD	86	Parking Services Modernization	Maintain the City's growing parking payment options and modernization efforts.	$85		1.0
PDD	87	Parking Services Expansion	Additional staff position to help cover the growing parking service area.	$85		1.0
PDD	88	Parking - Project and Financial Management Services	Complete project management and financial analysis for parking structure investments and capital planning needs.	$100		1.0
PDD	89	Parking Structure Seismic Upgrades	Make seismic upgrades of the Parcade and Overpark Garages.		$600	0.0
PDD	90	Parking Asset Replacement	Parking meter replacements, garage equipment, integration with mobility programs and parking modernization efforts.	$175		0.0
PDD	91	Parking Structure Capital Maintenance	Funding to meet the deferred maintenance backlog identified in the 2016 Parking Structure Condition Assessment update	$1,700		0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
PDD	92	Community-Wide Communications Enhancements	Strengthen and support planning communication efforts to improve community outcomes, public relations and the effectiveness of community engagement and civic processes	$100		1.0
PDD	93	Envision Eugene, Area and Neighborhood Planning, and Urban Design Planning Support	Planner to implement Envision Eugene through area and neighborhood plans, research, analysis, and urban design work for the next three years.		$300	0.0
PDD	94	Pillar 7 - Growth Monitoring	Provide technical support to the growth monitoring program by tracking land use activity, building permit data, and key indicators of growth management effectiveness, including housing density, rates of redevelopment, and housing mix (the mix of multi and single family housing).	$100		1.0
PDD	95	Neighborhood Plans to Implement Envision Eugene	Neighborhood planning projects could utilize consultants for special studies on housing affordability, economics, design, and other planning issues as needed.	$100		1.0
PDD	96	Commercial Digital Plans Software	Create a fully indexed and searchable plans database with a strong user interface, allowing for increased accessibility and faster search functions.		$550	0.0
PDD	97	Building Permit Tracking System	Replace the current building permit tracking system, which was written 18 years ago and is still currently in use by the City.		$1,800	0.0
PDD	98	Economic Prosperity Financial Management	Add a staff position for financial management functions in order to accomplish economic prosperity projects.	$55		0.5
PW	99	Airport Infrastructure Support	An additional Airport Electrician position is needed to provide critical support and maintenance to airport infrastructure.	$115		1.0
PW	100	Airport Fleet Services Support	Airport Fleet Services Technician to provide support and maintenance to airport vehicles and equipment.	$110		1.0
PW	101	Airport Sand Shed and Equipment Storage	Construct a new storage facility for Airport sand used in winter months.		$250	0.0
PW	102	Old Tower and Hangar Demo	Demolition and removal of the old tower and hangar to accommodate future concourse expansion.		$500	0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
PW	103	Airport Roadway Improvements	Structural repair and improvements are needed for the paved roadways around the Airport.		$795	0.0
PW	104	New Auxiliary Terminal	Design and construct a new auxiliary terminal at the Airport.		$845	0.0
PW	105	General Taxiway Repairs	Several Airport taxiways are in need of repair and improvements.		$2,000	0.0
PW	106	Airport Access Road Improvements	In order to improve primary access to the airport, funding is needed for road improvements and signage.		$3,350	0.0
PW	107	Airport Parking Lot Structure/Garage	Design and construct an airport parking lot structure or parking garage.		$3,500	0.0
PW	108	Terminal/Concourse Expansion	Addition of a third concourse to expand Airport services.		$4,500	0.0
PW	109	Taxiway Charlie Rehab	Taxiway Charlie at the Airport is in need of rehabilitation.		$7,000	0.0
PW	110	Runway Rehab-34R	Airport runway 34R needs to be rehabilitated.		$10,000	0.0
PW	111	GIS Planning and Maintenance	GIS Technician position to manage, track, edit and share information about Parks and Open Space facilities and assets.	$125		1.0
PW	112	Community Park Planning Response and Support	Park Planning position to assess, review and support park development proposals that come from outside the City organization.	$100		1.0
PW	113	Park Utility Cost Increases	Fully fund parks utility expenses for lighting and watering, which have outpaced City increases to the materials and services budget.	$115		0.0
PW	114	POS Natural Area Maintenance	Address site stabilization, trail maintenance, fuels reduction, vegetation management and habitat restoration.	$200		1.0
PW	115	POS Mitigation of Illicit Activities	Mitigate increasing damage in developed parks and natural areas including graffiti removal, illegal camping response, vandalism repair and vegetation management in impacted areas.	$250		0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
PW	116	Park Safety and Security	Create a robust public safety service that will help keep Eugene's parks safer year round.	$500		1.0
PW	117	POS Developed Park Maintenance	Restore funding for developed park maintenance services with resources for staff positions, equipment, materials and supplies necessary to provide services including opening restrooms, daily trash pickup in neighborhood parks, as well as landscape, turf and irrigation maintenance.	$600		2.0
PW	118	Private Sewer Laterals Under City Ownership	Maintain, repair, and replace infrastructure once the City takes ownership and responsibility of all sewer laterals within the right-of-way.	$910		5.0
PW	119	General Fund Fleet Replacement	Increased resources are needed for General Fund Fleet replacement.		$2,800	0.0
PW	120	Urban Forestry Maintenance	Bring Eugene's urban forestry practices up to industry standards and to improve public safety.	$300		0.0
PW	121	Willamette to Willamette: 8th Avenue Two-Way Conversion	Convert 8th Avenue to two-way to revitalize downtown and connect with the Willamette River.		$575	0.0
PW	122	Roosevelt Yard Site	Preservation and maintenance of site-specific features at the Roosevelt Yard.		$1,000	0.0
PW	123	New Fleet Facility	Funding is needed to replace the City's aging fleet maintenance facility, which has surpassed its useful life.		$25,000	0.0
PW	124	Wastewater System Rehabilitation	Preserve and rehabilitate the City's aging wastewater system.	$1,500		0.0
PW	125	Alton Baker Park Canoe Canal Renovation	Complete a full aquatic habitat restoration of the Alton Baker Park canoe canal.		$2,500	0.0
PW	126	Trail System Development	Acquisition and construction of high priority trail segments to enhance the City's trail system.		$2,700	0.0
PW	127	Urban Riverfront Development	Plan, design and construct an urban riverfront park on the former EWEB site on the Willamette River.		$3,000	0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
PW	128	Riverfront Access Improvement	Development of leisure amenities along the Willamette River.		$6,000	0.0
PW	129	Renovate Neighborhood Parks	Capital infrastructure funding is needed to support the renovation of aging neighborhood parks throughout the City.		$6,800	0.0
PW	130	Renovate Aging Park Facilities	Support the renovation of aging infrastructure in parks throughout the City.		$22,400	0.0
PW	131	Replacement of Traffic Signal Controller	Replacement of traffic signal controller is needed to bring traffic signals up to current technology.		$1,000	0.0
PW	132	Structurally Deficient Traffic Signal Strain Pole Replacement	Replace structurally deficient traffic signal strain poles.		$3,800	0.0
PW	133	County Farm Road Improvements	The north-south section of County Farm Road needs to be reconstructed to form a complete street.		$4,400	0.0
PW	134	Railroad Quiet Zone	Construct the proposed safety improvements to the railroad crossings between 8th Avenue and Van Buren to meet the requirements established by the Federal Rail Administration to establish a quiet zone.		$7,300	0.0
PW	135	Master Traffic Signal Communications Plan	Complete improvements identified in the Master Traffic Communications Plan.		$9,500	0.0
PW	136	Bethel Drive Improvements	Reconstruct Bethel Drive as a complete street from Roosevelt to Highway 99.		$11,800	0.0
PW	137	Pavement Preservation Backlog Funding	Increased funding is needed for the City's ongoing pavement preservation program.	$18,000		0.0
PW	138	Seismic Retrofits for Critical Bridges	Critical seismic retrofits for high priority bridges are needed to prepare the City for a seismic event.		$34,000	0.0
PW	139	Eugene Bike Share System Expansion	Expand the Eugene Bike Share System to provide enhanced availability at Hayward Field and other key locations, particularly in preparation for the 2021 World Championships.		$500	0.0

Dept.	UNA #	Title of Request	Description	Ongoing Costs ($1,000s)	Ltd Duration Costs ($1,000s)	Additional FTE
PW	140	River to Ridges Bikeway Path	Create a path-like experience for bike and pedestrians from the Ridgeline Trail in south Eugene to 5th Street Market area.		$1,500	0.0
			TOTAL:	$55,520	$439,040	176.2

This page intentionally left blank.

Glossary

AD VALOREM TAX
A tax based on the assessed value of a property.

ADOPTED BUDGET
Financial plan that forms the basis for fiscal year appropriations, as adopted by the appropriating governing body (City Council). Contains the operating and capital budgets for the City of Eugene and the Urban Renewal Agency.

APPROPRIATION
A legal authorization to make expenditures and incur obligations for specific purposes. Appropriations are usually limited in amount and time they may be expended. Total appropriations include the adopted budget and any supplemental budget(s). The legal appropriation is the amount authorized by Council.

APPROPRIATION ACT
A bill, ordinance, resolution or order through which appropriations are given legal effect. It is the first ordinance passed by Council that appropriates funds for the next fiscal year, sets the property tax levy, establishes fund and department names and certifies the levy to the County Tax Assessor. Changes to the appropriation of funds thereafter are processed as supplemental budgets.

ASSESSED VALUATION (AV)
The value set on taxable property as a basis for levying property taxes. Measure 50 set the FY98 assessed value of each property equal to 90% of the FY96 assessed value, with some exceptions. Future year increases in assessed value are limited to 3%, with exceptions. Under M50, assessed value cannot exceed the real market value of a property.

ASSESSMENT
Any fee or charge by a unit of government for design, construction and financing of a local improvement such as streets and alley paving, sidewalks and sewers.

ASSETS
Resources having monetary value that are owned or held by an entity.

BALANCE AVAILABLE
A non-departmental expenditure account consisting of a portion of the fund balance that is set aside for potential requirements within the current and future fiscal years. Unused funds are carried forward into the next year's Beginning Working Capital for that fund. Any expenditure from the Balance Available account requires a Council resolution or ordinance. See *Beginning Working Capital* and *Fund Balance*.

BALANCED BUDGET
Oregon Administrative Rule requires jurisdictions within Oregon to propose and adopt balanced budgets. According to the State of Oregon definition (OAR 150-294.352(1)-(B)), a balanced budget is an estimate of expenditures and resources whereby total resources in a fund, including balances carried over from the prior year, equal the total expenditures and requirements for that fund, and the total of all resources equal the total of all expenditures and all requirements for all funds of the jurisdiction.

BASELINE BUDGET
Represents the budget for the current spending and service levels. To determine the upcoming fiscal year's budget, limited duration funding items are removed from the baseline, service level changes are incorporated and anticipated inflationary factors are applied.

Glossary

BEGINNING WORKING CAPITAL
The accumulated unspent resources carried forward from the prior year into the next fiscal year that become a resource to support the appropriations for the next fiscal year.

BOND or BOND ISSUE
A certificate of debt indicating payment of the original investment plus interest on specific dates. Bonds are typically used by governments to pay for large public projects like street repairs. Bonds must be repaid from an identified revenue source.

BORROWING
Funds for major capital improvement projects can be acquired through borrowing, which is repaid either through property taxes or project revenues. Borrowing is a way to match the benefits of a capital project with the users of that project over time. The City of Eugene uses short-term and long-term borrowing to create, acquire or renovate capital assets. The City does not borrow on a short-term basis to support ongoing operations.

BUDGET COMMITTEE
Fiscal planning board of a local government consisting of the governing body plus an equal number of electors appointed by the governing body. See *Electors*. (ORS 294.414)

BUDGET DOCUMENT
Written report showing a government's comprehensive financial plan for a specified period (usually one or two fiscal years), including both the capital and operating budgets. In Eugene, the budget is prepared by the City Manager and submitted to the public and the Budget Committee for review, and to the City Council for final approval and adoption.

BUDGET MESSAGE
Written and/or oral explanation of the budget and the City's financial plan and priorities presented by the City Manager to the Budget Committee. (ORS. 294.403)

CAPITAL BUDGET
A plan of proposed capital projects and the means for financing them. The City's capital budget includes funding for assets that have a useful life of one or more years such as buildings, public infrastructure and land acquisition.

CAPITAL IMPROVEMENT
A term defined in ORS 310.410(19) to include land, structures, facilities, machinery, equipment or furnishings having a useful life longer than one year. See *Capital Project*.

CAPITAL IMPROVEMENT PROGRAM (CIP)
A budgeting and planning tool through which needed capital projects are identified, evaluated, priced and discussed with the general public and the Budget Committee. The CIP is approved by City Council.

CAPITAL OUTLAY
A departmental expenditure. Includes items that generally have a useful life of one or more years, such as machinery, land, furniture, equipment or buildings. Capital outlay expenditures are reviewed at each fiscal year end for purposes of classifying expenditures as "Capital Assets".

CAPITAL PROJECT
The acquisition, creation or extension of the useful life of a fixed asset that has a life expectancy greater than one year and a monetary value greater than a pre-defined threshold ($5,000 for Eugene), such as a public building. Repair or renovation of an existing capital asset or general planning and design activities can also be considered a capital project under certain circumstances.

CAPITAL PROJECT FUND
A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities other than those accounted for in specific funds.

CENTRAL SERVICE ALLOCATION (CSA)
CSA is the method the City uses to recover General Fund indirect costs housed in the central business functions. The indirect costs are pooled together and allocated via usage statistics to the non-General Funds. The General Fund is reimbursed annually via an interfund transfer from each paying fund for the CSA.

CHANGE TO CURRENT SERVICE LEVEL
An increase or decrease to the services being provided at the present time. A change to current service level could consist of a new position or service, an enhancement or expansion to an existing service or a decrease or elimination of an existing position or service.

CHARGES FOR SERVICE
Charges or fees established to recover part or all of the costs incurred in the provision of services by a government; based on the philosophy that the recipient of the benefits should pay for the services. See *User Fees*.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)
The CAFR contains, at minimum, financial and statistical information as well as the audit opinions of the City's external auditors.

COMPRESSION
The difference between property taxes actually imposed in a given year and property taxes that would have been imposed if Measure 5 limits did not exist. *See Measure 5*.

CONTINGENCY
A non-departmental account established to meet a fund's unanticipated requirements. A Council resolution or ordinance is required to move expenditure authority out of the contingency account.

CURRENT SERVICE LEVEL
This is the existing set of services including those services that are mandated (required by law) and those services approved by the City Council in prior years.

DEBT
An obligation resulting from the borrowing of money. Debt of governmental units can include such items as General Obligation bonds, revenue bonds, short-term notes, lines of credit and leases.

DEBT SERVICE
The amount of money needed to make periodic payments on the principal and interest on an outstanding debt. Debt service is usually expressed as an annual amount.

DEBT SERVICE FUND
A fund created to account for the accumulation of resources for, and the payment of, general, long-term debt principal and interest.

DEPARTMENTAL EXPENDITURES
Current operating expenditures consisting of personnel and materials and services. Expenditures are decreases to the City's net financial resources.

ELECTORS
A qualified voter who has the right to vote for the adoption of any measure. (ORS 294.414(2))

ENCUMBRANCES
A contractual commitment for which the payment is contingent upon the future delivery of specified goods or services.

ENDING WORKING CAPITAL
The accumulated unspent resources in a fiscal year. These resources are carried forward into the next fiscal year as Beginning Working Capital. *See also Beginning Working Capital and Fund Balance.*

ENTERPRISE FUND
A fund established to account for operations that are financed and operated in a similar manner as private business. They are usually self-supporting. For example, in Eugene, airport operations are accounted for in an Enterprise Fund.

EXCLUDED TAX RATE
Certain property taxes are excluded from the limitations imposed under Measure 5. These excluded items consist of taxes imposed to pay principal and interest on voter approved General Obligation bonds.

EXPENDITURES
Expenditures include current departmental expenditures (personnel services, materials and services, capital outlay), capital projects and non-departmental expenses (interfund transfers, special payments, debt service, contingency, reserves, balance available and unappropriated ending fund balance).

FISCAL YEAR
A 12-month period that determines the time frame for financial reporting, budgeting and accounting. At the end of the fiscal year, the financial position and results of operations are determined. The City of Eugene's fiscal year is July 1 to June 30.

FTE (Full-time Equivalents)
Used to denote the number of person hours necessary to fill a permanent position. A full-time position is 40 hours per week for the entire fiscal year and is designated as 1.0 FTE; 0.5 FTE may be a half-time position for the entire year or a full-time position for six months.

FUND
A fiscal and accounting entity to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives. Each fund is established for the purpose of carrying out specific activities or to attain certain objectives in accordance with legal restrictions or agreements.

FUND BALANCE
The combination of: a) the difference between a fund's current year revenues and its expenditures, and b) the accumulated unspent resources from the prior year contained in reserve, contingency, balance available and unappropriated ending funding balance accounts. Another synonymous term is Ending Working Capital.

FUND TYPE
There are six generic governmental fund types: General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Internal Service Funds.

GENERAL CAPITAL PROJECTS FUND
A capital fund used to account for all financial resources for capital activities, except those required to be accounted for in another fund. The primary source of revenue is a transfer from the General (operating) Fund of the City. Only expenditures related to capital activities are made from this fund.

GENERAL FUND
General operating fund of the City. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are property taxes, charges for services and intergovernmental revenues. Primary expenditures of the General Fund are made for public safety, planning, parks, recreation and cultural services and general administration.

GENERAL GOVERNMENT TAX RATE
A category of tax rate defined by Measure 5. It includes revenues raised to fund general government operations, such as cities, counties and special districts. The rate of tax on this category is limited to $10 per $1,000 of real market value.

GENERAL OBLIGATION (G.O.) BOND
A bond that is secured by the pledge of a government's "full faith and credit". General Obligation bonds issued by a local government are secured by the government's ad valorem taxing power, which is typically not subject to a constitutional limitation on the tax rate. In Oregon, Measure 5 and Measure 50 define those General Obligation bonds that are excluded from the M5 tax rate limits.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)
GAAP are the conventions, rules and procedures that serve as the norm for the fair presentation of financial statements. Oregon Budget Law requires that most transactions be budgeted on the modified accrual basis of accounting. However, there are certain transactions where statutory budget requirements conflict with GAAP. A reconciliation of those differences is presented in the CAFR.

GOVERNING BODY
County court, board of commissioners, city council, school board, board of trustees, board of directors, or other governing board of a local government unit. (ORS 294.311(20))

IMPACT FEES
Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development (e.g., parks or sidewalks).

INDIRECT SERVICES (OVERHEAD)
Indirect services are the costs of providing administrative support to enable direct services to be provided. Examples of functions currently treated as indirect services are city manager, human resources, information services, finance and departmental administration.

INFRASTRUCTURE
Public domain fixed assets such as roads, bridges, streets and sidewalks and similar assets that are immovable and of value only to the government unit.

INTERFUND LOANS
Loans made by one fund to another; a non-departmental expenditure. (ORS 294.468)

INTERFUND TRANSFER
Amount distributed from one fund to finance activities in another fund. Shown as a non-departmental expenditure in the originating fund and as revenue in the receiving fund. (ORS 294.463)

INTERGOVERNMENTAL REVENUE
The City receives grants from the federal, state and local governments, as well as a share of the state's cigarette and liquor taxes.

INTERNAL SERVICE FUND
A fund used to account for fiscal activities when goods or services are furnished internally to other departments or agencies on a cost reimbursement basis. Charges are made to other departments or agencies to support the fiscal activities. In Eugene, an example is the Information Systems and Services Fund, which accounts for items such as data processing, document reproduction, telephones and related services used by all City departments.

LEVY
Gross amount of property taxes imposed on taxable property. The net amount received by a government will be less than the gross levy as a result of delinquent or uncollectible payments or early payment discounts. Budgets are developed on the basis of the projected amount of property taxes receivable. See *Tax Rate* and *Assessed Valuation*.

LIMITED TAX GENERAL OBLIGATION BOND
A bond that is secured by the pledge of a government's taxing authority that is limited as to the rate or amount. Also known as a Full Faith and Credit Obligation.

LOCAL BUDGET LAW
Oregon Revised Statutes (ORS) dictates local budgeting practices. ORS Chapter 294 contains Local Budget Law provisions.

LOCAL GOVERNMENT
Any county, municipality, political subdivision or school district. ORS 294.004(1)

LOCAL IMPROVEMENT
Capital construction project, or part thereof, undertaken by a governmental unit, which provides a special benefit only to specific properties or rectifies a problem caused by specific properties. The costs of the local improvement are assessed against those specific properties upon the completion of the project. The property owner may elect to pay for the assessment plus interest over a period of up to fifteen years.

LOCAL OPTION LEVY
Under Measure 50, local governments and special districts were given the ability to ask voters for temporary authority to increase taxes through approval of a local option levy. The maximum length of time for a local option levy is 10 years, depending on the purpose of the levy. A local option levy must be approved by a majority of voters.

MARGIN UNDER THE CAP
The difference between the taxes requested by governments and the maximum amount of taxes allowed under Measure 5. See *Measure 5* and *General Government Tax Rate*.

MARGINAL BEGINNING WORKING CAPITAL
The difference between the Beginning Working Capital estimate in the budget and the actual audited Beginning Working Capital. The adjustment is made on the Supplemental Budget in December of each year.

MEASURE 5 (M5)
On November 6, 1990, the voters of Oregon passed Measure 5, a property tax limitation. Under M5, the combined property tax rate was split into a portion for schools and one for general governments (cities, counties, special districts). The combined rate limit for schools is $5 per $1,000 of real market value and for general governments is $10 per $1,000 of real market value. These rates are not comparable to the tax rates under Measure 50 because those tax rates apply to a lower assessed value. See *Assessed Valuation*.

MEASURE 50 (M50)
On May 20, 1997, the voters of Oregon passed Measure 50, which fundamentally changed the Oregon property tax system. Under M50, each jurisdiction was assigned a permanent tax rate limit. In addition, the assessed value of each property was reduced in FY98 and future increases in assessed value were capped. See *Assessed Valuation* and *Permanent Tax Rate*.

MILL or MILLAGE
An increment of taxation measured in units of one-tenth of one cent or 0.001 of one dollar. Millage is the rate used in calculating taxes based upon the value of property, expressed in mills per dollar of assessed value.

MODIFIED ACCRUAL
The City uses modified accrual for reporting its budget-basis actual revenue and expenditures. The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Revenues are recorded only when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures, other than interest on noncurrent obligations, are recorded when the fund liability is incurred.

NON-DEPARTMENTAL EXPENDITURE
Expenditures of a fund, including Debt Service, Interfund Transfers, Contingency, Reserves, Balance Available, Special Payments and Unappropriated Ending Fund Balance, are decreases to the City's net financial resources.

NON-GENERAL FUNDS
All funds other than the General (operating) Fund. These include: Special Revenue, Debt Service, Capital Project, Enterprise, and Internal Service Funds.

ONE-TIME EXPENDITURE
A proposed or actual expenditure that is non-recurring (usually only in one annual budget) and not permanently included in the baseline budget. Department make baseline adjustments to remove prior year one-time costs and appropriately reduce their expenditure authority in subsequent years' budgets.

ONGOING EXPENDITURE
A recurring expenditure for an ongoing program or service that will require future appropriations. Departments generally include ongoing expenditures in their baseline budgets in subsequent years.

OPERATING BUDGET
Financial plan for paying general operating expenditures. The operating budget includes funding for the City's daily operations, such as labor, materials, services and equipment acquisition needed to provide services to the public.

OPERATIONS AND MAINTENANCE (O&M)
Operating expenses, such as labor, materials, supplies and equipment, plus maintenance expenses for capital infrastructure. Does not include capital improvements, debt service on outstanding borrowing, reserve funds and other miscellaneous financial transactions.

OVERLAPPING TAX RATE
Total combined tax rate for a taxpayer comprised of levies from several governments – such as a city, county and school district – that overlap geographically and is expressed in rates per $1,000 of assessed value.

PERMANENT TAX RATE
Under Measure 50, each school district, local government and special district was assigned a permanent tax rate limit in FY98. This permanent tax rate applies to property taxes for operations. The City of Eugene's permanent tax rate limit is $7.0058 per $1,000 of assessed value.

PERSONNEL SERVICES
Consists of salaries and wages, fringe benefits, social security, retirement, long-term disability and unemployment contributions included as part of the operating budget.

PRINCIPAL
The face amount or par value of a bond issue payable on stated dates of maturity.

PROPERTY TAX
A tax levied equally against the assessed value of all taxable property within a government's boundaries.

PROPOSED BUDGET
Financial and operating plan prepared by the City Manager and submitted to the public and the Budget Committee for review.

REAL MARKET VALUE
The real market value of a property was defined under Measure 50 to be the amount of cash that could reasonably be expected to be paid by an informed buyer to an informed seller, each acting without compulsion in an arm's length transaction occurring as of the assessment date for the tax year.

REQUIREMENT
An expenditure or net decrease to a fund's resources, either a departmental, non-departmental or capital expenditure.

RESERVES
Resources earmarked for a specific purpose during a future period; resources can only be used for the purpose for which the reserve is established.

RESOLUTION
A decision, opinion, policy or directive of a municipality expressed in a formally drafted document and voted upon.

RESOURCE
Estimated beginning funds on hand plus anticipated receipts. (ORS 294.361)

REVENUE BOND
A bond that is payable from the revenue generated from the operation of the facility being financed by the bond, such as an airport project. A revenue bond can also be secured by any other revenues a jurisdiction decides to pledge.

REVENUES
Monies received or anticipated by the City from either tax or non-tax sources.

SPECIAL ASSESSMENT
Charges imposed against property in a particular locality because that property receives a special benefit by virtue of some public improvement, separate and apart from the general benefit accruing to the public at large. Special assessments must be apportioned according to the value of the benefit received, rather than the cost of the improvement and may not exceed the value of such benefit.

SPECIAL ASSESSMENT BOND
A bond issue payable from the payments on special assessments imposed against properties that have been specially benefited by the construction of public improvements, such as sidewalks or sewer systems.

SPECIAL PAYMENTS
Non-departmental expenditure account used to record loan payments and payments to other governmental agencies. These were previously reported as Miscellaneous Fiscal Transactions, Interfund Loans and Intergovernmental, respectively.

SPECIAL REVENUE FUNDS
A fund used to account for the proceeds of certain revenue sources that are legally restricted to expenditure for specific purposes. In Eugene, the Road Fund is a Special Revenue Fund that accounts for maintenance and construction of the City's roads with resources provided by the City's share of state gas taxes and other intergovernmental revenue.

SUPPLEMENTAL BUDGET
A financial plan that is presented to the City Council subsequent to the passage of the fiscal year appropriation act (adopted budget) to recognize unexpected needs or to spend revenues not anticipated at the time the annual budget was adopted. A supplemental budget cannot be used to authorize a property tax levy. (ORS 294.471)

SYSTEM DEVELOPMENT CHARGE (SDC)
Designed to finance the construction, extension or enlargement of a park, street, storm sewer or sewerage or disposal system. SDCs are imposed by a governmental unit as a condition to issuance of any occupancy permit or imposed by a governmental unit at such other time as, by ordinance, it may determine. See *Impact Fees* and ORS 223.299.

TAX
Compulsory charges levied by a government for the purpose of raising revenue. Taxes are used to pay for services or improvements provided for the general public benefit.

TAX INCREMENT FINANCING (TIF)
The primary funding mechanism for urban renewal is called tax increment financing. Increases in property values within an urban renewal district are responsible for determining the amount of revenue that is directed to the district.

TAX LEVY
Total amount of property taxes imposed by a local government unit.

TAX RATE
The tax rate is applied to the assessed value of each property in order to determine a property's total tax bill. Tax rates are stated in dollars per $1,000 of assessed value. See *Overlapping Tax Rate*, *Permanent Tax Rate*, and *Measure 5*.

TAX ROLL
The official list showing the amount of taxes levied against each property. For the City of Eugene, the tax roll is compiled and maintained by the Lane County Department of Assessment and Taxation.

UNAPPROPRIATED ENDING FUND BALANCE (UEFB)
An amount set aside during the budget process that is earmarked to remain unspent during the year. UEFB is budgeted in order to ensure positive cash flow during the first few months of the fiscal year, prior to receipt of property taxes. Eugene has a City Council adopted policy to maintain UEFB at two months of operating expenditures (excluding contingency and reserves) in the General Fund.

URBAN RENEWAL AGENCY
The Urban Renewal Agency of the City of Eugene was established in 1958 as a separate corporate public body charged with the responsibility to implement adopted renewal plans. The Urban Renewal Agency administers the Downtown and Riverfront Districts. The Mayor and City Council act as the governing board of the Agency.

Glossary

URBAN RENEWAL DISTRICT
Urban renewal districts attempt to prevent the erosion of property values, as well as increase those values, by stimulating private investment in an urban renewal area. Urban renewal districts are authorized by the Oregon Constitution and state statutes. About 50 urban renewal districts exist in Oregon. They were created to economically improve areas that are blighted, under-developed or depressed. Urban renewal projects include land purchases, development of utilities and public infrastructure (for example, streets, water, sewer, lighting, public spaces, parks, etc.).

USER FEES
Fees established to recover part or all of the costs incurred in the provision of services by a government; based on the philosophy that the recipient of the benefits should pay for the services. Also called charges for service. In Eugene, user fees are charged for participation in recreation programs, attendance at Hult Center events, building plan checks, landing fees at the airport and ambulance usage, among others.

Acronyms

ACRONYM	DESCRIPTION
ADA	Americans with Disabilities Act
AFSCME	American Federation of State, County, and Municipal Employees
AIP	Airport Improvement Program
AIRS	Area Information Records System
ALS	Advanced Life Support
ARFF	Aircraft Rescue and Fire Fighting
ARS	Adaptive Recreation Services
BLS	Basic Life Support
BEDI	Brownfield Economic Development Initiative
BRING	Bring Recyclable Into New Garbage
BWC	Beginning Working Capital
CAD	Computer Aided Dispatch
CAFR	Comprehensive Annual Financial Report
CDBG	Community Development Block Grant
CFC	Customer Facility Charges
CILT	Contributions in Lieu of Taxes
CIP	Capital Improvement Program
CLCC	Central Lane Communications Center
CMO	City Manager's Office
COE	City of Eugene
COLA	Cost of Living Adjustment
CPA	Certified Public Accountant
CPI	Consumer Price Index
CPI-U	Consumer Price Index for All Urban Consumers
CSA	Central Services Allocation
CSWMP	Comprehensive Stormwater Management Program
DRLP	Downtown Revitalization Loan Program
EMS	Emergency Medical Service
EMT	Emergency Medical Technician
EPD	Eugene Police Department
EPEA	Eugene Police Employees Association
EPL	Eugene Public Library
ERP	Expenditure Review Panel
EWC	Ending Working Capital
EWEB	Eugene Water & Electric Board
FAA	Federal Aviation Administration
FTE	Full-Time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles

Acronyms

ACRONYM	DESCRIPTION
GF	General Fund
GFOA	Government Finance Officers Association
GIS	Geographic Information System
G.O.	General Obligation
HACSA	Housing Authority and Community Services Agency
HB	House Bill
HR	Human Resources
HSC	Human Services Commission
HUD	Housing and Urban Development
HVAC	Heating, Ventilation and Air Conditioning
IAFF	International Association of Fire Fighters
IAP	Individual Account Program
IATSE	International Alliance of Theatrical and Stage Employees
ISD	Information Services Division
ISF	Internal Service Fund
IT	Information Technology
LCC	Lane Community College
LCOG	Lane Council of Governments
LOC	Line of Credit
LOL	Local Option Levy
LRCS	Library, Recreation and Cultural Services Department
LRIG	Lane Radio Interoperability Group
MBWC	Marginal Beginning Working Capital
MUPTE	Multi-Unit Property Tax Exemption
MVFT	Motor Vehicle Fuel Tax
MWMC	Metropolitan Wastewater Management Commission
MYFP	Multi-Year Financial Plan
NEDCO	Neighborhood Economic Development Corporation
NPDES	National Pollutant Discharge Elimination System
O&M	Operations and Maintenance
OAR	Oregon Administrative Rules
ODOT	Oregon Department of Transportation
OLCC	Oregon Liquor Control Commission
OPEB	Other Post-Employment Benefits
OPSRP	Oregon Public Service Retirement Plan
ORS	Oregon Revised Statutes
OTIA	Oregon Transportation Investment Act
PDD	Planning and Development Department

Acronyms

ACRONYM	DESCRIPTION
PERS	Public Employees Retirement System
PFC	Passenger Facility Charge
POS	Parks and Open Spaces
POS	Point of Service
PPO	Preferred Provider Organization
PROS	Parks, Recreation and Open Spaces
PSAP	Public Safety Answering Point
PSF	Professional Services Fund
PW	Public Works Department
RAIN	Regional Accelerator and Innovation Network
RFP	Request for Proposal
ROW	Right of Way
RRSF	Reserve for Revenue Shortfall
SALT	Seniors and Law Enforcement Together
SB	Supplemental Budget
SCBA	Self-Contained Breathing Apparatus
SDC	Systems Development Charges (streets, sewers, facilities)
SWAT	Special Weapons and Tactics
SW7	Southwest Seven Counties
TBL	Triple Bottom Line
TSA	Transportation Security Administration
UEFB	Unappropriated Ending Fund Balance
UGB	Urban Growth Boundary
UO	University of Oregon
URA	Urban Renewal Agency
VIP	Volunteers in Policing
YFRS	Youth and Family Recreation Services

This page intentionally left blank.

Index

Accounting Policies 96
Adaptive Recreation Services Overview 282
Adopted Budget Resolution City of Eugene 415
Adopted Budget Resolution Urban Renewal Agency 473
Administration and Parking, Planning and Development 335
Administration Services Overview:
- Central Services 302
- Fire and Emergency Medical Services 244
- Library, Recreation and Cultural Services 290
- Planning and Development 275
- Police 244
- Public Works 275

Adult and Senior Services Overview 283
Airport Services Overview 258
Airport, Public Works 350
Ambulance Transport Fund 190
Animal Services Overview 235
Aquatics Services Overview 284
Athletics Services Overview 285

Balance Available Budget, Non-Departmental 396
Budget Cycle 94
Budget Process 91
Budget Message 1
Budget Summary 55
Building and Permit Services Division, Planning and Development 335

Call Taking and Dispatch Services Overview 235
Capital Budget 60, 355
- Capital Improvement Program 100, 356
- Funding Sources 360
- Overview 359
- Project Descriptions:
  - Airport 365
  - Parks and Open Space 368
  - Public Buildings and Facilities 373
  - Stormwater 379
  - Transportation 382
  - Wastewater 387

Capital Improvement Policies 100
Capital Projects Funds 136, 178, 389, 469, 471
Central Business Functions 90, 291

Index

Central Services Department Budget 306
- Administration 313
- City Manager's Office 313
- Facilities 313
- Finance 314
- Human Resources 314
- Information Services 314
- Municipal Court 315
- Police Auditor 315
- Risk Services 315

Citizen Involvement 88
City Council Vision and Goals 86
City Government 84
City Manager's Office, Central Services 313
City Organization Chart 89
City Overview 79
City Services 90
Civic Leadership and Collaboration Services Overview 296
Combined Statement of Revenue, Expenditures and Changes in Fund Balance 137
Combined Statement of Revenue, Expenditures and Changes in Fund Balance, URA 465
Community Development, Planning and Development 335
Community Development Fund 148, 389
Construction and Rental Housing Fund 154
Construction Permits Services Overview 259
Contingency Budget, Non-Departmental 398
Culture and Recreation Services 90, 275
Cultural Services, LRCS 328
Cultural Services Overview 285
Cultural Services subfund 66, 135, 144

Debt Issuance Guidelines 102
Debt Management 96, 100
Debt Service Budget, Non-Departmental 399
Debt Service Funds 135,136, 175, 468
Debt Service Payments, Non-Departmental 399
Demographic Statistics 82
Department Administrative Service Categories 224
Department Budgets 305
Downtown District, Urban Renewal Agency 440, 452, 468

Economy, City Overview 79
Engineering, Public Works 350

Index

Enterprise Funds 135, 136, 189
Equipment Replacement subfund 66, 135, 145

Facilities, Central Services 313
Facilities Services Fund 203, 390
Finance, Central Services 314
Financial Management Goals and Policies 96
Financial Services Overview 297
Financial Structure 134
Fire and Emergency Medical Services Department Budget 316
    Office of the Chief 321
    Shift Operations 321
    Special Operations 321
    Fire Marshal's Office 322
Fire and Emergency Medical Services Overview 236
Fire Marshal's Office, Fire 322
Fleet and Radio Communications Services Overview 298
Fleet Services Fund 206
Full-time Equivalents by Department and Fund 76
Full-time Equivalents Per 1,000 Population 73
Full-time Equivalents Summary and Trends 72
Fund Descriptions 141, 146, 147, 175, 178, 189, 202, 389, 390
Fund Types 136
Fund Structure 135
Fund Summary 133

General Capital Projects Fund 179, 389
General Fund 66, 111, 136, 141
General Fund Summary 66
General Fund Revenues and Other Financing Sources 118
General Obligation Debt Service Fund 176
Government Fund Types 136
Greater Downtown Services Overview 260

Housing Opportunities and Economic Prosperity Services Overview 261
Human Resources, Central Services 314
Human Resource and Risk Services Overview 299
Human Rights and Neighborhood Involvement Services Overview 300

Information Services, Central Services 314
Information Systems and Services Fund 210
Information Technology Services Overview 301

Index

Infrastructure and Planning Services 90, 245
Infrastructure Project Management Services Overview 62
Interfund Transfer Budget, Non-Departmental 406
Internal Service Funds 135, 136, 202
Investigations, Police 342
Investigations Services Overview 237

Land Use Planning Services Overview 263
Legal Forms City of Eugene 413
Legal Forms Urban Renewal Agency 473
Library Local Option Levy Fund 158
Library, Parks and Recreation Fund 160, 389
Library, Recreation and Cultural Services Department Budget 324
- Administration 328
- Cultural Services 328
- Library Services 328
- Recreation Services 328

Library Services, LRCS 328
Library Services Overview 287
Local Budget Law 91

Maintenance, Public Works 351
Mayor and City Council 86
Metropolitan and Community Planning Services Overview 264
Miscellaneous Statistical Data 83
Municipal Airport Fund 194, 389
Municipal Court, Central Services 315
Municipal Court Services Overview 239

Net Budget 63
Net Budget, Urban Renewal Agency 463
Non-Departmental 395
Non-General Fund Revenue Assumptions 120

Office of the Chief, Fire 321
Office of the Chief, Police 342
Operations Support, Police 342
Organizational Policies 101
Other Agency Funding Sources 391

Parking Services Fund 195, 290
Parking Services Overview 265

Index

Parks and Open Space, Public Works 351
Parks and Open Space Service Overview 267
Patrol, Police 342
Patrol Services Overview 240
Planning and Development Department Budget 330
    Administration and Parking 335
    Building and Permit Services 335
    Community Development 335
    Planning 335
Planning, Planning and Development 335
Police Auditor, Central Services 315
Police Department Budget 336
    Investigations 342
    Office of the Chief 342
    Operations Support 342
    Patrol 342
    Technical Services 343
Police Records Management and Analysis Services Overview 241
Professional Services Fund 214
Property Tax Summary 128
Property Tax Levies and Collections 128
Property Tax Rates and Tax Levy 130
Proprietary Fund Types 134
Public Buildings and Facilities Services Overview 268
Public Safety Services 90, 229
Public Safety Communications Fund 162
Public Works Department Budget 344
    Administration 350
    Airport 350
    Engineering 350
    Maintenance 351
    Parks and Open Space 351
    Wastewater 351

Recreation Services, LRCS 328
Reserve Budget, Non-Departmental 410
Resources/Requirements Summary 109
Resources/Requirements Summary - Urban Renewal Agency 466
Revenue Assumptions 111, 120
Revenue and Collection Policies 99
Risk and Benefits Fund 216
Risk Services, Central Services 315

Index

Riverfront District, Urban Renewal Agency 445, 553
Road Fund 166

Service Budget 223
Shift Operations, Fire 321
Social Services Overview 242
Solid Waste and Recycling Fund 169
Special Assessment Bond Debt Fund 177
Special Assessment Capital Projects Fund 183
Special Assessment Management Fund 171
Special Payments 411
Special Revenue Funds 135, 136, 146
Special Operations, Fire 321
Stormwater Utility Fund 198, 390
Stormwater Services Overview 269
Summary of Budget 51, 55
Summary of Changes to Proposed Budget 5, 458
System Development Capital Projects Fund 185, 389

Technical Services, Police 343
Telecom Registration/Licensing Fund 173
Ten Principal Taxpayers 83
Ten-Year Trends 70, 118
Transportation Capital Projects Fund 187, 389
Transportation Services Overview 270

Unappropriated Ending Fund Balance Budget, Non-Departmental 412
Urban Forestry Services Overview 271
Urban Renewal Agency Budget 439
- Downtown District 440
- Riverfront District 445
- Net Budget Detail 463
- Resources/Requirements 466
- Downtown General Fund 467
- Downtown Debt Service Fund 468
- Downtown Capital Projects Fund 469
- Riverfront General Fund 470
- Riverfront Capital Projects Fund 471
- Riverfront Program Revenue Fund 472
- Legal Forms 473

Wage and Salary Employment 81

Index

Ward Map 85
Waste Prevention/Green Building and Business Licensing Services Overview 271
Wastewater Collection and Treatment Services Overview 272
Wastewater, Public Works 351
Wastewater Utility Fund 200, 390
Wetlands Mitigation Bank Subfund 390

Youth and Family Recreation Services Overview 288

Zoning and Nuisance Administration Services Overview 273

This page intentionally left blank.