

FY20 PROPOSED 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
Jon Jasper, Vice Chair
Alicia Voorhees
Ryan Moore
Tai Pruce-Zimmerman
Eliza Kashinsky
Shaun Londahl

City Manager
Jon Ruiz

Executive Management Team

Kristie Hammitt, Assistant City Manager
Kathryn Brotherton, City Attorney
Mia Cariaga, Central Services
Joe Zaludek, Fire and Emergency Medical Services
Renee Grube, Library, Recreation and Cultural Services
Denny Braud, Planning and Development
Chris Skinner, Police
Sarah Medary, Public Works

Finance Director
Twylla Miller

Finance Staff
Abby Alway
Maurizio Bottalico
Sue Cutsogeorge
Samantha Ferber
Jamie Garner
Sam Kelly-Quattrocchi
Doug Lauderbach
Mike Streepey
Kevin Vanderwall
Kerry Willhite

How You Can Get Involved

Members of the public are encouraged to express their views on the Proposed Budget. All meetings of the Budget Committee and City Council are open to the public and most of them include a public comment period. Citizens may provide comment before the Budget Committee on Wednesday, May 8, 2019; Wednesday, May 15, 2019; Wednesday, May 22, 2019; at the Budget Committee public hearing Wednesday, May 29, 2019; and at the City Council public hearing on Monday June 24, 2019. Copies of the Proposed Budget are available for review at the City of Eugene Finance Division, the City Manager's Office and the Downtown Public Library reference desk. Copies of the Proposed Budget document can be purchased from the Finance Division. In addition, you can download or view the Proposed Budget from the City's website at www.eugene-or.gov/budget or explore the budget with the Open Budget toggle at www.eugene-or.gov/openbudget.

How to Provide Comments or Testify:

1. Send a written statement to the Budget Committee or City Council:
c/o City of Eugene Finance Division, 100 West 10th Avenue, Suite 400, Eugene, OR 97401;
2. Submit a written statement at the meeting or public hearing;
3. Send an e-mail to eugene.budget.committee@ci.eugene.or.us; or
4. Speak to the Budget Committee or City Council at the public comment times or public hearings.

City of Eugene Budget Meetings

City Manager's FY20 Proposed Budget Presentation

This presentation consists of the City of Eugene budget as well as the Unfunded Needs Assessment.

Wednesday, April 24, 2019 • 5:30 p.m.

Eugene Downtown Public Library

Bascom-Tykeson Room, 100 West 10th Avenue

Budget Committee Public Comment and Deliberation on FY20 Proposed URA Budget

This meeting includes presentations on the Urban Renewal Agency (URA) budget, URA 101 and the

Downtown Riverfront Development.

Wednesday, May 8, 2019 • 5:30 p.m.

Eugene Downtown Public Library

Bascom-Tykeson Room, 100 West 10th Avenue

Budget Committee Public Comment and Deliberation on FY20 Proposed Budget

This meeting includes a Community Safety update.

Wednesday, May 15, 2019 • 5:30 p.m.

Eugene Downtown Public Library

Bascom-Tykeson Room, 100 West 10th Avenue

Budget Committee Public Comment and Deliberation on FY20 Proposed Budget

This meeting includes a presentation on proposed updates to the Service Profiles program.

Wednesday, May 22, 2019 • 5:30 p.m.

Eugene Downtown Public Library

Bascom-Tykeson Room, 100 West 10th Avenue

Budget Committee Public Hearing, Deliberation and Action on FY20 Proposed Budget

Wednesday, May 29, 2019 • 5:30 p.m.

Eugene Downtown Public Library

Bascom-Tykeson Room, 100 West 10th Avenue

City Council Public Hearing and Action on FY20 Budget

Monday, June 24, 2019 • 7:30 p.m.

Lane County Public Service Building

Harris Hall, 125 East 8th Avenue

Budget Committee and City Council meetings are televised on MetroTV, Channel 21; webcasts of the meetings are available on the City of Eugene website. Meeting materials are available at www.eugene-or.gov/budget.

All meetings are held in wheelchair accessible rooms. For individuals who are hearing impaired, an interpreter or an assistive listening device can be provided with one week notice prior to the meeting. Materials can be made available in alternative formats if requested in advance. To arrange for these services, or for more information, please contact Finance Division staff at 541-682-5512.

This page intentionally left blank.

Table of Contents

BUDGET MESSAGE	1
FY20 Proposed Budget Message	
Attachment A – General Fund Forecast	
Attachment B – General Fund Reserves	
Attachment C – FY20 General Fund Changes	
Attachment D – FY20 Other Fund Changes	
Attachment E – City Focus	
FY20 Proposed Budget Snapshot	
BUDGET SUMMARY	57
Budget Summary	
Full Time Equivalent (FTE) Summary	
FINANCIAL POLICIES	75
Financial Management Goals and Policies	
DEPARTMENT VIEW	87
Central Services	
Fire and Emergency Medical Services	
Library, Recreation and Cultural Services	
Planning and Development	
Police	
Public Works	
FUND SUMMARY	127
Financial Structure	
Fund Structure	
Fund Types	
Fund Matrix	
Fund Schedules	
DEBT SERVICE AND TAX INFORMATION	167
Debt Service	
Property Tax Rates and Tax Levy	
URBAN RENEWAL AGENCY	177
Urban Renewal Agency Overview	
Urban Renewal Agency Proposed Budget Changes	
Urban Renewal Agency Fund Schedules	
APPENDIX	
Unfunded Needs Assessment	

This page intentionally left blank.

April 24, 2019

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

Commitment, collaboration, and strong partnerships have built a solid foundation for advancing numerous initiatives and addressing challenges over the last year. As a community, we have made significant progress with the development of our Downtown Riverfront development and park, the creation of the River Road-Santa Clara Neighborhood Plan, a Eugene Climate Collaborative made up of system-level partners, providing new small business loans, expanding access to Library and Recreation services along with preparing for the 2021 World Championships and hosting a week-long Visual Arts Festival. While these were some of the year’s highlights, we also know that the everyday work of the City continued – focused on making lives better, neighborhoods safer, and our community more prosperous for everyone. That included making meaningful progress in addressing important and urgent issues such as homelessness, housing and community safety. Thoughtful responses to these opportunities and challenges are possible due to the last several years of prudent fiscal decisions by the Budget Committee, City Council, staff and the community, which have provided a bridge out of the economic downturn and into our current environment of financial stability.



In this year’s proposed budget, you will see investments that respond to the needs of the community and fulfill the promises that have been made. The FY20 Proposed Budget also maintains a responsible savings account while keeping increases in operating expenses to a minimum. We continue to diligently plan for future costs and monitor uncertainties that could impact our General Fund.

The FY20 Proposed Budget includes nearly \$10 million in new capital investments for our parks and recreation facilities as authorized by voters when they approved \$39.35 million in General Obligation (G.O.) bonds for parks and recreation capital projects. As part of the bond sale process, Moody’s Investors Service upheld the City’s Aa1 rating due to a strong financial profile including healthy reserve levels, ample liquidity, a low debt burden and strong financial management. This rating led to significant competition to purchase the bonds and resulted in a very low interest cost, which allows taxpayer dollars to go further when constructing these projects. The capital improvements funded by the G.O. bonds will lead to new and improved facilities that will be more accessible to all areas of our community. Upon passage of the bond City staff immediately moved into action, reaching out to the community to get their input on some of the first projects, including the renovation of the Campbell Center, Echo Hollow Pool, and the planning for Striker Field.



City Council focused on community safety throughout the year with the goal of finding long-term funding strategies to address critical community safety needs. As part of the FY19 supplemental budget process in December, the City Council approved an 18-month bridge funding strategy

totaling \$8.6 million that is designed to address some of the identified safety needs from January 2019 through June 2020. This funding is adding capacity within our Fire and Emergency Services department, launching a Street Crimes Team to address critical public safety issues in neighborhoods throughout the city, stabilizing services that provide emergency shelter and help people transition to more safe, permanent housing, and supporting programs that keep young people from becoming homeless.

The bridge funding is the first step in working toward meeting the larger, ongoing needs of our community safety system. With the help of a Community Safety Revenue Team that convened earlier this year, we have explored options for a new, sustainable, reliable and fair funding mechanism that could generate approximately \$22.8 million annually and be implemented by July 2020. I look forward to continuing those conversations with Council and the community.

Community safety includes addressing the needs of our most vulnerable populations including those who are unhoused. Homelessness continues to be a critical issue as we work toward balanced solutions that meet the needs of the unhoused community while ensuring the livability of neighborhoods, access to parks and recreation facilities, and the success of local businesses. Last year, the Technical Assistance Collaborative (TAC) report provided practical recommendations and City Council directed me to work with the County Administrator to establish a framework and plan for implementing them. Funding allocated to this effort, including the \$1 million in FY18 for a future homeless shelter and an additional \$900,000 in FY19, will be part of this process. We will continue to work with our area partners, including the Human Services Commission, to find effective strategies to address an issue that impacts too many of our neighbors, friends and family.

As we continue to work on and invest in critical community issues, we are also looking ahead and planning for our community's future. Last year saw considerable progress toward transforming the Downtown Riverfront into a location that is vibrant, active and accessible. The development of both the park and the plaza are included in the FY20-25 Capital Improvement Program, while the pieces that remain unfunded appear in the Unfunded Needs Assessment (UNA). The park will open in advance of the 2021 World Championships, and visitors to the event will see Eugene's commitment to outdoor spaces demonstrated in its thoughtful and inclusive design. This project is also summarized in Attachment E, City Focus.

Working toward our climate goals is another important investment in our collective future. The Climate Recovery Ordinance (CRO) outlines goals for organizational and community-wide greenhouse gas (GHG) emission and fossil fuel use reductions. The goals are ambitious and will take community-wide effort. Over the last year, we have engaged community partners that have larger, system level impacts. These eleven partners have significant oversight and impact on community-wide fossil fuel use and greenhouse gases or can affect or alter systems that will enable the community to adapt and prepare for climate change. Together they formed our Eugene Climate Collaborative and are laying the foundation to make it easier for everyone - individuals, households, businesses, and other organizations - to take actions that support the CRO goals.

Since the CRO's adoption we have appropriated \$565,000 for work related to its goals and have incorporated it into our organizational culture. Staff calculated GHG emissions for many of the projects in the FY20-25 Capital Improvement Program to help illuminate the environmental impacts of large-scale construction projects. The combination of GHG emissions with capital project planning is uniquely Eugene, and other cities across the country are looking to follow this

example. We will continue to search out new and alternative ways to be a leader in this area, and to find ways to connect policymakers and interested parties with the data that is critical for informed decision making.

The upcoming fiscal year will see the advancement of these important initiatives and more. This budget includes many new capital projects, including investment in current and new infrastructure through project work at the Airport, street maintenance and repair, and the improvements and new facilities funded by the voter-approved 2018 Parks and Recreation bonds. The Reserve for Revenue Shortfall (RRSF), our savings account in the General Fund, remains well above our target of 8% of projected expenditures and provides a safety net in the face of unexpected challenges. Overall the FY20 Proposed Budget reflects a 9.5% increase in expenses compared to the FY19 Adopted Budget after adjusting for prior year carryover. While the capital budget is increasing by 16.8% over the level included in the FY19 Adopted Budget due to the number and scope of projects, our operating expenditures are only rising by 2.9% as we continue to actively manage expenses through efficiencies and cost saving measures.

In addition to keeping increasing costs to a minimum, we have also focused on identifying areas where we can continue to find savings. The FY20 Proposed Budget includes several ongoing financial stability strategies that will save \$1.5 million in annual operations costs. These strategies are sustainable over the forecast period and align with our commitment to prudent fiscal stewardship of the City's largest fund. More information about this approach can be found in Attachment C.

In tandem with the financial stability strategies, the FY20 Proposed Budget continues the past practice of targeted, one-time and limited duration funding for strategic investments, along with several cost-neutral or revenue-backed ongoing additions in the General Fund. The proposed FY20 one-time General Fund investments are spread across multiple areas of need and are responses to feedback from the public, City Council and staff. The fund's resources are finite and these investments are intended to advance many of our highest priorities in a manner that avoids ongoing obligations that are not sustainable in our current operating environment.

The FY20 Proposed Budget includes several investments in public safety funding. The Police Department currently contracts with the White Bird Clinic for CAHOOTS (Crisis Assistance Helping Out On The Streets) teams to provide mobile crisis intervention. These services free up capacity in the Police Department, which in turn allows our public safety resources to be used more effectively. However, the current level of contracted service cannot keep up with demand. The FY20 Proposed Budget includes \$281,000 on a one-time basis to add 11 additional hours of coverage to the existing CAHOOTS contract. The FY20 budget also includes \$200,000 in funding to reduce fire danger through the reduction of dead and dying materials in areas where homes are near undeveloped wildland vegetation. I am also proposing the addition of 3.0 FTE police officers at the Airport: two positions to expand the hours of operation in advance of the new nonstop air service between Eugene and Chicago by United Airlines, and one position that is the result of a multi-year plan to gradually increase the budget to fully fund the existing service level. In addition, \$150,000 for security enhancements at the Eugene Municipal Court is included for the upcoming year.

Eugene has a reputation as a great city for the arts and outdoors, which is one of the many reasons that our population and tourism numbers are growing. This budget includes \$530,000 in City and

Urban Renewal Agency funds to expand the pedestrian wayfinding program. The project, which began in 2015, is intended to orient people who walk through the city’s landscape while also highlighting our arts, culture and natural amenities. Continued investment in this program also helps to ready the community for the 2021 World Championships and provides a lasting benefit well after. More information about this project is included in Attachment E, City Focus.

This budget also includes investments that support community livability and economic development. The City’s current construction permitting software is outdated. The two years of funding at \$500,000 each year included in this budget will provide the necessary resources to rewrite this software. This redevelopment will modernize permitting and inspection processes resulting in more efficient project tracking, real-time inspection updates and feedback - ultimately improving overall service to the community. We are also poised to review and revise the current nuisance code provisions, and \$70,000 is included in this budget to further that work. This funding will help align and update Eugene’s code with what our community values around livability. The Housing Tools and Strategies inventory identifies potential actions that can affect housing affordability, availability and diversity of type. This budget includes \$215,000 in one-time funding to maintain this inventory and implement strategies that Council would like to pursue to address these important issues.

The cost of illiteracy in our community continues to grow. In some schools, between 65% and 75% of students are not proficient readers by the end of third grade and 53% of students in Lane County do not read at grade level, which is a predictor of high school graduation rates and future impact on public safety and health care systems. This budget includes \$100,000 to promote early literacy. In collaboration with our community partners, this investment will enable us to build on sustainable strategies today that will have a long-term positive impact in our community.

These are some of the plans and projects that we are proposing to move forward in FY20, but there are many other stories to tell. Details on proposed FY20 budget changes are included in Attachments C and D of the Budget Message.

Fostering and increasing the public’s trust and confidence in our financial stewardship remains a top priority for the Executive Team. We have seen the benefits of this trust in the successful passage of the library, parks and recreation levies, and street, parks and recreation bonds. These initiatives and others have provided the fuel to weather challenging economic conditions and make progress on initiatives that are important to our community. While we continue to monitor potential impacts to our financial health, we have made great strides to position the organization for future challenges. The new fiscal year will find the City of Eugene optimistic, resilient and ready to respond to the needs of the community.

Sincerely,

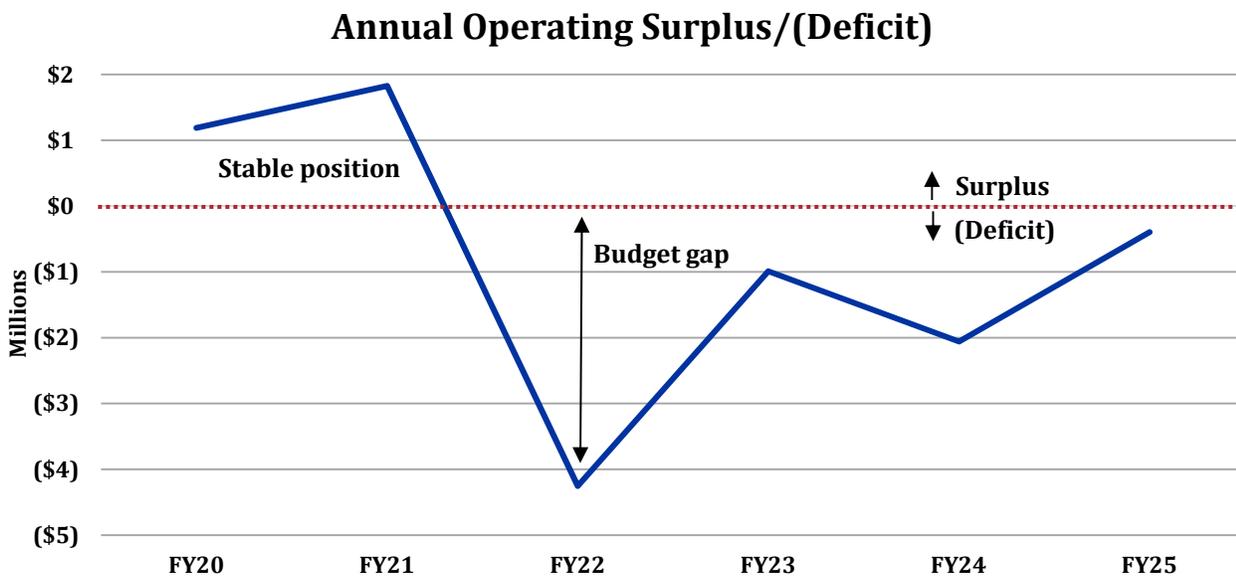


Jon R. Ruiz
City Manager

General Fund (Main Subfund) Six-Year Financial Forecast FY20 to FY25

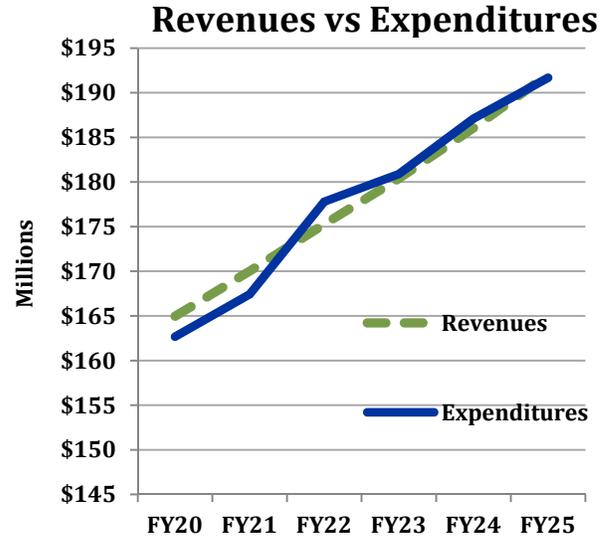
The General Fund Forecast is a tool that projects how much the City will spend and receive over the next six years and assists policymakers with developing strategies to meet future challenges. Many factors affect the forecast and while projections are made using the most current information available, the one constant is that assumptions will change. Last spring when the City Manager presented his Proposed Budget, the forecast showed a future ongoing budget gap starting at more than \$3 million dollars in FY22. Since that time, staff have updated the many forecast variables that impact the General Fund based upon new information from the first eight months of the current fiscal year. While some forecast drivers have improved and others have worsened, the forecast remains in a stable position through FY21 with an ongoing budget gap starting in FY22. The projected budget gap in FY22 exceeds \$4 million driven by a significant increase in PERS rates assumed that year. The budget gap is expected to improve in subsequent years assuming a moderate increase in PERS rates in FY24, with only a small deficit by FY25.

Property taxes are higher over the forecast period, as certified taxable assessed value increased 4.3% this fiscal year, which is higher than previously projected. Furthermore, the assumed collection rate over the forecast period has been increased to 95% following a property tax settlement between the State of Oregon and Comcast in June 2018. The General Fund’s share of this settlement was approximately \$2.8 million in FY18. Ongoing right-of-way fee revenue for services other than cable television also increased over the forecast period as actual payments are higher than previously projected. In addition, estimates for revenues from both the State and local marijuana tax have increased now that this new market is maturing and staff have a longer history of actual receipts upon which to base future estimates. The preceding revenue increases were partially offset by decreases to other revenue drivers including reduced contributions-in-lieu-of-taxes (CILT) from EWEB, lower right-of-way fee revenue from cable television services, and delayed receipt of the new Ground Emergency Medical Transport (GEMT) revenue. Expenditures increased overall due to higher PERS rates, the addition of select ongoing services in this Proposed Budget, and the assumed reimbursement of Systems Development Charges (SDCs) and permit fees in the first two years of the Construction Excise Tax (CET). All of these factors will be monitored closely to determine the long-term trends impacting the financial health of the City.



The General Fund forecast incorporates the FY20 Proposed Budget changes, including ongoing funding for select items that are mostly revenue-backed or cost-neutral. In addition, strategic investments provide one-time funding to move important initiatives forward. See General Fund Changes, Attachment C, for details about what is included in the FY20 Proposed Budget.

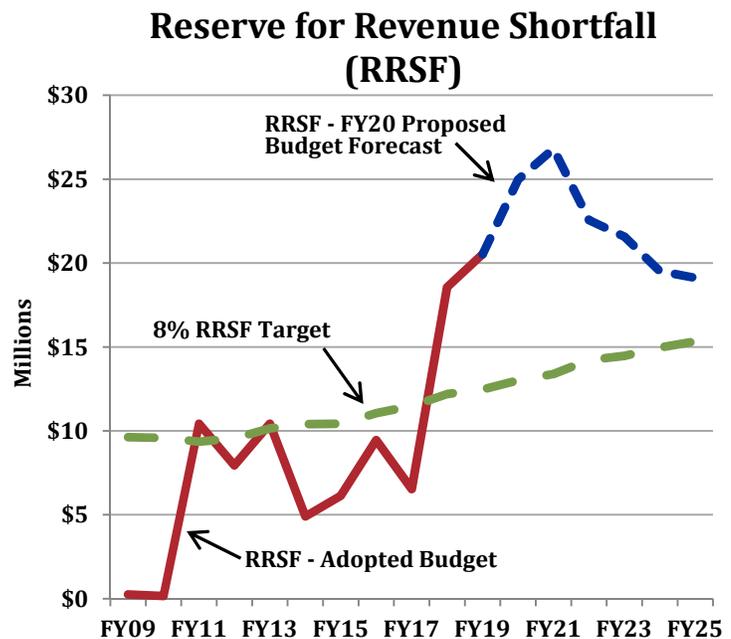
After incorporating these service adjustments and updated assumptions, the forecast shows that the service system is stable in the near-term with revenues greater than expenditures through FY21. Expenditures increase sharply and outpace revenues in FY22 driven by a significant increase in PERS rates assumed that year. The projected budget gap in FY22 exceeds \$4 million, which is then expected to improve in subsequent years with another moderate increase in PERS rates assumed in FY24. The gap is alleviated as revenues and expenditures come closer together in the out-years of the forecast and are aligned in FY25 under current assumptions.



Reserve for Revenue Shortfall

The Reserve for Revenue Shortfall (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 \$14.2 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 right-of-way license fee legal settlement. The majority of these funds were placed in the RRSF during the December FY17 Supplemental Budget and continue to support a healthy reserve level today. The RRSF is \$29 million in the FY20 Proposed Budget, which includes \$4 million of Community Safety bridge funding expected to be spent in FY20. Excluding the bridge funding, the FY20 Proposed Budget RRSF is estimated to be \$25 million. The following percentages and RRSF chart exclude the bridge funding for comparison purposes.

The RRSF peaks at 16% of expenditures in FY21 and then decreases in subsequent years to 10% by the end of the forecast period after incorporating FY20 Proposed Budget changes and anticipated assumptions regarding major forecast drivers, and excluding \$4 million of Community Safety bridge funding expected to be spent in FY20. Current projections show that the RRSF remains above the 8% target throughout the forecast period, providing an ample cushion as we look toward the future.



The City also maintains other reserves in the General Fund: the Unappropriated Ending Fund Balance (UEFB) and the Council contingency reserve. The UEFB is budgeted at two months of operating expenses to allow the City to pay bills and make payroll between the start of the fiscal year in July until November when property tax revenue is received. 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 Council contingency reserve is set at \$12,000 in FY20 and is set aside for unanticipated needs, which can include items such as election costs for City measures. In prior years, the City also had a Property Tax Appeal Reserve and an Excess Local Marijuana Tax Reserve. Both of these reserves were liquidated during the December FY19 Supplemental Budget and applied toward the Community Safety bridge funding. The Property Tax Appeal Reserve was originally created after a large appeal from Comcast, which has since been settled with the State of Oregon in June 2018.

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 4.3% in FY19, which was higher than anticipated. Based on an analysis of current building permit activity and recent growth trends in taxable assessed value, the FY20 Proposed Budget includes a moderate growth rate of 4.0% and remains at that level throughout the forecast period. If the taxable assessed value growth rate was reduced to 3.5% over the forecast period, property tax revenue would be reduced by an average of \$2.1 million annually.

PERS Rates – The FY20 Proposed Budget includes a significant PERS rate increase over FY19 rates. Another significant PERS rate increase is expected in FY22, followed by another moderate increase in FY24. The FY20 rate increase is based on City-specific rates approved by the PERS Board, while the FY22 and FY24 rate increases are based on the actuary’s long-term projections for the system as a whole. Beginning in FY21, a 1% annual change in the assumed PERS rates would have an impact of \$3.7 million over the remainder of the forecast period. More information on PERS is contained towards the end of the General Fund Forecast, Attachment A.

Inflation – Interest rates are anticipated to increase in the short-term and could potentially impact the low inflationary factors that have been present for some time, although inflation rates in this forecast are slightly lower than predicted last year. Changes in the rate of inflation can have a large impact on the forecast. For example, an increase of 0.5% annually over the inflation rates assumed in the FY20 Proposed Budget forecast would increase costs by an estimated \$10.9 million over the forecast period.

Legislation – State Legislation increasing tax exemptions for centrally assessed properties, which has the potential to reduce property tax revenue to the City, became law in FY17. This includes a property tax exemption for centrally assessed telecommunications businesses that offer high-speed internet. As part of the property tax settlement between the State of Oregon and Comcast in June 2018, Comcast agreed to withdraw its gigabit exemption application. The 2019 legislative session includes a bill that would repeal this central assessment exemption.

Potential Federal Communications Commission (FCC) Action – The FCC is considering a proposed rule that would reduce franchise fee payments from cable operators by allowing providers certain

deductions from cable franchise fees. The proposed rule would also preempt local governments from regulating or imposing fees related to non-cable service providers that rely on use of the public right-of-way such as internet service providers.

Forecast Variables

Assessed Value – The FY20 taxable assessed value growth rate is projected to be 4.0% and remains at that level throughout the forecast period, which aligns with current building permit activity and recent growth trends.

Property Tax Collection Rate – The projected property tax collection rate for current year taxes is estimated at 95% for all years of the forecast. The assumed 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. The actual collection rates for FY17 and FY18 were 94.9% and 98.3%, respectively. The high collection rate in FY18 resulted from a property tax settlement between the State of Oregon and Comcast. The General Fund’s share of this settlement was approximately \$2.8 million.

Property Tax Revenue – Total property tax revenue, including current and delinquent taxes, is projected at \$103.6 million in FY19, which is about \$700,000 more than the amount included in the FY19 Adopted Budget. Future current year collections have been adjusted accordingly, and are projected at \$106.1 million in FY20 growing to \$129.1 million by FY25, after taking into account the assessed value growth and property tax collection rates explained above. Delinquent tax collections are projected at \$1.6 million in FY19 and remain at that level throughout the forecast period.

EWEB Contributions-in-lieu-of-taxes (CILT) – Revenue from EWEB is estimated at \$13.2 million in FY20 and grows to \$13.8 million annually by the end of the forecast. These estimates incorporate the CILT methodology approved by Council in 2014, 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 \$8.4 million in FY20, increasing to \$8.7 million annually by FY25.

Interest Earnings – Portfolio interest earnings are projected at 2.5% in FY20, increasing in the out-years of the forecast to 3%. This reflects a revised outlook based on rising interest rates.

Local Marijuana Tax – In November 2016, voters approved a local tax of 3% on the retail sales of recreational marijuana items. This new revenue source is estimated to be \$1.1 million in FY19, increasing to \$1.25 million in FY20, and remaining at that level throughout the forecast period. These projections represent substantial increases over prior estimates now that this new market is maturing and staff have a longer history of actual receipts upon which to base future estimates.

State Shared Revenues – State shared revenue is projected to increase from \$6.1 million to \$7.7 million over the forecast period. This includes revenue estimates for the State marijuana tax of \$700,000 in FY19 and \$750,000 per year thereafter. Similar to the local marijuana tax, these

projections represent substantial increases over prior estimates now that this new market is maturing and staff have a longer history of actual receipts upon which to base future estimates.

Inflation Rates – The FY20 assumed inflation rate is 2.2% based on the September 2018 State economic forecast. Inflation rates beginning in FY21 are pegged at the inflation percentages used by the State Office of Economic Analysis in their March 2019 forecast. In FY21, the rate is 2.4% and subsequently peaks at 2.5% in FY22 before decreasing to 2.2% through 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 their March 2019 forecast. Increases in the minimum wage, per Oregon Legislation, are also included.

Materials and Services – The FY20 rate is 2.2%, and increases beginning in FY21 are tied to the inflation percentages used by the State Office of Economic Analysis in their March 2019 forecast.

Health Benefits – The forecast includes a health benefits inflation rate of 5.9% in FY20. Based on preliminary projections from the City’s actuary, the cost of health benefits are expected to rise 6.1% in FY21 with the growth rate dropping to 5.7% by the end of the forecast period.

Retirement Costs – The forecast includes the following rate increases in FY20 based on City-specific rates approved by the PERS Board: PERS Tier 1 and Tier 2 increase of 3.67%, OPSRP General Service increase of 3.85%, and OPSRP Police/Fire increase of 3.71%. In FY22 and FY24, the forecast assumes 5.41% and 0.89% increases across all rates based on the actuary’s long-term projections for the system as a whole.

Construction Excise Tax – On April 8, 2019, City Council approved an ordinance enacting a Construction Excise Tax (CET). The ordinance includes an offset of the CET paid by applicants with an equivalent reduction in Systems Development Charges (SDCs) and permit fees during the first two years, to be made whole by other City funds. The forecast includes transfers out of \$1 million in FY21 and \$1.5 million in FY22 for this purpose.

Public Employees Retirement System

What is PERS and how does it work?

PERS is the Public Employees Retirement System, which is a pension plan for public employers. The Oregon Legislature creates the pension plan, the Oregon Investment Council invests the assets, and the PERS Board sets the rates that employers must pay to cover system costs.

How is PERS funded?

The system assets have come mainly from investment income, which represents approximately 3/4 of system revenues since



1970. Employer contributions and member contributions make up the remainder. The most recent valuation shows that the PERS system is about 73% funded as of December 31, 2017. This means that the system has approximately 73% of the funds needed to pay projected benefit costs. The remaining 27% is called the Unfunded Actuarial Liability (UAL).

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 FY20 budget and beyond?

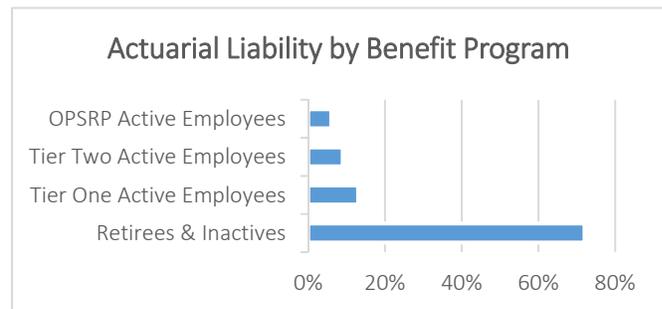
The City will contribute an estimated \$24.8 million toward PERS costs in FY19, and those costs are expected to go up by about \$4.6 million in the FY20 budget. This is for all of the City’s funds. Employer contribution rates are set every two years, and the PERS Board’s actuarial projections show that rates will increase significantly in FY22 and moderately in FY24.

Rates as a Percent of Payroll	FY16 Actual	FY18 Actual	FY20 Actual	FY22 Projected	FY24 Projected
Tier 1 and 2	17.50%	21.40%	25.07%	30.48%	31.37%
OPSRP General Service	10.05%	12.38%	16.23%	21.64%	22.53%
OPSRP Police and Fire	14.16%	17.15%	20.86%	26.27%	27.16%

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. However, Eugene was the lead plaintiff in a lawsuit against the PERS board in the late 1990s, which resulted in lower costs and encouraged the legislature to create a new, lower cost tier of benefits. Due to previous lawsuits and court rulings, the ability to affect employer costs is limited. About 72% 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 courts have said that those benefits cannot be reduced retroactively.



Can Eugene lower costs by participating in the State’s Employer Incentive Fund?

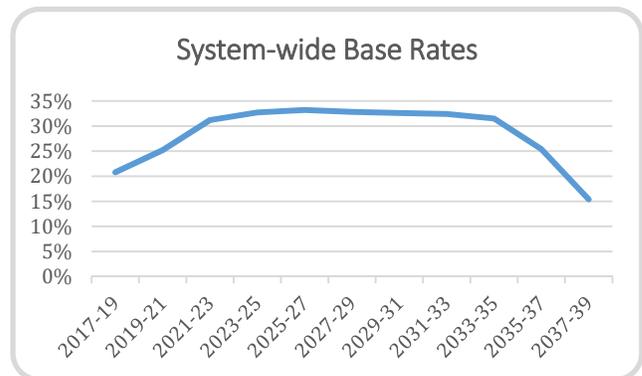
During the 2018 legislative session, the Oregon Legislature passed Senate Bill 1566 which established the Employer Incentive Fund (EIF) to encourage employers to make lump sum payments to pay down their unfunded actuarial liability by providing a 25% match of the lump sum contribution amount. Currently, PERS anticipates that demand for matching funds will exceed availability. As a result, the rules and processes for the EIF have not been finalized yet, and the legislature is considering legislation in 2019 to clarify the program. Senate Bill 75 would change qualifications for lump sum payments that may be matched by the EIF, shorten the application and contribution timelines, establish a waiting list based on the order in which applications are received and approved, revise criteria for receiving technical assistance from PERS, and allow interest earned by the EIF to be used to match employer’s lump sum payments made to a side account. Until funding is established and the rules are finalized for this program, the City is unable to adequately evaluate whether to participate. City staff will continue to monitor the progress of Senate Bill 75.

Will high market returns mean lower costs for the City?

Calendar year 2018 returned approximately 0.5% based on preliminary information presented to the PERS Board. According to the PERS actuary, the system average pension rates will increase by more than 5.0% of payroll in the next biennium (starting July 1, 2021), even if average investment returns exceed the assumed 7.2%.

What is the outlook for PERS rates in the long run?

After the significant rate increase projected for FY22, and assuming investment returns approximate 7.2%, PERS rates are projected to stabilize through about 2035. A large portion of the current unfunded liability is expected to be paid off by then, and rates will start to 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?

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 on March 9, 2017 in preparation for FY18 budget deliberations. 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), FY20 THROUGH FY25
 FY20 Proposed Budget
 April 24, 2019

Executive Summary: Resources and Requirements

	FY17	FY18	Projected FY19	Proposed FY20	Forecast				
					FY21	FY22	FY23	FY24	FY25
Resources									
Beginning Working Capital	\$53,668,202	\$55,418,726	\$60,717,897	\$53,803,951	\$56,112,000	\$58,730,000	\$56,206,000	\$55,736,000	\$54,708,000
Current Revenues	146,223,265	158,601,300	159,211,965	164,970,126	170,033,000	175,279,000	180,420,000	186,073,000	192,048,000
Total Resources	199,891,467	214,020,026	219,929,862	218,774,077	226,145,000	234,009,000	236,626,000	241,809,000	246,756,000
Requirements									
Department Expenditures									
Personnel	102,491,296	110,087,148	121,823,752	121,692,989	125,959,000	134,293,000	137,766,000	142,814,000	146,213,000
Materials and Services	36,060,485	36,298,556	36,236,859	35,319,709	34,669,000	36,084,000	37,062,000	38,088,000	39,123,000
Department Subtotal	138,551,781	146,385,704	158,060,611	157,012,698	160,628,000	170,377,000	174,828,000	180,902,000	185,336,000
Non-Departmental Expenditures	5,920,959	6,916,426	8,065,300	5,649,300	6,787,000	7,426,000	6,062,000	6,199,000	6,336,000
Total Expenditures	144,472,740	153,302,130	166,125,911	162,661,998	167,415,000	177,803,000	180,890,000	187,101,000	191,672,000
Change in UEFB (1)	890,000	1,400,000	660,000	1,120,000	790,000	1,730,000	520,000	1,030,000	770,000
Total Expenditures plus Change in UEFB	145,362,740	154,702,130	166,785,911	163,781,998	168,205,000	179,533,000	181,410,000	188,131,000	192,442,000
Annual Operating Surplus/(Deficit) (2)	860,524	3,899,171	(7,573,946)	1,188,128	1,828,000	(4,254,000)	(990,000)	(2,058,000)	(394,000)
Ending Fund Balance									
UEFB at June 30 (3)	23,930,000	25,330,000	25,990,000	27,110,000	27,900,000	29,630,000	30,150,000	31,180,000	31,950,000
Reserves									
Reserve for Revenue Shortfall (RRSF) (4)	23,090,703	19,223,730	17,779,585	28,990,079	30,818,000	26,564,000	25,574,000	23,516,000	23,122,000
Other Reserves (5)	1,000,000	500,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Total Reserves	24,090,703	19,723,730	17,791,585	29,002,079	30,830,000	26,576,000	25,586,000	23,528,000	23,134,000
Mid-Year Adjustments or Experience Estimates (6)	182,347	2,290,822	10,022,366						
Reserve For Encumbrance For The Next Fiscal Year (7)	2,184,473	2,985,375							
Marginal Beginning Working Capital For The Next Fiscal Year (8)	5,031,203	10,387,970							
Total Ending Fund Balance	55,418,726	60,717,897	53,803,951	56,112,079	58,730,000	56,206,000	55,736,000	54,708,000	55,084,000
Total Requirements	199,891,467	214,020,026	219,929,862	218,774,077	226,145,000	234,009,000	236,626,000	241,809,000	246,756,000

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 Proposed 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, projected, and budgeted years. Forecast assumes any annual surpluses are set aside in RRSF and used to fully or partially fund any future operating deficits. FY20 through 25 includes \$4 million of Community Safety bridge funding expected to be spent in FY20.
- (5) Other Reserves include reserve for property tax appeals, reserve for 2021 World Championships, and contingency.
- (6) Mid-year adjustments include supplemental budget actions, experience estimates for revenues/expenditures, and adjustments to Beginning Working Capital (BWC) for the next fiscal year. FY19 includes \$4 million of Community Safety bridge funding expected to be spent in FY20.
- (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.

Reserve For Revenue Shortfall (RRSF) as a % of Actual or Projected Expenditures	16.0%	12.5%	10.7%	17.8%	18.4%	14.9%	14.1%	12.6%	12.1%
---	-------	-------	-------	-------	-------	-------	-------	-------	-------

Reserve For Revenue Shortfall (RRSF) as a % of Expenditures per the Adopted Budget; Target is 8%	4.5%	12.2%	13.2%						
--	------	-------	-------	--	--	--	--	--	--

RRSF adjusted for \$4 million of Community Safety bridge funding expected to be spent in FY20	\$24,990,079	\$26,818,000	\$22,564,000	\$21,574,000	\$19,516,000	\$19,122,000			
---	--------------	--------------	--------------	--------------	--------------	--------------	--	--	--

RRSF as a % of expenditures, adjusted for \$4 million of Community Safety bridge funding expected to be spent in FY20	15.0%	16.0%	12.7%	11.9%	10.4%	10.0%			
---	-------	-------	-------	-------	-------	-------	--	--	--

General Fund reserves are one way that the City plans for financial flexibility to handle unexpected events and allow the City to pay for regular operations until property taxes are received. Maintenance of adequate reserve levels is a critical factor in the City’s Aa1 bond rating from Moody’s Investors Service. A high credit rating translates into lower borrowing costs on parks and recreation bonds and other borrowings, saving taxpayer dollars.

For the FY20 Proposed Budget, reserves are projected to increase by \$9.0 million, or 19.2%, from the FY19 Adopted Budget levels (excluding reserve for encumbrance). Currently, the FY20 reserves include \$4 million of Community Safety bridge funding expected to be spent in FY20, as well as funds for other large projects or initiatives that have yet to be completed including the planned homeless shelter, Downtown Operations and the 2021 World Championships. These items are reflected in the FY20 Reserve for Revenue Shortfall (RRSF) and will need to receive authorization from City Council to be reappropriated as part of the FY20 Supplemental Budget process. As a result, the increase to reserves is greater than it would be otherwise. Excluding the Community Safety Initiative, the RRSF would be \$25 million or 15.0% of expenditures in FY20. (See Attachment A for information on the RRSF in future years).

The FY20 Proposed Budget reserves has three components. The first reserve is the Unappropriated Ending Fund Balance (UEFB) which equals \$27.1 million, or two months of expenditures. This reserve enables the City to pay bills and make payroll between the start of the fiscal year in July until November when property tax revenue is received. 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 next reserve, the RRSF, which functions as the City’s budget reserves or savings account, is set at \$29.0 million in the FY20 Proposed Budget, or 17.8% of expenditures. The target for this reserve is 8% of General Fund expenditures. Finally, the Council contingency reserve is set at \$12,000 in FY20 and is set aside for unanticipated needs, which can include items such as election costs for City measures. All together, these reserves total 34.5% of General Fund expenditures, representing slightly more than four months’ of expenditures. To put this in perspective, three months of expenditures is on the low end of what financial experts recommend families keep in their emergency savings account.

Adopted Budget	FY15	FY16	FY17	FY18	FY19	FY20 Prop.
UEFB	\$21,710,000	\$23,040,000	\$23,930,000	\$25,330,000	\$25,990,000	\$27,110,000
RRSF ¹	6,134,237	9,451,371	6,530,703	18,564,586	20,529,817	28,990,079
Contingency	47,000	32,000	32,000	12,000	12,000	12,000
Other ²	1,000,000	695,000	1,000,000	1,000,000	549,177	0
Encumbrance ³	1,714,021	2,723,809	2,269,491	2,184,473	2,985,375	0
Total	\$30,605,258	\$35,942,180	\$33,762,194	\$47,091,059	\$50,066,369	\$56,112,079
As a % of Expenditures⁴						
UEFB	16.7%	16.7%	16.7%	16.6%	16.7%	16.7%
RRSF	4.7%	6.8%	4.5%	12.2%	13.2%	17.8%

¹In FY18, \$16.5 million in one-time funds from the Comcast right-of-way license fee legal settlement was deposited into the RRSF. For FY20, the RRSF includes several items that will be reappropriated in December 2019.

²These reserves, primarily set aside for property tax appeals, were liquidated with the FY19 December Supplemental Budget.

³The FY20 Reserve for Encumbrance will be determined at the time of FY20 budget adoption.

⁴The percentages are calculated net of reserves and contingency.

FY20 Proposed Budget Changes - General Fund

Main Subfund (Subfund 011)		
Proposed Ongoing Funding Changes	FTE	Amount
Discontinue Annual Transfer from the Telecom Fund (cost-neutral) ¹	0.00	\$0
City Attorney's Office Billing Adjustment (cost-neutral), Assistant City Attorney ²	0.00	260,000
Human Resources Analyst ²	1.00	170,000
Code Compliance Staffing Support (revenue-backed) ^{1,2}	1.00	130,000
Code Compliance Staffing Support (revenue-backed) ^{1,2}	0.70	73,000
Spay and Neuter Clinic Annual Lease Costs (revenue-backed)	0.00	39,000
Public Works Maintenance and Parks and Open Space Senior Financial Analyst (cost-neutral) ^{1,2}	0.25	32,000
Spay and Neuter Clinic Materials (revenue-backed)	0.00	30,000
Youth and Family Recreation Program Staffing (cost-neutral)	0.25	26,000
Total	3.20	\$760,000

Proposed Limited Duration Funding (End Date)	FTE	Amount
Riverfront Urban Renewal Project Support (revenue-backed) (FY22)	0.00	\$320,000
CAHOOTS Hours Increase (FY20) ²	0.00	281,000
Downtown Wayfinding Project (FY20) ²	0.00	250,000
Housing Tools and Strategies (FY20)	0.00	215,000
Community Events Partnership (FY20) ²	0.00	150,000
Municipal Court Security (FY20) ²	0.00	150,000
Equity in Contracting (FY20) ²	0.00	125,000
Early Literacy (FY20)	0.00	100,000
Fuel Reduction in Wildland Urban Interface Areas (FY20) ^{1,2}	0.00	100,000
Animal Services Contract (FY20) ²	0.00	90,000
Fire IT Solutions (FY20) ²	0.00	90,000
Nuisance Code Revisions (FY20) ²	0.00	70,000
Spay and Neuter Clinic Relocation and Tenant Improvements (revenue-backed) (FY20)	0.00	40,000
Total	0.00	\$1,981,000

¹ See Attachment D, Other Funds for additional changes.

² Item is also included in Appendix - Unfunded Needs Assessment.

FY20 Main Subfund (Subfund 011)

Discontinue Annual Transfer from the Telecom Fund (Fund 135) – Since FY10 there has been an annual interfund transfer of \$450K from the Telecom Fund to the General Fund to cover telephone costs. There has also been a transfer from the General Fund to the Public Safety Services Fund to pay for Public Safety Records Management System Charges. In recent years, the City has migrated to a modern, less-costly phone system and the Telecom Fund transfer is no longer needed. Instead these funds will be used to pay for Public Safety Records Management System Charges from the Telecom Fund with a corresponding decrease in the General Fund, resulting in no net impact to the General Fund, Telecom Fund or public safety records funding.

City Attorney's Office Billing Adjustment – Provides ongoing budget authority to the Central Services Department for an accounting change to the way the City Attorney's Office processes direct charges to departments. Charges will be processed through the Central Services Allocation (CSA) rather than direct billing for reimbursement of expenditures. This is a cost-neutral action that is part of the changes to the CSA.

Assistant City Attorney – Provides ongoing funding for 1.0 FTE for an Assistant City Attorney position in the Central Services Department to address increased workload and avoid increased external legal counsel costs.

Human Resources Analyst – Provides ongoing funding for 1.0 FTE in the Central Services Department for an analyst position to strategically address more complicated human resource issues in the areas of disability, family leave, workers' compensation as well as other state and federal obligations related to the City's workforce.

Code Compliance Staffing Support – Provides ongoing revenue-backed funding to add 0.70 FTE position in the Planning and Development Department to address additional license and permitting work related to ridesharing as well as the City's ongoing code compliance efforts.

Spay and Neuter Clinic Annual Lease Costs – Provides ongoing revenue-backed funding to the Central Services Department for annual lease costs for a new spay and neuter clinic location. Greenhill Humane Society is planning to vacate the First Avenue Shelter location by summer 2019, prompting staff to plan for relocation of the clinic which only occupies 15% of the space in the shelter. Revenue from vaccination charges and flea and tick medication sales will cover the ongoing costs of the new lease.

Public Works Maintenance and Parks and Open Space Senior Financial Analyst – Provides ongoing funding for 0.25 FTE position in the Public Works Department for administration, budgeting and financial management of the Public Works Maintenance and Parks and Open Space Divisions. This request reallocates the existing personnel budget to pay for the position, making it an ongoing cost-neutral position increase.

Spay and Neuter Clinic Materials – Provides ongoing revenue-backed funding to the Central Services Department for the purchase of flea and tick medications. The City is reimbursed for these expenses when the medications are sold by the clinic.

Youth and Family Recreation Program Staffing – Provides ongoing funding for a 0.25 FTE position in the Library Recreation and Cultural Services Department to assist with youth and family recreation programming. This request reallocates the existing personnel budget to pay for the position, making it an ongoing cost-neutral position increase.

Riverfront Urban Renewal Project Support – Limited-duration funding through FY22 for Riverfront Urban Renewal project administration and deliverables. Current staff will be utilized for this work, which will be backed by Riverfront Urban Renewal funds.

CAHOOTS Hours Increase – Provides one-time funding for an additional 11 hours of CAHOOTS coverage daily. The additional coverage will support the two CAHOOTS vans during peak service hours and the one van in operation 24 hours a day. Based on call volume, demand for CAHOOTS

services has increased by over 58% from 2014-2017, outpacing the available assistance in the community.

Downtown Wayfinding Project – Provides one-time funding to enhance Eugene’s pedestrian wayfinding program through signage that communicates clear and consistent information to assist the traveling public.

Housing Tools and Strategies – Provides one-time funding for the Planning and Development Department to implement initiatives that can affect housing affordability, availability, and diversity. This change is based on a City Council-directed priority for a comprehensive, coordinated approach to housing issues.

Municipal Court Security – Provides one-time funding for additional security officers for the Municipal Court.

Community Events Partnership – Provides one-time funding for partnering with organizations for large scale events in Eugene, such as the 2020 U.S. Track and Field Olympic Team Trials, which will be hosted in Eugene, June 19-28, 2020.

Equity in Contracting – Provides one-time funding to the Central Services Department to continue the Equity in Contracting program. The program builds vendor capacity and supports Council goals such as inclusion and diversity through the City’s contracting practices. This will extend funding through FY20.

Early Literacy – Provides one-time funding to the Library, Recreation and Cultural Services Department for early literacy. The costs of illiteracy in the community continue to grow. In Lane County, 53% of students do not read at grade level, which is a predictor of high school graduation rates and future impacts on public safety and health care systems. In collaboration with community partners, this investment will enable staff to build on sustainable strategies today that will have a long-term positive impact on the community.

Fuel Reduction in Wildland Urban Interface Areas – Provides one-time funding to partner with state forestry officials and local contractors to reduce dead and dying materials in Eugene’s wildland urban interface areas that add to fire danger across the community. This is the beginning of a continuous effort that will seek federal funding to assist with local wildfire resistance and fire response outcomes.

Animal Services Contract – Provides one-time funding to the Animal Welfare Unit in the Police Department to cover contract increases for the current service level of animal sheltering and adoption services with Greenhill. This is a continuation of one-time additions from FY17-19.

Fire IT Solutions – Provides one-time funding for a cloud-based software solution for a comprehensive records management system with a full suite of applications to assist with staff scheduling, fire incident reporting, electronic patient records, investigations, inspections, permitting and billing.

Nuisance Code Revisions – Provides one-time funding to the Planning and Development Department for a consultant to review and potentially revise the City’s nuisance code provisions based on the findings of the review.

Spay and Neuter Clinic Relocation and Tenant Improvements – Provides one-time funding for relocation and tenant improvement costs for the Spay and Neuter Clinic. Greenhill Humane Society is planning to vacate the First Avenue Shelter location by summer 2019, prompting staff to plan for relocation of the clinic which only occupies 15% of the space in the shelter. One-time use of donation revenues from prior years will be used to pay for these costs.

FY20 Proposed Budget Changes – Financial Stability Strategies

The FY20 Proposed Budget includes \$1.5 million of financial stability strategies to mitigate uncertainty in the out years of the General Fund forecast. By implementing these budgetary actions, the budget gap that begins in FY22 is mitigated and revenues are greater than expenditures in FY25, providing more resiliency to the General Fund and positioning the organization to be responsive as we look to the future.

Financial Stability Strategy	FTE	Amount
Internal Service Fund Rate Charges	0.00	(\$445,000)
Pension Bond Rate Reduction	0.00	(335,000)
Airport Staff Funding Change	0.00	(300,000)
Central Services Allocation Change	0.00	(215,000)
Community Events Funding Change	0.00	(105,000)
Solid Waste and Recycling Fund Transfer	0.00	(100,000)
Total	0.00	(\$1,500,000)

Internal Service Fund Rate Charges – Most City funds pay into a rate model for internal services for employee health costs and insurance. When evaluating the options for FY20 rates the Executive Team chose the rate options that provided the lowest impact on these funds, which resulted in an ongoing savings of \$445,000 to the General Fund. These rates include nominal increases in charges compared to FY19 but will still allow the internal service funds to support the organization in a manner consistent with past practice.

Pension Bond Rate Reduction – The City’s pension obligation bonds were issued in FY02 to pay off the estimated unfunded PERS actuarial liability at that time. Debt service on the bonds has been met by charging funds 6.0% of payroll. Given the current interest rate environment and the increase to payroll over time, pension bond obligations can be met by charging funds 5.5% of payroll, or 0.5% less than prior years. The ongoing reduction in the pension bond rate reduces personnel costs by an estimated \$577,000 City-wide in FY20, of which \$335,000 is in the General Fund Main Subfund.

Airport Fire Staff Funding Change – This strategy was first implemented in the FY19 Adopted Budget and used for a one-year stabilization of the Public Safety Communications Fund. In FY20 the Executive Team has elected to use these savings on an ongoing basis to stabilize the General

Fund. 1.74 Fire FTE were moved from the General Fund to the Municipal Airport Fund to fully fund standard operations at that facility.

Central Services Allocation Change – The Central Services Allocation (CSA) is a cost allocation model that distributes centralized general governmental costs in the General Fund to the Non-General Funds that benefit from these services, such as human resources and finance activities. Previously, not all City Attorney Office (CAO) costs for providing service were incorporated into the CSA model with some costs directly billed to departments. In FY20 all costs associated with CAO time and external legal costs will be fully incorporated into the CSA except for external legal costs associated with the Telecommunications Fund, the Risk and Benefits Fund and the Urban Renewal Agency (URA) Funds. This results in a net overall savings of \$215 to the General Fund.

Community Events Funding Change – This change would move most of the community events program funding from the Main Subfund of the General Fund to the Cultural Services Subfund. The Cultural Services Subfund already includes some funding for community event activities and can absorb this change in funding sources while remaining financially solvent.

Solid Waste and Recycling Fund Transfer – The Solid Waste and Recycling Fund has committed to an annual transfer to the General Fund to provide financial stability support. This transfer is allowable within the fund’s spending restrictions.

Prior Years' Limited Duration Funding Removed in FY20

Main Subfund (Subfund 011)	FTE	Amount
Transfer to Ambulance Transport Fund (Fund 592) for Advanced Life Support (ALS) System Ambulance	0.00	\$750,000
Transfer to Public Safety Communications Fund (Fund 130) to Support Operations	0.00	300,000
City Prosecutor Staffing	0.00	200,000
Jail Beds	0.00	200,000
Police Staffing Support	0.00	270,000
Animal Services Contract	0.00	150,000
Urban Reserves	0.00	150,000
Community Court Continuity	0.00	105,000
Reduction in Fire Dispatch Revenue (revenue reduction)	0.00	100,000
Land Use Code Update for Housing	0.00	100,000
Body Worn Camera Video Storage	0.00	80,000
Clear Lake Expansion Area Shovel Ready Development Plan	0.00	70,000
University Neighborhood Plan	0.00	30,000
Total	0.00	\$2,505,000

Main Subfund (Subfund 011)

Transfer to Ambulance Transport Fund (Fund 592) for Advanced Life Support (ALS) Ambulance System – As part of the FY18 budget, City Council directed the City Manager to include an appropriation of \$750,000 in one-time funding in the FY19 budget to staff the 24/7 ALS ambulance for an additional year. This funding was transferred from the General Fund to the Ambulance Transport Fund (Fund 592) to support these operations. The Community Safety

Ambulance Transport Fund (Fund 592) to support these operations. The Community Safety Bridge funding approved as part of the FY19 Supplemental Budget includes funds to support the Ambulance Transport Fund shortfall.

Transfer to Public Safety Communications Fund (Fund 130) to Support Operations – This was a one-time transfer from the General Fund to the Public Safety Communications Fund (Fund 130) to balance the fund for FY19 in accordance with Oregon Local Budget Law (ORS 294). The Community Safety Bridge funding approved as part of the FY19 Supplemental Budget includes funds to support the addition of four staff to the 911 Call Center.

City Prosecutor Staffing – Provided one-time funding for 1.8 FTE limited duration Assistant City Prosecutors in the Central Services Department to maintain the existing service level.

Jail Beds – Provided one-time funding to the Municipal Court in the Central Services Department to cover increased costs associated with maintaining the current number of jail beds leased by the City for municipal offenders at the Lane County jails (15 beds) and the City of Springfield jail (10 beds).

Police Staffing Support – Provided one-time funding to the Police Department for backfill hiring of two officers in FY19. This one-time funding allowed for training of new hires and helped move staffing levels closer to recommended levels.

Animal Services Contract – Provided one-time funding to the Animal Welfare Unit in the Police Department to cover contract increases for the current service level of animal sheltering and adoption services with Greenhill. This was a continuation of a one-time addition in FY17 and FY18.

Urban Reserves – A total of \$750,000 had been allocated for Urban Reserves over the past few years to identify land surrounding Eugene that can be used for urban growth boundary expansions as needed. The remaining \$150,000 of this allocation was removed from the FY20 Proposed Budget.

Community Court Continuity – Provided one-time funding, supported by local marijuana tax revenue, to the Municipal Court in the Central Services Department to close the existing funding gap and continue the Community Court program for an additional fiscal year.

Reduction in Fire Dispatch Revenue – Decreased budgeted revenue estimates by \$100,000 on a one-time basis in both the General Fund and the Public Safety Communications Fund (Fund 130) for the 911 Call Center in the Police Department. Actual revenues received in recent years had not trended with budgeted projections.

Land Use Code Update for Housing – Provided one-time funding for the Planning and Development Department to update the land use code for housing. This change was based on a City Council-directed priority to enable the City to meet housing needs within the urban growth boundary.

Body Worn Camera Video Storage – Provided one-time funding to the Police Department for the annual cost of cloud-based data storage of body worn camera footage.

Clear Lake Expansion Area Shovel Ready Development Plan – Provided one-time funding for the Planning and Development Department for wetland mitigation, stormwater and infrastructure analysis related to a City Council-directed industrial job analysis in the Bethel region as part of the approved urban growth boundary expansion. An alternate funding source to complete this project is being pursued for FY20.

University Neighborhood Plan – Provided one-time funding for the Planning Division in the Planning and Development Department for a City Council-directed neighborhood area plan review for the University area.

FY20 Proposed Budget Changes - Other Funds

Road Fund (Fund 131)	FTE	Amount
Public Works Maintenance and Parks and Open Space Senior Financial Analyst (cost-neutral) ^{1,2}	0.25	\$32,000
Telecom Registration/Licensing Fund (Fund 135)		
Discontinue Annual Transfer from the Telecom Fund (cost-neutral) ¹	0.00	0
Construction and Rental Housing Fund (Fund 150)		
Permitting Systems Redevelopment Funding ²	0.00	500,000
Permit Review Manager ²	1.00	153,000
Land Use Lead Position Expansion	0.40	51,000
Code Compliance Staffing Support ^{1,2}	0.30	33,000
Solid Waste and Recycling Fund (Fund 155)		
Expanded Contract Administration ¹	0.10	13,000
Community Development Fund (Fund 170)		
Housing Projects Environmental Review Support	0.00	110,000
Municipal Airport Fund (Fund 510)		
Increased Police Officer Staffing for New Service to Chicago ²	2.00	345,000
Airport Police Officer (cost-neutral)	1.00	164,000
Airport Worker ²	1.00	100,000
Parking Services Fund (Fund 520)		
Expanded Contract Administration ¹	0.10	13,000
Wastewater Utility Fund (Fund 530)		
Public Works Maintenance and Parks and Open Space Senior Financial Analyst (cost-neutral) ^{1,2}	0.25	32,000
Stormwater Utility Fund (Fund 539)		
Public Works Maintenance and Parks and Open Space Senior Financial Analyst (cost-neutral) ^{1,2}	0.25	32,000
Fleet Services Fund (Fund 600)		
Fleet Supervisor (cost-neutral)	1.00	129,000
Fleet Building Maintenance	0.00	75,000
Facilities Services Fund (Fund 615)		
Atrium Building Analysis, Contracting and Support ²	0.20	17,000
Risk and Benefits Fund (Fund 620)		
Fuel Reduction in Wildland Urban Interface Areas ^{1,2}	0.00	100,000
Professional Services Fund (Fund 630)		
Landscape Design and Landscape Architect Positions	4.00	514,000
Total	11.85	\$2,413,000

¹ See Attachment C, General Fund for additional changes.

² Item is also included in Appendix - Unfunded Needs Assessment.

Road Fund (Fund 131)

- **Public Works Maintenance and Parks and Open Space Senior Financial Analyst** – Provides ongoing funding for 0.25 FTE in the Public Works Department for administration, budgeting and financial management of the Public Works Maintenance and Parks and Open Space Divisions. This request reallocates the existing personnel budget to pay for the position, making it an ongoing cost-neutral FTE increase.

Telecom Registration/Licensing Fund (Fund 135)

- **Discontinue Annual Transfer from the Telecom Fund (Fund 135)** – Since FY10 there has been an annual interfund transfer of \$450K from the Telecom Fund to the General Fund to cover telephone costs. There has also been a transfer from the General Fund to the Public Safety Services Fund to pay for Public Safety Records Management System Charges. In recent years, the City has migrated to a modern, less-costly phone system and the Telecom Fund transfer is no longer needed. Instead these funds will be used to pay for Public Safety Records Management System Charges from the Telecom Fund with a corresponding decrease in the General Fund, resulting in no net impact to the General Fund, Telecom Fund or public safety records funding.

Construction and Rental Housing Fund (Fund 150)

- **Permitting Systems Redevelopment Funding** – Provides limited duration funding through FY21 to implement a software design to replace the City's existing permitting software. This represents a portion of the overall project funding to replace software implemented 19 years ago.
- **Permit Review Manager** – Provides ongoing funding for 1.0 FTE Permit Review Manager position. Staffing changes over the past five years has resulted in work being reassigned within the Building and Permit Services Division. The work of this position is currently being performed, requiring the FTE and associated funding to be added. The Permit Review Manager will manage the three teams responsible for reviewing building plans and permits submitted for residential, commercial and zoning land use development in Eugene.
- **Land Use Lead Position Expansion** – Provides ongoing funding to add 0.40 FTE in the Building and Permit Services Division to expand a position that supervises and delivers technical assistance to the team responsible for reviewing plans and permits associated with zoning and the City of Eugene Land Use code.
- **Code Compliance Staffing Support** – Provides ongoing funding to add 0.30 FTE in the Planning and Development Department to address additional license and permitting work related to ridesharing as well as the City's ongoing code compliance efforts.

Solid Waste and Recycling Fund (Fund 155)

- **Expanded Contract Administration** – Provides ongoing funding to add 0.10 FTE for a Program Coordinator position to assist with increased contracting work in both the Waste Prevention and Parking. This change expands the capacity of the current contract administrator.

Community Development Fund (Fund 170)

- **Housing Projects Environmental Review Support** – Provides limited duration funding for 1.0 FTE to perform environmental reviews for housing projects. Additional staff capacity is needed in this area due to the increase in housing projects.

Municipal Airport Fund (Fund 510)

- **Increased Police Officer Staffing for New Services to Chicago** – Provides ongoing funding for 2.0 FTE Police Officer positions to support the new United Chicago service expected to begin in June 2019. To support this new service, the Eugene Police Department (EPD) will need to expand its hours of operation at the Airport to 21 hours daily.
- **Airport Police Officer** – Provides ongoing funding for 1.0 FTE Police Officer from the existing personnel budget. Over the last few years, the EPD budget at the Airport has been increased to fully fund the existing level of service. This change only adds the necessary FTE and is cost-neutral.
- **Airport Worker** – Provides ongoing funding for 1.0 FTE Airport Worker 2. The Airport has multiple large vehicles and equipment that require regular maintenance and repair such as jet bridges, baggage belts and baggage claim equipment. This position will also support routine and project specific electrical work.

Parking Services Fund (Fund 520)

- **Expanded Contract Administration** – Provides ongoing funding to add 0.10 FTE for a Program Coordinator position to assist with increased contracting work in both the Waste Prevention and Parking. This change expands the capacity of the current contract administrator.

Wastewater Utility Fund (Fund 530)

- **Public Works Maintenance and Parks and Open Space Senior Financial Analyst** – Provides ongoing funding for 0.25 FTE in the Public Works Department for administration, budgeting and financial management of the Public Works Maintenance and Parks and Open Space Divisions. This request reallocates the existing personnel budget to pay for the position, making it an ongoing cost-neutral FTE increase.

Stormwater Utility Fund (Fund 539)

- **Public Works Maintenance and Parks and Open Space Senior Financial Analyst** – Provides ongoing funding for 0.25 FTE in the Public Works Department for administration, budgeting and financial management of the Public Works Maintenance and Parks and Open Space Divisions. This request reallocates the existing personnel budget to pay for the position, making it an ongoing cost-neutral FTE increase.

Fleet Services Fund (Fund 600)

- **Fleet Supervisor** – Provides ongoing funding for 1.0 FTE Fleet Supervisor position. This change is cost-neutral as the existing personnel budget is being used to fund the position that is being staffed through an acting in capacity role. The addition of the FTE will solidify the Fleet Supervisor's role within the existing fleet structure including supervision of fleet

parts, fuel and fleet administration, as well as adding capacity to provide emergency communications support.

- **Fleet Building Maintenance** – Provides ongoing funding to respond to repairs and maintenance for the aging fleet facility. Ongoing repairs and maintenance are necessary to prevent further degradation of the building. Examples of repairs include roof leaks, lighting replacements and heat system repairs. This increase is funded through Fleet rates charged to City departments.

Facilities Services Fund (Fund 615)

- **Atrium Building Analysis, Contracting and Support** – Provides ongoing funding for 0.2 FTE Management Analyst position to expand contract, leasing review, oversight capacity, as well as building operation and maintenance analysis for the Atrium Building.

Risk and Benefits Fund (Fund 620)

- **Fuel Reduction in Wildland Urban Interface Areas** – Provides one-time funding to partner with state forestry officials and local contractors to reduce dead and dying materials in Eugene’s wildland urban interface areas that add to fire danger across the community. This is the beginning of a continuous effort that will seek federal funding to assist with local wildfire resistance and fire response outcomes.

Professional Services Fund (Fund 630)

- **Landscape Design and Landscape Architect Positions** – Provides ongoing funding for 2.0 FTE Landscape Designers and 2.0 FTE Landscape Architects for work related to the 2018 Parks and Recreation Bond. The bond measure approved by voters increases capital project work and creates the need for additional staff whose costs will be billed to the Parks and Recreation Bond projects.

The City Focus section, first added in FY18, was developed in response to Budget Committee feedback. 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):

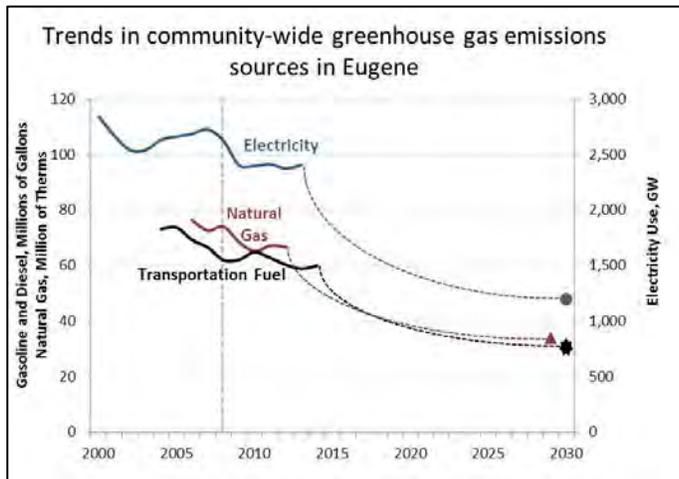
- A description of the service area, priority or initiative;
- The outcomes the City is aiming to achieve;
- The direction received from City Council, including any adopted plans, policies or specific actions;
- Actions previously taken and plans for the future. This is a brief update and not intended to be a comprehensive list of all past and future actions;
- Any new allocations in the FY20 budget; and
- Resources for additional information.

The FY20 City Focus covers the following:

- Climate Recovery Ordinance
- Community Safety Initiative
- Downtown and Urban Parks
- Downtown Riverfront
- Downtown Wayfinding Project
- Economic Growth and Stability
- Emergency Preparedness
- Equity in Contracting
- Homelessness and Human Services
- Housing Affordability
- Parks and Recreation Bond and Levy Implementation
- Town Square Project

The Climate Recovery Ordinance (CRO), adopted in 2014 and updated in 2016, provides greenhouse gas emission (GHG) and fossil fuel use reduction goals for the City organization and the community, including:

- By 2020, all City-owned facilities and City operations shall be carbon neutral, either by reducing GHG to zero, or, if necessary, by funding verifiable local GHG reduction projects and programs or through the purchase of verifiable carbon offsets for any remaining GHGs.
- 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 GHGs 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 the ordinance’s adoption, the City Council has appropriated \$565,000 to support the implementation and monitoring of the CRO via the supplemental budget process. Of this amount, \$35,000 was appropriated in FY15 to fund a greenhouse gas inventory analysis, \$50,000 in FY17 to fund development of the CRO communications and departmental action plans, \$290,000 in FY18 to support an update of the Climate Action Plan (CAP 2.0), and an additional \$190,000 in FY19 to complete the CAP 2.0 work. Current funding is being used to support project coordination through the addition of a CRO analyst position; fund consulting services to update emission inventories, provide emission forecasts, and identify potential investments in GHG reduction policies; develop communications and outreach action plans; and support the newly formed CAP 2.0 Equity Panel.

While the FY20 Proposed Budget does not contain new appropriations to support CRO implementation, the City continues to leverage existing funding across departments and service areas to support investments that advance CRO goals. The Unfunded Needs Assessment (see appendix) contains several CRO-related items, and it is anticipated that additional funding will be needed to support future CRO implementation.



Electric Vehicle Charging Stations

Making Progress

Staff have been working on CRO implementation since its adoption. Significant progress was made in 2018 in developing a roadmap to implementation. Accomplishments include hiring for a newly

created CRO analyst position, convening Large Lever Shareholder meetings, creation of the CRO Equity Panel, and drafting of both a CAP 2.0 and an Internal Climate Action Plan.

Climate Action Plan 2.0: The CAP 2.0 is currently underway. The project focuses on engaging partners with the ability to affect systems that will help the community reach its CRO goals and adapt to a changing climate. In 2018 City staff convened partners, known as Large Lever Shareholders or the Eugene Climate Collaborative (ECC), for two rounds of meetings. A third round of meetings intended to review the draft of the CAP 2.0 will occur in June 2019. The project plan, developed with extensive input from the Mayor’s CRO Ad Hoc Work Group, places significant emphasis on equity and inclusive engagement.

Equity and Engagement: In 2018, City staff held several outreach meetings and established the CAP 2.0 Equity Panel. Six local organizations are currently meeting to capture and elevate the concerns of marginalized communities as they relate to the CAP 2.0. These meetings are expected to continue until June 2019.

Communications: The City continues to work with communications experts to develop a CRO communications plan. This plan will include messaging that all ECC partners can use, such as information to the public on “What can I do to reduce my emissions?” In addition, the CRO webpage was updated over the past two years to convey the goals, plans and work in an accessible way for the public: <https://www.eugene-or.gov/3936/Climate-Action-Plan-20>.

Internal Efforts: Internal efforts continue to focus on implementing internal climate actions plans developed by the Fleet, Fire and Facilities service areas. The City continues to work on emissions and fossil fuel use reductions. Efforts include evaluating the Capital Improvement Program for GHG reduction opportunities, using a renewable diesel blend in diesel powered vehicles, purchasing electric vehicles, building retro commissioning, indoor LED lighting, and pursuing a fuel project to convert from natural gas to electricity at a Police Department building.



Inventories and Progress Reports: The organization finalized community-wide (2017 sector-based) and internal (2017 operations GHG) inventories. An updated 2017 consumption-based inventory is expected before June 2019. A final update on the 2010 CEAP and the CAP 2.0 will be completed in 2019.

What’s Next

- The CAP 2.0 project is under way and will continue in 2019. The Plan will serve as the community road map to accomplishing community-wide CRO goals.
- As resources become available, the City will implement the Fleet, Fire and Facilities internal Climate Action Plans, as appropriate.
- The community-wide greenhouse gas inventories will be updated in 2019 with data from 2017 in alignment with the CRO reporting requirements.
- Staff will continue work with the Equity Panel to ensure the CAP 2.0 is equitable and meets the needs of all of Eugene.

Keeping the Community Safe

The Community Safety System works to keep the Eugene community safe. This system is made up of interdependent City departments and community partners including Police, Emergency Services and 911 Dispatch, Eugene Springfield Fire, Municipal Court, City Prosecutor’s Office, homeless and prevention services, and external partners.



Right now, the Community Safety System is stressed.

- In the past five years, 911 calls for Eugene Police have increased 21%, while police and 911 staffing have remained flat.
- Police are unable to respond to one in three calls due to lack of patrol resources (when there is no immediate threat to life).
- It takes officers an average of 20 more minutes to respond to calls for service, an increase from an average of 22 minutes in 2014 to an average of 42 minutes in 2017.
- Municipal Court is unable to meet current demands.
- The number of youth diagnosed with mental health disorders such as depression and anxiety continues to rise.
- The number of unsheltered single adults is significantly higher than in similar communities.

While many creative programs have been applied to this problem to maximize resources and meet community needs, the growing demand continues to outpace capacity causing critical gaps in community safety and services.

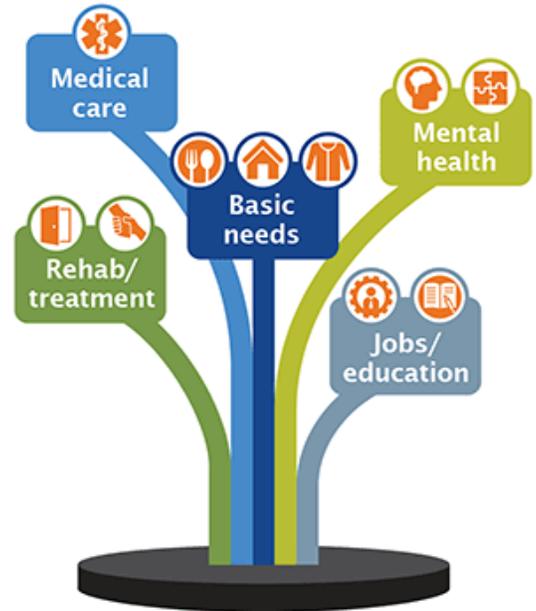


Collaborative Approach

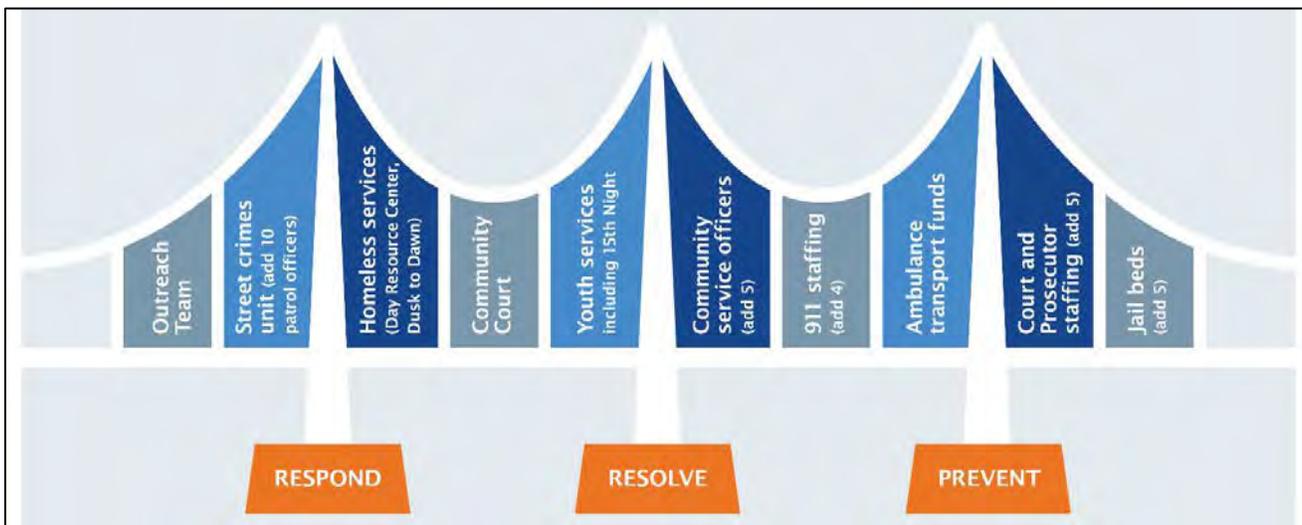
The City uses a collaborative approach to connect people to social services and medical care that can help turn lives around and reduce demands on the Community Safety System:

- The City provides funding for CAHOOTS, which responds to 17% of 911 calls, thereby freeing first responders for other calls.

- [Community Court](#) uses supervised community service and direct connections to social services providers to move people out of the criminal justice system.
- The Eugene Police Department proactively helps connect frequently contacted individuals with appropriate resources and services.
- Eugene Springfield Fire is being stabilized to better respond to life threatening emergencies and more efficiently serve the needs in our growing community through streamlined service delivery and improved response protocols.
- The [City’s Recreation Division](#) provides youth inclusion services that engage parents, school staff and other professionals in identifying the most effective strategies for youth to be successful in programs and activities.



Much of this work has focused on connecting people to services that help address underlying issues. These programs have demonstrated success in reducing arrests and the need for emergency services. The City is relying on grants, one-time funding and reallocation of existing resources to pay for the programs. To continue or expand these programs and stabilize services, ongoing funding is needed.



Investments in Community Safety System: Bridge Funding

As part of the FY19 supplemental budget process, the City Council approved an 18-month bridge funding strategy totaling \$8.6 million that is designed to address critical Community Safety System needs from January 2019 through June 2020. The goal is to stabilize services for prevention, homeless, public safety and emergency response. Specific programs supported by the one-time, 18-month funding include:

Public Safety Services

- Adding 10 Patrol Officers to create a city-wide Street Crimes Unit.
- Adding five Community Service Officers.
- Adding four staff to the 911 Call Center.
- Expanding jail services by five beds.
- Partial funding for the Ambulance Transport Fund gap.
- Funding Municipal Court and City Prosecutor services to meet growing needs.

Prevention Services

- Youth Inclusion Services through Eugene’s Recreation Division.
- 15th Night, a program to reduce youth homelessness by intervening before they spend 15 nights on the street.
- Continuation of the Community Court program that connects non-violent offenders cited in downtown Eugene with social service providers.
- Continuation of the Community Outreach Response Team (CORT), a partnership between the Eugene Police Department and White Bird Clinic that works with individuals who are frequent and repeated users of emergency and court services.



CAHOOTS unit responds to call for service during February 2019 snowstorm

Homeless Services

- A year-round Dusk to Dawn safe-sleeping program.
- A Day Resource Center providing access to storage, bathrooms and connections to services.
- Ongoing support for programs serving people experiencing homelessness including the Lindholm Center, the Car Camping Program and the Rest Stop Program.



Emergency shelter services, such as rest stops, are part of the portfolio of homeless services

Addressing the Funding Challenge

After approving one-time, 18-month bridge funding to support Community Safety, the City Council also gave direction to immediately begin work on long-term funding strategies to address critical community safety needs. A Community Safety Revenue Team was formed to develop a recommendation for the City Manager. The Revenue Team included Councilors Chris Pryor, Emily Semple, and Jennifer Yeh, current and former Budget Committee Members Scott Nowicki, Eliza Kashinsky, John Barofsky and Laura Illig as well as Bill Whalen from the Police Commission. The team began meeting in November 2018 and has been working to develop options to fund \$22 million of Community Safety System strategies on an ongoing basis.

The Revenue Team began with a high level overview of Community Safety System needs and funding strategies as well as information from a July 2018 Strategic Research Institute Survey related to voter awareness and support for the Community Safety Initiative. The Team reviewed 25 funding options summarized in the 2014 Revenue Team report. The Team also received an update on property tax compression issues and discussed criteria to evaluate funding options related to yield, sustainability, Triple Bottom Line, administrative effort, nexus with community safety, fairness and feasibility to begin narrowing options. Next, the Team used the criteria to discuss nine higher-yield revenue options, before asking for more specific information on three options: payroll tax, public safety fee and utility consumption tax.

The Community Safety Revenue Team’s recommendation to the City Manager was to implement a payroll tax to provide funding to support \$22 million in community safety services on an annual basis, with an option to be phased in over six years.

The City Council will continue its discussions of the recommendation and funding options.

For more information, access the web page for the Community Safety System – www.eugene-or.gov/CommunitySafety.



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 Eugene City Council and the entire City organization. Cross-departmental staff teams are focused on three key areas to achieve this goal: 1) clean and safe; 2) social services; and 3) programming activities.



Kesey Square

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

Stakeholder and Community Engagement

Stakeholder involvement in developing solutions to current challenges is and will continue to be important to the long-term success of the downtown area. Over the last few years, extensive input has been gathered from the community regarding downtown, including but not limited to:

- Project for Public Spaces Public Engagement, summer and fall 2016;
- Online Community Survey – close to 2,000 responses;
- Stakeholder meetings, winter 2016-2017 and March 2018: the Downtown Policy Team and Operation Team met with the Downtown Stakeholder group multiple times to gather feedback and input on safety concerns and solutions; and
- Ongoing engagement with the Downtown Neighborhood Association, Police Commission and partners.



Parks Blocks Restroom

Additional public input is received on an ongoing basis through a variety of channels, including City Council public forums, the City website and social media. In addition, public engagement is solicited 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, 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 the success of the 2018 season, City staff will continue efforts to improve downtown and urban parks in the summer of 2019 by making these spaces feel safer and more inviting. Key components of this action plan will include but are not limited to the following:

Clean and Safe

<i>Keeping it Clean</i>	<ul style="list-style-type: none"> • Continue the pressure washing program downtown – with a focus on high traffic areas and public spaces. • Continue to maintain the Park Blocks hosted restroom. • Maintain attended restroom at the Overpark garage.
<i>Improving Safety and Sense of Security</i>	<ul style="list-style-type: none"> • Increase EPD staffing in downtown and in urban parks during spring/summer season, including enhanced police officer presence, the Crime Prevention Team and Community Safety Officers. • Five Downtown Ambassadors will operate throughout the year, ensuring downtown is safe and welcoming. • Promote citizen “Downtown Watch” program.

Social Services

<i>Helping Those in Need</i>	<ul style="list-style-type: none"> • Continue expanded Community Outreach Response Team program. • Support and utilize Community Court, collaborating with social service providers. • Day storage service downtown available for those who need to store personal belongings. • Youth mentorship program to help address negative behavior and provide support to vulnerable youth populations downtown.
------------------------------	---

Programming, Activation and Amenities

<i>Creating Reasons to Come</i>	<ul style="list-style-type: none"> • Continue with the Project for Public Spaces’ “Lighter Quicker Cheaper” short-term recommendations that create active and inviting public spaces. • Maintain street performance program to activate our public spaces. • Build on success of 2018 season by continuing to make spaces feel fun and inviting through amenities such as tables and chairs, umbrellas and games. • Seek partnerships to create and incentivize more programs and events.
---------------------------------	---

FY20 Investments in Downtown

To support downtown work through the beginning of 2020, \$954,000 in one-time funding was appropriated as part of the FY19 December supplemental budget. It is anticipated that additional resources for continuing this work will be appropriated at a later point via the supplemental budget process after an assessment of the current season’s work and outcomes.

Additionally, the FY20 Proposed Budget includes additional investments in Downtown and Urban Parks. The recently approved Parks and Recreation local option levy will provide \$590,000 for two Police Officers dedicated to park safety and two year-round Parks Ambassadors, as well as funding for illicit activities response and reopening several parks bathrooms. The Parks and Recreation Facilities General Obligation bond includes funding for physical improvements, such as enhanced lighting to improve safety and renovating parks bathrooms.

Eugene’s downtown riverfront area is about to embark on a major transformation, fulfilling the community’s long-held goal of turning a vacant, inaccessible and former utility acreage into a vibrant, active and accessible riverfront neighborhood and community destination. The 20-acre redevelopment of the Downtown Riverfront has been a part of the community’s vision for decades and reinforced through numerous public engagement opportunities over several years.



Aerial view of downtown riverfront area

Longstanding Vision

The Riverfront Master Plan was based on input from more than a thousand community members. The plan outlines the creation of a world-class public park along the waterfront and a high-quality multi-use riverfront development that will reflect the community’s vision, provide economic and housing opportunities, promote compact urban development and enhance natural resources. In 2013, City Council adopted the Master Plan and land use policies to support implementation.

The Urban Renewal Agency (URA) Board approved the terms for purchase of the property in January 2016. The Agency purchased 17 acres from EWEB for \$5.75 million in April 2018. The City purchased 3 additional acres in December 2018.



Riverfront Park

One of the priorities the City heard most clearly in talking to the community about the future of parks and recreation is providing access to the river – for everything from recreation to simply enjoying the views. The four-acre Downtown Riverfront Park will be the heart of the greater riverfront development that reimagines a new, vibrant future and will, once again, unite our city with the river. The Downtown Riverfront Park is all about making connections – not just to

downtown, but up and down the river as part of the 12-mile riverfront path system. Across the Peter DeFazio Bridge, the Riverfront Park will complement all the features of the 373-acre Alton Baker Park, making both sides of the river part of the community’s riverfront experience.

The conceptual design phase was completed in fall 2018. Project permitting and construction documentation will follow, with park construction expected to begin in 2020. The goal is to have transformed this industrial site into a vibrant Downtown Riverfront Park for current and future generations to enjoy, and just in time for the 2021 World Track and Field Championships. More information about the Riverfront Park can be found at www.eugene-or.gov/Riverfrontpark.

Williams/Dame & Associates

To bring additional aspects of the community’s vision to life, the City is working with Williams/Dame & Associates (WDA) a Portland developer with significant downtown and riverfront redevelopment experience. In January 2019, the URA entered into a Disposition and Development

Agreement with WDA. This agreement outlines the terms of WDA's concept plan, approved by the URA Board, and other terms that will guide how we move forward with redevelopment.



Based on the agreed-upon terms, WDA will purchase approximately 8 acres of raw, unimproved land and will lease or purchase two parcels for future commercial and restaurant space. The new neighborhood will include a mix of market-rate and affordable housing, commercial businesses, a restaurant, open space and a hotel. The redevelopment will add upwards of 300 units of housing.

Starting in the spring of 2019 and continuing into the fall, the City and WDA will initiate pre-development activities, including land use code amendments, budget authorization and consideration of the Multi-Unit Property Tax Exemption program. Site preparation, including demolition and riparian enhancement, will take place in 2019 and construction of the three-acre linear park, utilities and roads will begin in 2020. The Riverfront Park, infrastructure and first-phase developments are expected to be completed in 2021. Up-to-date information on the Downtown Riverfront can be found at www.eugene-or.gov/Riverfront.

Steam Plant

As a key feature and the oldest standing structure on the property, the Steam Plant has the potential to connect Eugene's future to its past. Its redevelopment is a once-in-a-lifetime opportunity to honor the historic significance of the site while embracing its potential to be a place of community pride. In April 2018, based on URA Board direction, the City initiated a process to identify a visionary team with the capacity to bring the Steam Plant into the next phase of its life. In August, the City invited a local team to prepare a full proposal for the redevelopment of the Steam Plant. The URA Board is scheduled to review the proposal in the spring of 2019 and potentially act on deal points in the summer of 2019. More information about the Steam Plant can be found at www.eugene-or.gov/SteamPlant.



FY20 Budget Impacts

The FY20 Proposed Budget for the Riverfront Urban Renewal District includes \$3 million in capital appropriations to continue preliminary site infrastructure work before bids are opened in March 2020. In addition, limited-duration funding through FY22 is included for project administration.

The URA Board will consider the use of Riverfront Urban Renewal funds for the Riverfront Park and Plaza in spring 2019. The estimated total cost of the Riverfront Park is \$14 million. The FY20-25 Capital Improvement Program (CIP) includes \$5.5 million of funding in the first two years to fund the Park improvement plan from a combination of sources: transportation and parks system development charges, 2018 Parks and Recreation Bond proceeds, and 2017 Street Bond proceeds. (\$3.5 million was budgeted previously.) The CIP also includes \$3 million from the Riverfront Urban Renewal District in the second year for the Plaza.

Wayfinding systems can reinforce a sense of place and promote Eugene as an environment that is easy to navigate. A wayfinding system will provide first-time and frequent visitors with clear and consistent information to help navigate the downtown urban environment and encourage discovering assets of the city. The City of Eugene will use a variety of wayfinding tools: signage, landscaping, lighting, landmarks, gateway elements, mapping, banners and public art, and technology to explore and navigate our downtown and community. The downtown wayfinding project complements our placemaking work, encourages economic activity and enhances downtown livability, and will welcome the world to Eugene for the 2021 World Track and Field Championships.

Currently, Eugene’s downtown urban landscape is lacking a coordinated pedestrian, bicycle, and vehicle wayfinding system. Major downtown destinations, including the Eugene Public Library, Hult Center for the Performing Arts, Lane Transit District’s Eugene Station, Kesey Square, Park Blocks and Amtrak Station are not identified with consistent wayfinding signage. Further, City parking garages have a mixture of various wayfinding signage dating back to the 1990s. The downtown wayfinding project will coordinate the signage, add new wayfinding tools, and expand the pedestrian and bicycle travel radius of downtown visitors and increase economic activity in adjacent or neighboring districts. More information is found at <https://www.eugene-or.gov/3562/Wayfinding>.

Wayfinding Partnerships

The City of Eugene in partnership with Travel Lane County and the Arts & Business Alliance of Eugene commissioned a consultant (MERJE) for the development of a Downtown Wayfinding Master Plan. The Master Plan focuses on Eugene’s downtown core with potential for future expansion to a larger geographic area. The general project follows the boundaries of the “Arts and Culture District” while indicating directions to the University of Oregon, the Willamette River and the Whiteaker Neighborhood. The overall concept is inclusive of nearby destinations such as the Fern Ridge Path, South Eugene areas, and areas north of the River, including major shopping centers, parks and stadiums.

Economic Benefit

The downtown wayfinding project will provide an economic boost to the downtown core and complement downtown placemaking and events, growth in the downtown tech sector, and overall visitor and business growth. Other communities, for example, experienced increased economic and visitor growth after implementing their wayfinding projects (MERJE, 2017). The Asheville Convention and Visitors Bureau (North Carolina) reported a 25% increase in visitation that added \$1.7 billion into their local economy and the Camden Waterfront (New Jersey) experienced a 30% increase in visitations after installation of their wayfinding network.

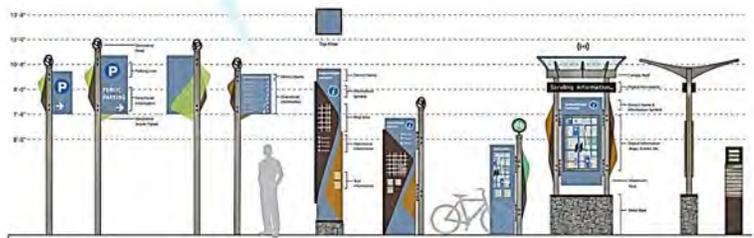


Demonstration pedestrian wayfinding sign

Wayfinding Principles and Goals

Eugene's wayfinding program will provide consistent and clear information for the traveling public to navigate efficiently to key destinations within the city. To achieve this, the project will incorporate the following philosophy, goals and principles.

- The design shall fit the context of the city.
- The wayfinding system shall help create a positive first impression of Eugene.
- The city is organized, safe and caring.
- The wayfinding shall assist in marketing the city and help people discover the hidden jewels that make Eugene a unique destination.
- Identify ways that wayfinding can enhance and reflect the distinctive and creative character of the city.
- Utilize all forms of wayfinding tools.



Examples of proposed wayfinding signs

The project considers a variety of tools to communicate with visitors and residents at different touch-points along their journey. These tools include pre-visit technology, in-place technology, environmental cues, support materials and signage. Each of these elements are addressed and then funneled through distinctive graphic language that offers multiple opportunities for end users to receive information presented through a single voice and consistent design approach.

Art Link

The project proposes an “art link” physical trail system that uses strong sensory cues to pull cultural institutions together. It could be a unique marking that is found on a planter box, a bike rack, or a parking garage wall that provides a “visual bread crumb” to link a path between downtown cultural institutions like the Hult Center, WOW Hall, The Shedd Institute, or McDonald Theater. The project team is still finalizing the art link component of the wayfinding program.

FY20 Budget Investments

City Council reviewed the wayfinding system design on February 13, 2017. The final design, location siting and drawings were complete in October 2017. City staff are using current funding to develop engineering plans for each location, procure signs and poles, and explore the technology tools and art link features of the system that can be implemented by the 2020 U.S. Olympic Team Trials for Track and Field. The FY20 Budget includes \$250,000 of General Fund resources to implement the downtown wayfinding system, \$180,000 from the Parking Fund for wayfinding signage in downtown parking structures and \$100,000 from the Riverfront Urban Renewal District to enhance Eugene’s pedestrian wayfinding program within the Riverfront District.

The City of Eugene aims to enhance the overall economic well-being of the community, helping make it a better place to live and work. City staff partners with businesses and developers to create local jobs, support economic growth and add to the vitality of the community. The primary policy guide for the City’s economic growth and stability efforts is the Regional Prosperity Plan. The Prosperity Plan also aligns with Envision Eugene, a broader policy framework designed to provide ample economic opportunities for all community members. More information on these plans and other economic development initiatives is available at www.eugene-or.gov/812/Business-and-Economic-Development.

The Prosperity Plan’s broad goals are to increase the number of jobs, increase the average wage and lower the unemployment rate in Eugene. The Eugene area has seen positive job growth since 2012 and the area has more than recovered the jobs lost in the 2008 recession. The average wage has steadily increased, but the annual average wage remains about \$9,000 less than the statewide average. The unemployment rate has held at historically low levels since the end of 2016 but started to increase slightly at the end of 2018.

Business Outreach

The Planning and Development Department created and filled a half-time position to focus on business retention and expansion. The new position is conducting regular outreach to existing businesses, so that the City can better understand local business needs and how the City can support those businesses and industries.

Strengthen Key Industries

The City is a partner of a regional “sector strategies” initiative. With sector strategies, companies within a particular industry work together to provide information about what they need to grow and thrive. Additionally, public agencies that provide services and infrastructure convene to identify ways to facilitate growth within and across industries. This collaborative approach brings more ideas and resources to the table and enables partners to address complex problems facing a particular industry. The sector strategy initiative for this region has convened the technology industry, the food and beverage industry, and the wood products industry.



The City primarily works with the technology sector through the Technology Association of Oregon (TAO). TAO helps to raise the visibility of the region’s tech and tech-enabled companies. The City is a member of TAO and sponsors many of its initiatives, including efforts to connect and cultivate a skilled workforce.

The City and its regional partners collaborated to create a position to support the food and beverage sector. A Food and Beverage Strategist was hired in 2017 to engage with the industry. Efforts include collaborative development projects, promotion of products and values, and creating opportunities to share knowledge and resources to solidify Lane County as a hub for diverse food and beverage companies. In 2019, the Food and Beverage Strategist will implement a

state grant to determine the feasibility of a food business development center, which could provide better access to food testing and product design services.

Grow Local Opportunities

Our region is working to foster an environment that nurtures a local culture of enterprise. The City of Eugene offers four different loan programs to facilitate access to funding for new and existing businesses. The loan programs are designed with a focus on job growth, investment in the downtown area and along the riverfront, and growing arts-based businesses. The City funds a micro-enterprise training program, administered by the Neighborhood Economic Development Corporation, which supports local businesses and entrepreneurs. The City also offers the West Eugene Enterprise Zone, which allows businesses in the Zone to be eligible for a three-year property tax exemption if they invest in new capital equipment that will create jobs.

An important ongoing initiative is the Regional Accelerator and Innovation Network (RAIN). RAIN Eugene continues to grow the entrepreneurial ecosystem in the southern Willamette Valley by uniting entrepreneurs, established businesses and successful investors to create a supportive community of mentors and innovators. Along with ongoing mentoring and regular networking events, RAIN Eugene’s programs include the Accelerator, a 12-week immersive learning and mentoring experience, and the id8 Pre-Accelerator, a five-week introduction to startup concepts with mentoring. RAIN Eugene completed its sixth Accelerator program in October 2018 with eight participating companies.

Energize a Creative Economy

The installation of the high-speed fiber network in the downtown, known as EUGNet, will be complete this year. This publicly owned infrastructure has created a competitive landscape for telecommunications services by allowing any service provider to lease fiber strands and provide high speed internet to customers within the network. EUGNet has increased service levels, decreased prices and helped businesses grow. For example, the increased telecommunications bandwidth attracted a newly formed software company to locate in downtown Eugene. The company now has over 30 employees and continues to grow.



Planned 5th Street Public Market Expansion

The reinvention of Eugene’s downtown as a place to live, work and play supports the retention and expansion of existing businesses and serves as a significant asset to attract new businesses. Efforts to support new housing and commercial development near the 5th Street Public Market and on the riverfront will bring new residents and businesses to the downtown, increasing its vitality.

FY20 Budget Allocations

Funding for the City’s economic growth and stability efforts is included in the Planning and Development Department’s budget.

The mission of the Eugene’s Emergency Management Program is to protect the community from the impact of disasters and emergencies by maximizing public health and safety, minimizing property damage and mitigating environmental consequences. The program uses a comprehensive all-hazards approach and attempts to address hazards that may result in disasters or emergencies. This includes hazards such as severe weather, floods and earthquakes.

Focus Areas

As identified by the federal government, the overarching Emergency Management mission areas are prevention, protection, mitigation, response and recovery. To further our goals in each mission area, Eugene is involved in many emergency preparedness activities 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 capabilities to respond. The City continues to make significant progress in each of these areas.



Winter storm damage

Planning Activities: The 2016 Emergency Operations Plan is an all-hazards plan that enhances coordination and collaboration between Eugene and Springfield, identifies stakeholders and provides the framework for disaster response. The purpose of the plan is to establish a comprehensive approach to protect the life, safety and health of the community. An updated plan is being prepared for approval in spring 2019.

A multi-jurisdictional Natural Hazards Mitigation Plan (NHMP), including both Eugene and Springfield, addresses hazards including earthquake, flood, wildfire and landslide through coordinated planning and implementation. The 2015 City Council-adopted update includes a climate and hazards vulnerability assessment of essential sectors of our community. The Mitigation Plan can be viewed at www.eugene-or.gov/DocumentCenter/Index/1968. The updated plan will go to the City Council for adoption in 2020.

The mitigation activities identified in resiliency efforts are substantial. The FY20-25 Capital Improvement Program includes several infrastructure projects that will improve resiliency, including seismic retrofits for the Ferry Street Bridge and the West 11th Avenue and Chambers Street Bridge and wastewater rehabilitation for the Trainsong and Harlow neighborhoods. The FY20 Unfunded Needs Assessment (see appendix) lists funding requests for a co-located Special Ops and Emergency Operations Center, seismic retrofit or replacement of high priority bridges, seismic resiliency studies of all City buildings, coordinated replacement of radios, seismic upgrades to parking garages, building a redundant fiber loop at the airport and the creation of a secondary location for data storage in the event of a disaster.

The City understands the business of government must continue following a disaster event. To this end, the Emergency Management Program assists departments in drafting and implementing Continuity of Operations Planning for post-disaster response and functionality. These plans provide the framework and timeline for essential post-emergency or post-disaster operations.

Training Exercises: The City supported several exercises in 2018, including Operation Emerald Shield, which was conducted in collaboration with Eugene Springfield Fire, local law enforcement

agencies, University of Oregon and local hospitals. The exercise tested new procedures for patient care in an active, violent mass-casualty incident. The exercise included an improvement plan, which details follow-up actions for lessons learned.

Community Outreach and Partnerships: Eugene's active Community Outreach Program supports our resiliency strategy through education and community capacity building. In FY18, the program held more than 40 community training seminars. Since it began coordinating the Eugene-Springfield Area Community Emergency Response Team (CERT) volunteer program in 2003, Eugene has trained over 1,600 volunteers. These volunteers will play an important role in post-disaster neighborhood support and response.

To further our preparedness goals and in acknowledgement of the Mayor's commitment to community resiliency, Eugene fosters partnerships with EWEB, the City of Springfield, Lane County, and many other governmental and non-profit organizations. Eugene is an active participant in the Lane Preparedness Collation (LPC). The Coalition's work is committed to community disaster and emergency readiness education and can be viewed at www.preparelane.org

Eugene is also actively seeking to expand community resiliency by encouraging and pursuing partnerships with local school districts and EWEB on their micro grid/well project and post-emergency resources distribution centers. These evolving resiliency-focused partnerships include encouraging school district participation in LPC and NHMP Committee as well as regularly discussing emergency preparedness with leadership. In collaboration with the State of Oregon and Lane County, Eugene is working to conduct a fuels resource project. The project will help yield statistical models for predicting emergency fueling needs and developing fuel allocation strategies. Funds for this project were made available through a grant.

Moving Forward

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

- Identify funding for the mitigation actions identified in the NHMP;
- Continue to improve operational readiness by developing plans that will enhance community resilience, including energy and fuel management plans as well as continuity of operations plans;
- Continue to invest in training employees involved in emergency management activities;
- Strengthen community resilience by fostering relationships with key stakeholders including school districts, hospitals and other large employers; and
- Strengthen community resilience by encouraging personal preparedness through the Community Outreach Program and CERT training.

FY20 Budget Allocations

Funds for the Emergency Management Program are included in the Risk and Benefits Fund. The FY20 Capital Budget includes funding for the West Irwin Pump Station replacement and wastewater rehabilitation in the Trainsong South neighborhood to improve infrastructure resiliency.

Program Overview

The Equity in Contracting (EIC) Program was implemented in 2016 to look at supplier accessibility for being awarded work with the City, in particular for businesses that are considered historically underutilized. These businesses are typically small, minority and/or women-owned.



The EIC Program is housed in the Finance Division’s Purchasing Office, and though its name might indicate otherwise, the work of the Equity in Contracting Program is not specifically focused on contracts. The program functions as a liaison to the business community, working to ensure that the City’s interface with this community promotes access and trust, and conveys the organizational values around social equity, collaboration, and innovation. Program staff are open to challenging the standard method of doing business. More information about the program can be found at <https://www.eugene-or.gov/3279/Equity-in-Contracting>.

Establishing a Baseline

A focus of the program is to increase awareness of, and access to, working on City projects. The first step in measuring success is establishing a baseline for how many historically underutilized businesses compete for and are subsequently awarded the work. To ensure data accuracy, the program looks at businesses certified with the State of Oregon’s Certification Office for Business Inclusion and Diversity (COBID) as one of the following “COBID-certified” businesses:

- Minority Business Enterprise (MBE)
- Women Business Enterprise (WBE)
- Service Disabled Veteran Business Enterprise (SDVBE)
- Emerging Small Business (ESB)

The City’s upgraded financial software allows for better collection of data on large dollar, competitive bidding processes starting in FY18. These *formal solicitations* can loosely be defined as “the bigger purchases” and are often awarded to larger and more established businesses. The ability to collect this data resulted in a good understanding of how many COBID-certified businesses were responding to formal solicitations and how many were being awarded. However, this data only tells a portion of the COBID-utilization story.

While the bulk of City funds are awarded to contractors through formal solicitations, most purchases are completed through informal solicitations – the smaller purchases. These purchases are often the ones right-sized for COBID-certified businesses. With the opportunity to improve small purchase data collection and a more

11%

Of suppliers responding to the City’s formal solicitations are COBID-certified

5%

Of COBID-certified suppliers awarded a formal solicitation with the City (as prime)

comprehensive baseline measurement, the EIC program has developed two additional data collection methods and implemented a new requirement for engagement:

- The “Subcontractor Utilization Report” is intended to capture additional data on formal purchases. This report is filled out by the prime contractor to report the COBID-status of subcontractors on their project – data that historically had only been captured for the prime contractor.
- The “Supplier Outreach Log” is intended to capture data on informal purchases, including outreach efforts, responses, COBID-status and award for any project where obtaining quotes is required. In addition to raw data, the log will provide a better understanding of the organization’s purchases, identify where there are gaps in the supplier pool and allow tracking of businesses engagement efforts.
- In tandem with the Supplier Outreach Log is the new requirement to seek a quote from at least one COBID-certified business when engaging in any purchase that requires obtaining quotes.

Increasing opportunities for COBID-certified businesses to work with the City on smaller projects fosters an environment in which they can be more competitive.

Telling the Story

Collecting data is only part of the effort. City staff are also focused on telling the story of the EIC program. Staff help our colleagues understand the benefits of working with a diverse supplier pool and ensure that the business community feels that the City is an open, willing and collaborative partner. The EIC program has met with internal customers, in large and small groups, beginning with leadership and throughout each department. Six months into this effort, there have been meetings with 350 staff.



Looking Ahead

It takes time, effort and support from leadership to ensure that data is reported, which will allow the organization to identify areas where improvements could occur. The Equity in Contracting Program is not the only a way to reach underserved businesses but also is a channel to convey the City’s values of social equity, innovation and trust. Having conversations, expressing a willingness to engage and building relationships will ultimately lead the City toward a more competitive and innovative marketplace for our community while embodying our values.

FY20 Budget Allocations

Funding for the EIC program was originally generated from budgetary savings in the Central Services Department, and has been sustained through one-time budget allocations. The FY20 Proposed Budget includes a one-time allocation of \$125,000 to continue the Equity in Contracting program through summer 2020.

In FY18 and FY19, the City made significant strides in its efforts to address homelessness. Accomplishments include expanding current programs, strengthening relationships with community partners, ensuring homelessness plans and initiatives are included as part of the community safety strategies, and working with a consultant that identified specific strategies for improving our community's overall homeless crisis response system.

Public Shelter Feasibility Study and Homeless Services System Analysis – Following the City's \$1 million allocation in FY18 towards a future public shelter, the City partnered with Lane County and a nationally-recognized consultant, the Technical Assistance Collaborative (TAC) in Boston, on a shelter study and homeless service system analysis. In the FY19 December supplemental budget, Council approved an additional \$900,000 to pursue efforts related to addressing homelessness. In the final report presented to a joint meeting of the City Council and Lane County Commissioners in January, TAC provided a series of specific system recommendations (including a 75-bed low-barrier public shelter) that if implemented together could significantly reduce Lane County's unsheltered homeless population within a three-year timeframe. The study provided a blueprint and path forward for impactful work by the City, County and partner agencies in several different areas in the coming months and years. The City Council approved the TAC report and directed the City Manager to work with the County Administrator to establish, by May 2019, a framework and plan for implementing the report's recommendations, and create a steering committee to provide feedback during development of the implementation plan.



TAC presentation at Joint Meeting of Eugene City Council and Lane County Commissioners, January 2019



Dawn to Dawn site at Highway 99

Dawn to Dawn – During the 2018-19 fall and winter seasons, City staff worked with Lane County through an iterative process that eventually led to a significant increase in shelter for people over the winter months. The former Dusk to Dawn site on Highway 99 became a Dawn to Dawn site in January, allowing daytime access. The program also expanded to allow 125 additional people to access shelter at the site, so that it currently accommodates 220 people nightly in both congregate-style, large-tent shelters as well as individual tents in a micro-site that allows pets. The program added housing navigation services this year and brings other service providers on-site for the benefit of its participants. The City contributed \$420,000 total for the program in FY19.

Human Services Commission – In FY19, the City committed \$1,266,013 in General Fund resources and \$350,000 in Community Development Block Grant (CDBG) funds to the Lane County Human Services Commission to help fund a range of social services that support low-income people, those who are experiencing homelessness and people with special needs. This funding includes \$36,000 from the Eugene Police Department for Looking Glass Station 7 (a homeless

shelter for youth), as well as \$420,000 for the converted Dawn to Dawn programs operated by St. Vincent de Paul on Highway 99.

Human Service Capital Improvements – The City utilizes a portion of CDBG funds for capital improvements at social services facilities for low-income individuals and families. Recent and current projects include renovations and upgrades at the Eugene Service Station, the Eugene Community Service Center on 6th Avenue, the Homeless Medical Recuperation Program, Looking Glass McKay Lodge for juvenile ex-offenders and the Whiteaker School Head Start program.

Downtown Day Storage – As part of a variety of efforts downtown, the City contracted with St. Vincent de Paul to open a daytime storage pod behind the Eugene Public Library, providing a place where people can store their belongings for free during the day, every day of the week. The service is being funded through the Downtown Operations budget.



Rest Stop at 34th & Hilyard

Overnight Parking Program – Managed by St. Vincent de Paul, the Overnight Parking (or Car Camping) Program provides more than 100 people at over 50 addresses with safe and legal places to sleep in their vehicles. The City provided \$149,000 in FY19 for the program.

Rest Stop Program – Rest stops provide safe, legal, managed places for up to 20 people per site to sleep in tents on platforms or in Conestoga huts. With this year’s expansion of one site to full capacity, four sites now support 80 people, providing stability and connections to services and housing. Funding for three Conestoga huts at one site and an Action Plan Advisor (case worker) at another is being provided by the City through Community Safety Bridge funding.

Opportunity Village Eugene (OVE) – Located on Public Works property on N. Garfield, OVE serves up to 35 people at a time in 29 temporary housing units with common bath, kitchen and gathering spaces.

15th Night – The City of Eugene continues to partner with 4J and Bethel school districts and several other community partners on the 15th Night Initiative to address youth homelessness.

Downtown Youth Initiative – In 2018, the City’s Recreation Division piloted a street outreach and mentoring program targeting youth and young adults in Eugene’s downtown core. The program included a street team, a drop-in space, and twice monthly activities. The pilot ended in October. In the time it operated, 73 youth were engaged in mentorships and 18 youth were supported into employment. The program was funded through the Downtown Operations budget in the amount of \$34,000.

Alternative Approaches – The City supports programs such as Community Court, CAHOOTS, EPD’s Community Outreach and Response Team (CORT), and the Park Ambassador program, each of which deliver alternate approaches to helping people address more complex underlying needs

that have likely contributed to their contact with law enforcement and/or the criminal justice system. Not all but many of those served in these programs are experiencing homelessness.

Affordable Housing – The City supports stable, safe and affordable housing opportunities for area residents through a suite of grants, loans, waivers, exemptions and other supportive policies. City programs are guided through the Eugene-Springfield 2015 Consolidated Plan. The following activities occurred in FY19:

- 1505-1525 River Road: Following a Housing RFP process, the City awarded St. Vincent de Paul the City-owned lot at 1505-1525 River Road for the creation of a 53-unit development targeted to very low income households, including units designated for survivors of domestic violence. In addition to awarding the lot, Council approved a Systems Development Charge (SDC) waiver of \$275,000 and use of \$725,000 in federal HOME Investment Partnership program funds for the development.
- The Commons on MLK: This new Homes for Good project will provide 51 studio units of permanent supportive housing for people experiencing homelessness. City Council approved a \$280,000 SDC waiver and use of \$150,000 in Low-Income Housing Funds and \$750,000 in federal HOME funds in support of the new development.
- Ya-Po-Ah Terrace: In December, the City closed its largest Rental Rehabilitation loan to date, lending \$1.5 million in federal CDBG funds to support the rehabilitation of Ya-Po-Ah Terrace, which provides 210 apartments for seniors with very low incomes.
- In FY19, City Council approved 20-year property tax exemptions for a proposed 70-unit affordable housing development in the Downtown neighborhood, as well as for a 22-unit tiny home development at Polk Street and Railroad, and for 211 units at Ya-Po-Ah Terrace. Council also renewed existing property tax exemptions for five different apartment complexes, helping to preserve 183 units of affordable housing for lower income households.



Artist's rendering of Ya-Po-Ah Terrace after completed rehabilitation.

Staff time and resources from every department are employed in efforts to help address homelessness in the community. These include Library and Recreation staff providing services to unhoused community members at libraries and community centers, Police and Fire and EMS personnel responding to calls for service, Public Works staff helping coordinate and manage public spaces and parks and providing camp cleanup, Central Services staff helping coordinate homelessness programs, and Planning and Development staff operating affordable housing and human service programs and funding.

Policy leadership – The City supports and/or is represented on intergovernmental policy boards related to housing and homelessness, including the Housing Policy Board, the Poverty and Homelessness Board, and the Human Services Commission.

As unsheltered homelessness continues to be significant in both magnitude and impact in our community, balancing humane and urgent responses to unsheltered homelessness with a robust

implementation of strategies to fix and improve our overall homeless service system for the long-term will be both a challenge and priority.

FY20 Budget Allocations

Staff are currently working to implement the \$8.6 million in community safety bridge funding approved through FY20, while Council and staff work to develop a long-term revenue source for continued efforts. Included in the Community Safety funding package are enhanced support for the Rest Stop Program, Overnight Parking Program, Dusk to Dawn Program, 15th Night, Lindholm Center weekend hours, and a proposal for a new day center. All of these are programs that work to meet immediate needs of people experiencing homelessness in the community, and the community safety funding will help maintain and stabilize these service options as well as provide added support for case management to help individuals move more successfully into permanent housing.

Find more about the City's homelessness programs at www.eugene-or.gov/homelessness.

Housing affordability is a critically important issue for our community and many others around the country. While the City has taken many actions over time to address housing affordability, housing prices have increased rapidly following the Great Recession. The median sale price has risen 61% while inflation, measured by the Consumer Price Index, rose 12%.

In recent years, more Eugene residents have struggled to afford housing. The median price of all homes that sold in the last year was \$315,000, making it affordable to a household with an annual income of \$68,000, significantly higher than Eugene's median household income of \$45,000. The majority of Eugene's renter households are cost burdened: 58% of Eugene's renter households spend more than 30% of their household income on housing and utilities.



*Turtle Creek Housing Development
by Homes For Good*

Many factors affect the affordability of housing. Some of the key factors affecting affordability for new and existing houses include income, characteristics of the existing housing supply, market trends and population growth trends. The supply and cost of land, the land use code, the cost of construction and interest rates affect the affordability of new housing.

Housing Tools and Strategies

In May 2018, City Council approved a process to analyze existing barriers to housing affordability, availability and diversity. Council directed staff to implement a process to identify potential tools and strategies available to the City to address housing affordability, availability and diversity for all income levels. The resulting Housing Tools and Strategies process uses technical research and stakeholder input to identify a variety of actions the City could pursue to meet the goal of increasing availability, affordability and diversity of housing by removing barriers in City code, reducing costs and/or time, and increasing the inventory of affordable units. The options fell into broad strategic categories that align with projects that are underway and will help to guide future work. A summary of the technical analysis and stakeholder engagement can be found on the Housing Tools and Strategies project website.

Remove barriers in the land use code — The City directs the type of housing that can be built, how it must be designed and what permits are required through the adopted land use code. Some of the land use code standards and processes may present barriers to achieving our housing goals. Through several ongoing efforts, there is an opportunity to improve the land use code so that it better aligns with the community vision and leads to an outcome of more Eugene residents living in affordable homes. These include an update to the clear and objective housing standards, accessory-dwelling unit standards and a code audit to identify barriers to building housing that is affordable.

Plans and policies provide guidance to any changes made to the land use code. Over the next few years, the Comprehensive Plan Housing chapter, the River Road-Santa Clara Neighborhood Plan, and Urban Reserves planning will address housing affordability issues.

Reduce cost and time burden — The City’s permitting process takes time and includes permit fees and System Development Charges (SDCs). Staff are working to understand processes identified by builders as burdensome, and to identify opportunities to streamline processes. Consideration will be given to unintended consequences of changes in fee structures and programs, while ensuring the City’s goals for health, safety, and service are not compromised.

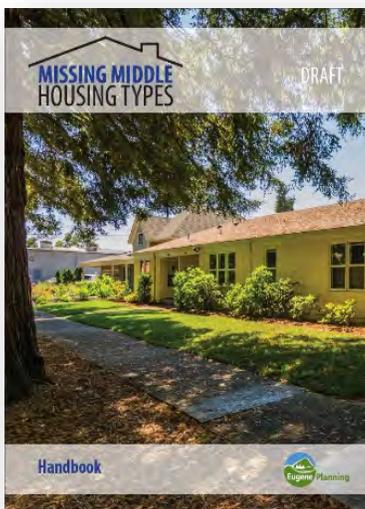
The City is also able to reduce costs through incentives and assistance. It currently offers the multi-unit property tax exemption for housing in the downtown area and transportation SDC waivers for accessory dwelling units. The Planning and Development Department has recently established the Development Investment Group, or DIG, which offers support to facilitate development and good design by helping projects get over hurdles and navigate the land use process.

Increase the inventory of and access to affordable units — The Eugene-Springfield 2015 Consolidated Plan, adopted by Council in 2015, includes four primary strategies to expand affordable housing opportunities through creation of new affordable housing units, rehabilitation and preservation, expansion of homeownership opportunities, and removal of barriers. This plan prioritizes the most effective strategies for use of limited federal resources received by the City. The Consolidated Plan will be updated and brought to Council for adoption in 2020.

In January 2019, Council initiated the process to move forward a Construction Excise Tax to support an Affordable Housing Fund. Council will vote on the ordinance to establish a tax on new construction this spring.



Willakenzie Crossing



FY20 Budget Allocations

\$215,000 for Housing Tools and Strategies has been allocated in the FY20 Budget.

For More Information

- Housing Tools and Strategies: <https://www.eugene-or.gov/3960/Housing-Tools-and-Strategies>
- Planning Projects: www.eugene-or.gov/758/Planning
- Consolidated Plan, Annual Action Plans & Reports: www.eugene-or.gov/hudconplan
- Community Design Resources: www.eugene-or.gov/2977/Community-Design-HandbookDIG-
- Development Investment Group: <https://www.eugene-or.gov/4128/DIG>

Budget Message City Focus: Parks and Rec Bond and Levy Implementation

On May 15, 2018 Eugene voters overwhelmingly approved two funding measures to support Eugene Parks and Recreation, and implementation of these voter approved actions began in FY19.

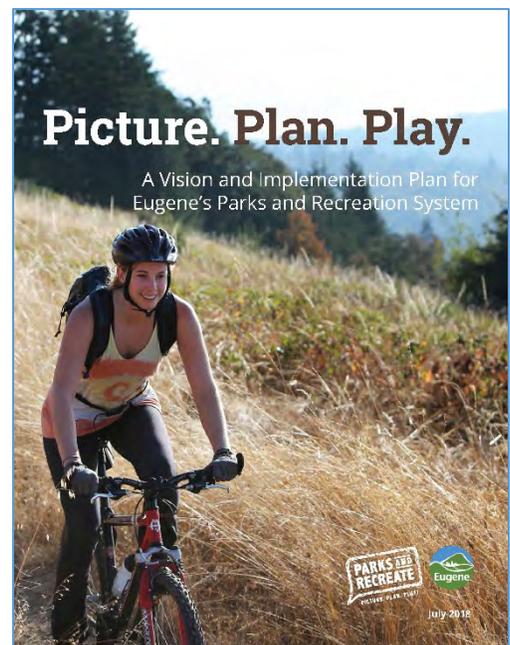
The \$3.15 million, five-year Operations and Maintenance Levy was passed with 65% of the vote to address the shortfall in maintenance and operation activities. While not a long-term solution because of the five-year funding limit, a levy can serve as a stop gap measure while a more sustainable solution is identified and implemented. Levy dollars are supporting the following services:

- Public safety presence in parks
- General park maintenance in developed parks
- Habitat and natural area maintenance
- Maintenance and operations of future projects associated with the accompanying bond measure

The \$39.35 million Parks and Recreation General Obligation Bond measure was passed with 62% of the vote and identified specific projects within the following categories:

- Park renovation projects
- Trail and habitat restoration projects
- Safety/lighting improvements
- Repairing and improving restrooms and irrigation systems
- Matching funds for school districts partnership
- Community center, pool and field renovations and improvements
- New park development in underserved neighborhoods

When matched with System Development Charge (SDC) funds and partnership dollars, the capital investment resulting from this bond measure will total over \$63 million. In combination, the bond and levy are implementing the first phase of the newly adopted Parks and Recreation System Plan.



Park and Recreation System Plan

Making Progress

Implementation of both the bond and levy got underway in FY19, including the following:

- Increased public safety presence in parks with two dedicated Police Officers, two year-round and two seasonal Park Ambassadors, an illegal camping response team and increased graffiti removal.
- General park maintenance activities including the re-opening of restrooms that had been previously closed due to budget cuts, increased custodial services including weekend and after-hours maintenance in high-use parks, and additional trail and natural area maintenance activities.

Budget Message City Focus: Parks and Rec Bond and Levy Implementation

- The planning of several bond-funded projects kicked-off, including Echo Hollow Pool renovation and expansion, Campbell Community Center renovation and expansion, Striker Field Park development, Berkeley Park renovation, West Bank Path lighting and Delta Ponds Loop Trail completion.

FY20 Budget Allocations and What's Next

The FY20 Proposed Budget includes \$2.8 million of spending in the Parks and Recreation Levy Fund. The levy will be used to continue the activities described above that were started in FY19. In addition, some levy funding will be used to provide alternative programming services for the Aquatics and Senior programs that will be affected by construction impacts on Echo Hollow Pool and Campbell Community Center projects.

In FY20, the planning and design process for the renovation and expansion of both the Echo Hollow Pool and the Campbell Community Center projects will be completed, and ground breaking will occur. The Sheldon Pool renovation and expansion planning and design process will continue and timing will be coordinated with the completion of the Echo Hollow Pool project.



The FY20 Proposed Budget includes new capital spending for several other projects from the bond fund. Activities will include lighting projects and restroom improvements in several parks, renovations of Amazon Park Trail and a portion of Amazon Creek, as well as construction activities for the Delta Ponds Trail extension. Berkeley Park and Tugman Park will see significant spending in FY20. There are also a number of smaller projects that will be undertaken or will get started using bond funds in FY20.

For More Information

- Parks and Recreation System Plan: <https://www.eugene-or.gov/2885/System-Plan>
- Bond and Levy implementation: <https://www.eugene-or.gov/4165/2018-Bond-and-Levy>
- Individual park project updates: <https://www.eugene-or.gov/185/Parks-and-Open-Space>
- Individual recreation project updates: <https://www.eugene-or.gov/139/Recreation>

Town Square Project: Putting people at the center of Eugene

On the one hand, a Town Square is a place to showcase the best of Eugene, a place to tell the story of our history, our culture and our aspirations to all the world; on the other, it's a place for the community to gather, a place for all Eugeneans to feel at home, and a park for the downtown neighborhood. In fact, a Town Square is where all of this comes together—it's a place for people.

Project Description

The Park Blocks at 8th Avenue and Oak Street were established by the City's early founders as a central square for our young community. In 1855, the Skinner and Mulligan families each agreed to donate adjoining 40-acre parcels to Lane County if the County Commissioners agreed to choose Eugene as the county seat. While most of the land was sold to fund the creation of the City, four acres were reserved for public buildings and the creation of a "public square in Eugene City."

Today, two of the original four Park Blocks remain. County offices and private businesses have bordered the park from the beginning and have witnessed the various evolutions of the space over the years. Today, the Park Blocks are famous for hosting the Eugene Saturday Market and Lane County Farmers Market. Eugene's City Hall will be built as a part of the Town Square, facing out to a restored Park Block that has been covered by the Butterfly Parking Lot for the last 50 years.



Town Square Project

What needs fixing — The Park Blocks today look forgotten and are often underutilized, especially outside of programmed events. Practical problems are part of the current underutilization of these spaces:

- Inadequate space for the Farmers Market
- Insufficient utilities for events and food trucks
- Accessibility obstacles
- A parking lot encroaching on the public space

At a deeper level, the Park Blocks lack energy: without a clear connection to the city they can feel peripheral, and more importantly, fail to demonstrate the deep care and passion that this community has for the place where we live. The Town Square should be a place where we celebrate our great joys, collectively mourn our tragedies and come together for the cultural events that make life richer.

Process—The Town Square Project has two phases. Phase A is the Public Involvement and Concept Design for the entire project, treated holistically as a unified effort. This phase will set the

direction for the later implementation. Phase B is the implementation of the individual subprojects, which will follow the direction established in Phase A. This phase includes the final design, construction documents and construction of all components of the Town Square Project.

Three Subprojects — Individual subprojects include the Park Block improvements, a permanent Farmers’ Market and City Hall.

Park Block improvements begin by addressing basic issues such as accessibility and utility infrastructure, and then aim higher for a design that will serve as a suitable anchor for the city center and a welcoming park for the downtown. The Park Blocks are approximately 24,000 square feet each. This project is eligible for up to \$5.2 million of Downtown Urban Renewal funds for projects related to the Park Blocks and other downtown open spaces (other projects are eligible to compete for these funds, and the final budget allocation is determined by the Council).

A permanent **Farmers’ Market** includes the restoration of the “4th Park Block,” and amenities to create a more attractive and functional venue for a permanent, year-round market. Options previously discussed range from a simple pavilion to a full-service building. The Farmers’ Market area is approximately 24,000 square feet and is eligible for up to \$4.5 million of Downtown Urban Renewal funds for the acquisition of the land and delivery of this project.

Eugene’s City Hall builds off a previous iteration of the project: in 2016, the City had a completed design for City Hall to be constructed on a different site. The City currently has \$11.3 million in a fund for City Hall. In 2019, City staff and consultants will confirm the building program, and work with City Council to establish an appropriate budget.

Moving Forward

The next steps for the Town Square Project are:

- The Public Involvement and Concept Design phase will be underway in the spring of 2019, creating opportunities for key stakeholders and members of the public to engage with an iterative design process for the Town Square. To find out more, go to: <https://www.eugene-or.gov/2908/Town-Square---City-Hall>
- The final Concept Design will be presented to the community and Council with possible funding sources, including Urban Renewal funding for the Park Blocks and Farmers’ Market components. As outlined in the Downtown Urban Renewal Plan, Council will hold a Public Hearing on the funding, after which, Council, acting as the Urban Renewal Agency Board, will have the opportunity to determine if Urban Renewal funds should be used.
- Following funding decisions, implementation of Phase B will begin in fall 2019, with the final design documents and construction.
- Project completion is projected for 2021-2022. A more precise working project schedule will be developed in spring 2019.

FY20 Budget Allocations

The FY20 Proposed Budget includes \$350,000 to continue project scoping for the Town Square. Additional funding will be considered this fall by City Council/URA Board following project scoping and public hearings. The Downtown District Plan authorizes tax increment funding up to \$4.5 million for the Farmers' Market (a portion of which was used to purchase the southern half of the butterfly lot) and up to \$5.2 million for Park Blocks and Open Spaces. The Plan also includes funding for project delivery administration. For the City Hall portion of the Town Square, the City Hall Replacement Fund contains previously appropriated capital funding.

FY20

(FY = Fiscal Year)

PROPOSED

BUDGET SNAPSHOT

TOTAL CITY BUDGET

\$677.9
MILLION



UP 9.5%

from the FY19 Adopted Budget

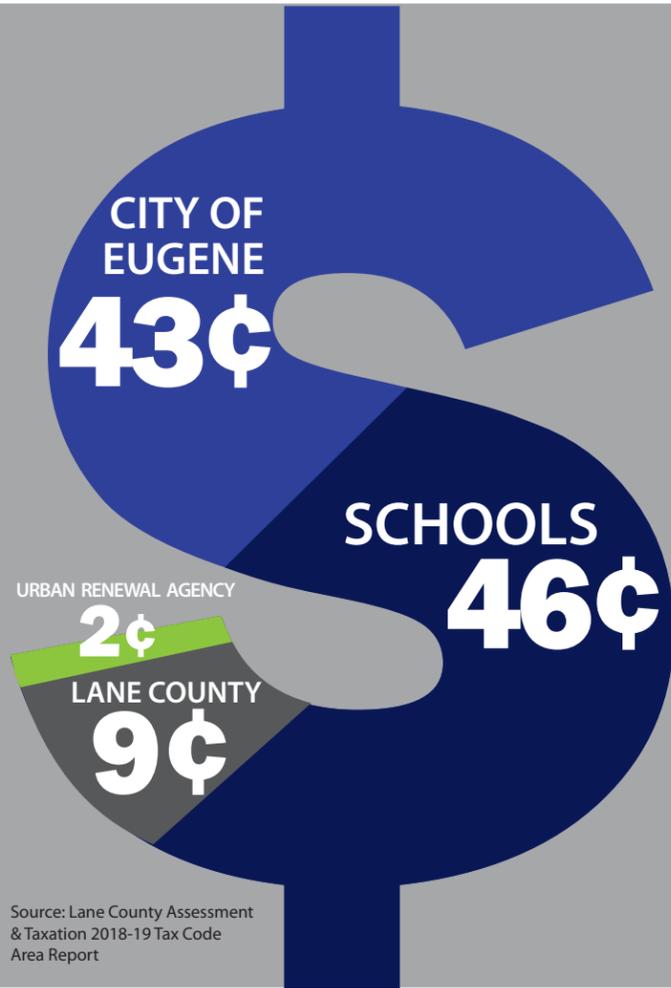
Bond Rating



"The City's rating outlook is stable, reflecting our expectation that the local economy and tax base will continue to expand, and that the City's management team will deliver long-run structural balance featuring strong financial metrics. The City's management team is also particularly strong, as evidenced by conservative practices and solid track record."

- Moody's Investors Service
January 29, 2019

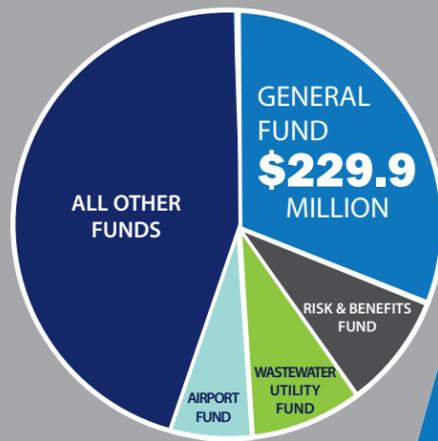
Where Does My Property Tax Dollar Go?



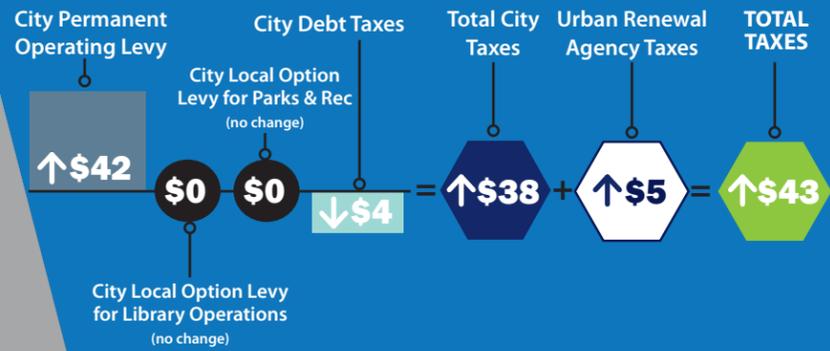
Source: Lane County Assessment & Taxation 2018-19 Tax Code Area Report

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 is the City property tax bill changing in the FY20 budget?



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 a **stable** position.



"While we continue to monitor potential impacts to our financial health, we have made great strides to position the organization for future challenges. The new fiscal year will find the City of Eugene optimistic, resilient and ready to respond to the needs of the community."

- Jon Ruiz, City Manager

FINANCIAL GOALS

Do we have an adequate savings account?

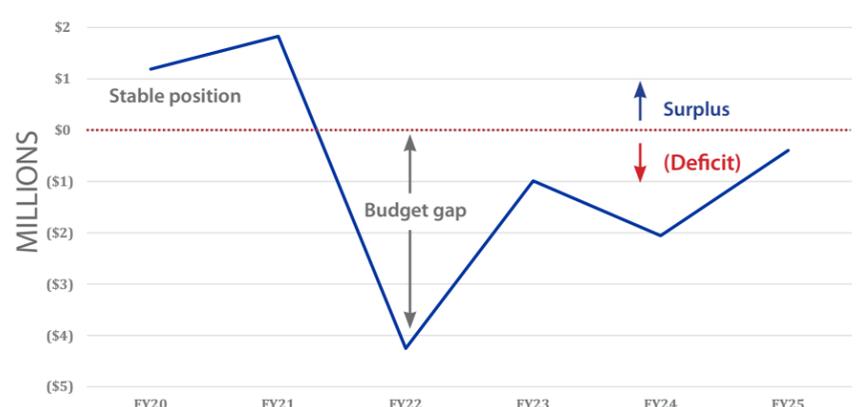
The Reserve for Revenue Shortfall (RRSF) is the City's "savings account" for the General Fund. It is used to weather the cyclical nature of economic cycles and to provide a cushion for unexpected events.



* The significant increase in the RRSF starting in FY18 is due to one-time funds from the Comcast legal settlement.
** The FY20 Proposed RRSF includes \$4 million of Community Safety bridge funding expected to be spent in FY20.

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. The General Fund is in a stable position through FY21, although a budget gap opens in the future as we look out at FY22 and beyond.



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

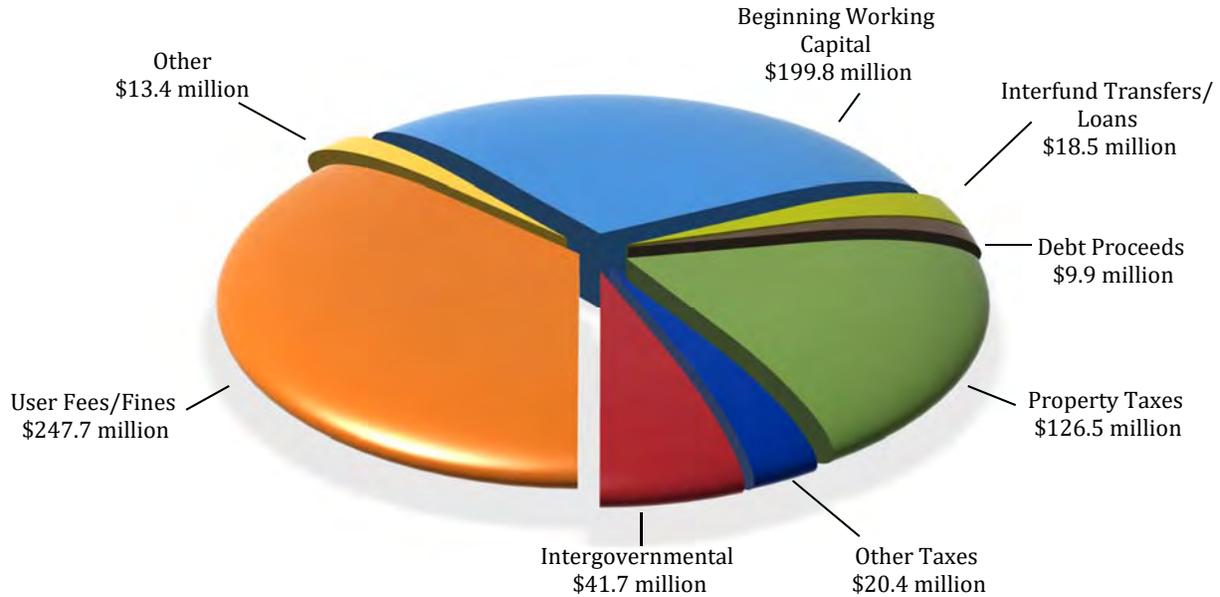


This page intentionally left blank.

All Funds Summary

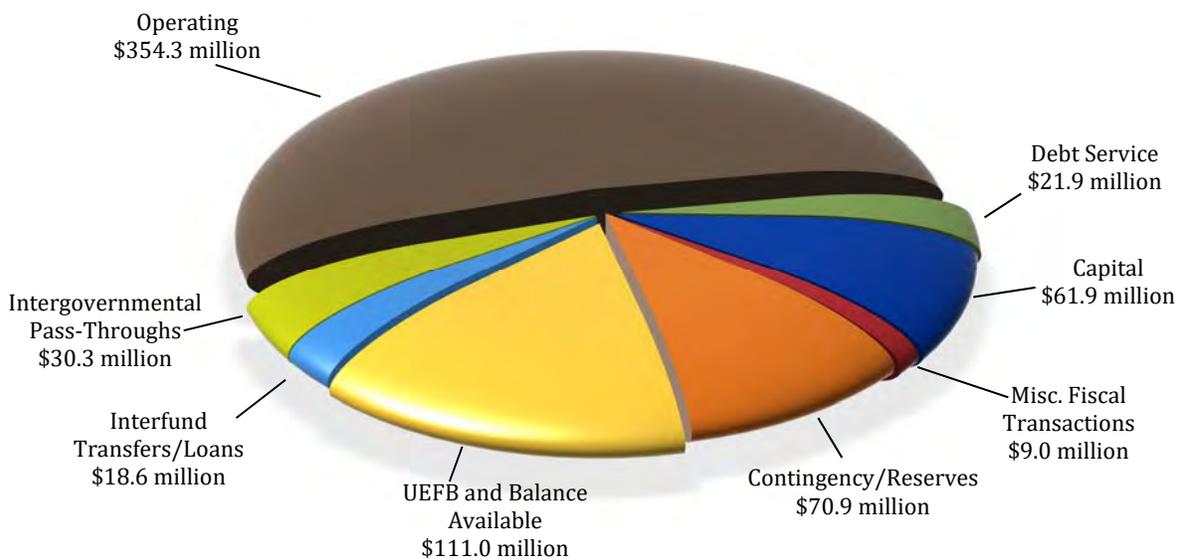
The budget is balanced when resources equal requirements. The total FY20 Proposed Budget for the City of Eugene is \$677.9 million, a 9.5% increase from the FY19 Adopted Budget (excluding estimated encumbrances and capital carryover).

Total Resources — \$677.9 Million



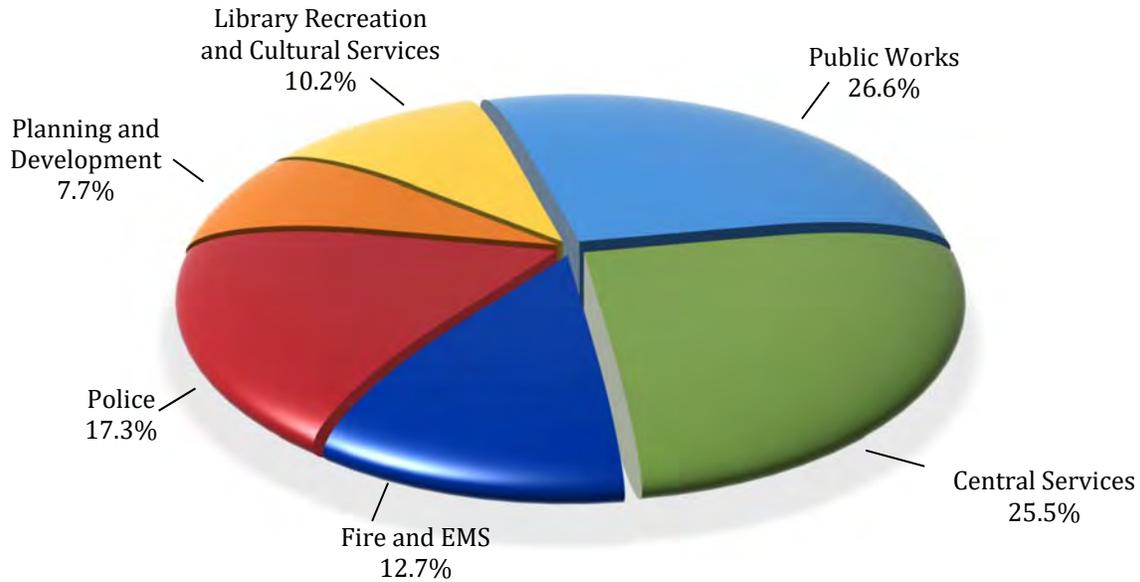
User fees and fines provide 51.8% of the operating revenues in the FY20 Proposed Budget, followed by property tax receipts, which provide 26.5% of operating revenues. The largest requirement is for the Operating Budget at \$354.3 million.

Total Requirements — \$677.9 Million



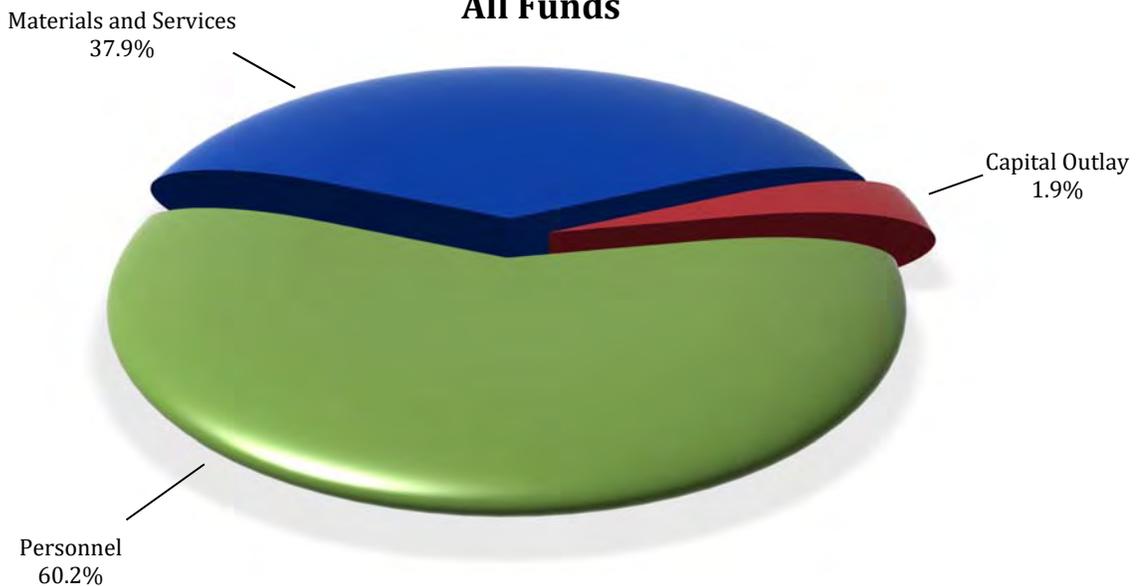
The FY20 Proposed Operating Budget totals \$354.3 million, an increase of 2.9%, compared to the FY19 Adopted Budget excluding encumbrances. Public Works comprises the largest share at 26.6%. Central Services, which includes all of the City’s employee benefits as well as City-wide information technology and facility maintenance, is the second largest share at 25.5%.

**Operating Budget by Department — \$354.3 Million
All Funds**



The operating budget has three components: Personnel Services, Materials and Services, and Capital Outlay. Personnel Services is the largest share at 60.2%.

**Operating Budget — \$354.3 Million
All Funds**



Personnel Services

Personnel Services expenses, which are comprised primarily of wages and fringe benefits, account for 60.2% of operating expenses in the total City budget.

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. Collective bargaining may continue throughout the proposed budget development process. At the time of the FY20 Proposed Budget publication, the Eugene Police Employee Association (EPEA) was without a contract in place for FY20. The American Federation of State, County, and Municipal Employees (AFSCME), International Association of Fire Fighters (IAFF), International Association of Fire Fighters - Battalion Chiefs (IAFF-BC) and International Alliance of Theatrical Stage Employees (IATSE) have contracts in place covering FY20 cost of living adjustments (COLAs) as shown below. Any FY20 COLA for non-represented employees will be determined by the City Manager.

Bargaining Unit	FY20 COLA
AFSCME (American Federation of State, County and Municipal Employees)	Per contract, 2.0% COLA on 7/1/19
EPEA (Eugene Police Employee Association)	Contract expires 6/30/19; currently under negotiation.
IAFF (International Association of Fire Fighters)	Per contract, 2.5% COLA on 7/1/19
IAFF-BC (International Association of Fire Fighters, Battalion Chiefs)	Per contract, 2.5% COLA on 7/1/19
IATSE (International Alliance of Theatrical Stage Employees)	Per contract, \$0.25 per hour for regular performance rates and \$0.70 per hour for resident companies and local performance rates on 7/1/19

Employee Retirement Plan Expenses

Retirement plan expenses are projected to be \$38.3 million in FY20, representing the second largest component of Personnel Services costs after wages. The FY20 increase in retirement costs for all funds is \$4.3 million, which represents a 12.8% increase from the FY19 Adopted Budget level. Of this amount, \$2.2 million is in the main subfund of the General Fund, and the remaining \$2.1 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 FY20 is due to additional positions in this budget, wage increases for existing employees and increased PERS rates in FY20. The FY20 PERS rates for Tier 1/2 employees increased to 25.07% of gross wages, from 21.4% in FY19. The FY20 PERS rates for OPSRP general service employees increased to 16.23% of gross wages, from 12.38% in FY19. The FY20 PERS rates for OPSRP police

and fire employees increased to 20.86% of gross wages, from 17.15% in FY19. Retirement costs as a percentage of payroll are expected to continue to increase in FY22 and FY24, due primarily to continued amortization of past service costs 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.

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 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 FY20 Proposed Budget pension bond rate was set at 5.50% of payroll, a decrease of 0.5% from the FY19 rate. The pension bond rate decreased in FY20 due to the increase in wages and the interest earnings 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 PERS Contribution Rates: The FY20 PERS rates as a percentage of payroll will increase from the FY19 rates. The table below 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. Approximately 69% of the City's employees are currently in the OPSRP system.

Retirement Costs: The table below sets out the range of retirement costs in the current year and the Proposed Budget year.

Retirement Cost	FY19 % of Payroll	FY20 % of Payroll
Employer Share		
Tiers 1 and 2	21.40%	25.07%
OPSRP General	12.38%	16.23%
OPSRP Police and Fire	17.15%	20.86%
Employee Share *	6.00%	6.00%
Pension Bond	6.00%	5.50%
Deferred Compensation Match		
AFSCME	2.00%	2.00%
EPEA**	2.75%	2.75%
Non-Represented	3.00%	3.00%
Total Retirement Cost Range	24.38% - 36.40%	27.73% - 39.57%

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

**EPEA does not have a contract covering FY20. The deferred compensation match rate shown in FY20 is the same as the FY19 rate.

Recent Legislation: During the 2018 legislative session, the Oregon Legislature passed Senate Bill 1566 which established the Employer Incentive Fund (EIF) to encourage employers to make lump sum payments to pay down their unfunded actuarial liability by providing a 25% match of the lump sum contribution amount. Currently, PERS anticipates that demand for matching funds will exceed availability. As a result, the rules and processes for the EIF have not been finalized yet, and the legislature is considering legislation in 2019 to clarify the program. Senate Bill 75 would change qualifications for lump sum payments that may be matched by the EIF, shorten the application and contribution timelines, establish a waiting list based on the order in which applications are received and approved, revise criteria for receiving technical assistance from PERS and allow interest earned by the EIF to be used to match employer's lump sum payments made to a side account. Until funding is established and the rules are finalized for this program,

the City is unable to adequately evaluate whether to participate in the program. City staff will continue to monitor the progress of Senate Bill 75.

Employee Health Care

Health benefits, budgeted at \$32.0 million in FY20, are the third largest component of Personnel Services expenses after wages and retirement costs. The FY20 Proposed Budget for health benefits represents an increase of \$2.1 million, or 7.0%, from the FY19 Adopted Budget. This increase is mainly due to the additional positions that were added as part of the FY19 budget process.

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. As a reflection of this strategy, the City is now recognized by the National Institute for Occupational Safety and Health as a Total Worker Health affiliate. The City designs and implements programs that encourage healthy work, home and community life.

City employees pay a portion of the cost of health insurance. The following table summarizes FY20 employee contributions towards health care coverage by bargaining unit.

Employee Group	FY20 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)

*EPEA did not have a contract in place covering FY20 at the time of Proposed Budget development. The FY20 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 (M&S) is projected to be 2.2% in FY20. This increase is based on the State of Oregon forecast for the FY20 Consumer Price Index for All Urban Consumers (CPI-U) as of September 2018. The total departmental M&S budget for FY20 for all funds is \$134.3 million. This is \$3.9 million, or 3.0%, more than the FY19 Adopted Budget (excluding encumbrance estimates). The increase is due to typical inflationary factors for goods and services. In the General Fund Main Subfund, M&S is projected to increase by \$0.7 million or 2.1%.

Capital Outlay

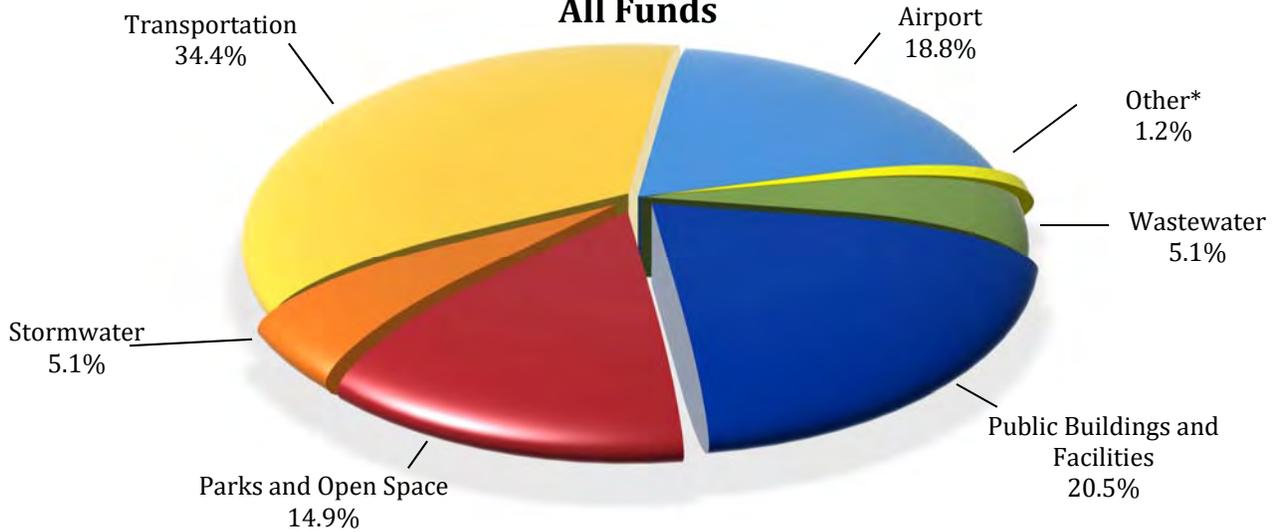
Capital Outlay is budgeted at \$6.8 million for FY20, which represents a decrease of \$5.5 million compared to the FY19 Adopted Budget. The decrease in FY20 is primarily due to lower spending for the City's fleet replacement. Capital Outlay is best defined as budgeted departmental expenditures for materials and supplies with a useful life of more than one year and a cost greater than \$5,000, such as specialized computer equipment.

Capital Budget

Preparation of the Proposed 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 various 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 FY20 Proposed Capital Budget is based on the first year of the FY20-25 CIP that was adopted by City Council on March 11, 2019.

The FY20 Proposed Budget for new capital projects is \$61.9 million, an increase of \$8.9 million, or 16.8%, from the FY19 Adopted Budget, excluding prior year carryovers. The increase in FY20 is primarily due to planned projects in Public Buildings and Facilities related to the 2018 Parks and Recreation Bond, as well as increased spending at the Airport for Taxiway Alpha Phase II. Capital projects are usually 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. 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 the resources available, especially those from federal and state sources. Capital projects are organized into six main project categories. The Transportation category comprises nearly 35% of the FY20 Proposed Capital Budget.

**Capital Budget — \$61.9 Million
All Funds**



*Other refers to \$754,453 for a housing development acquisition by the Planning and Development Department.

The total Proposed Capital Budget by category and some of the larger FY20 capital projects are as follows:

- **Airport - \$11.6 million**, including \$9.6 million for Taxiway Alpha Phase II and \$1.0 million for a new jet bridge.
- **Parks and Open Space - \$9.2 million**, including \$2.0 million for the Riverfront Park in the newly acquired EWEB site, \$2.0 million for parks lighting projects, \$800,000 for the Delta Ponds Loop Trail and \$700,000 in additional spending for Striker Field.
- **Public Buildings and Facilities - \$12.7 million**, including \$7.4 million for the Echo Hollow Pool renovation, \$1.0 million for parking structure upgrades and rehabilitation, \$500,000 for the Campbell Center renovation and expansion and \$433,000 for HVAC R-22 refrigerant replacement.
- **Stormwater - \$3.2 million**, including \$900,000 for the Amazon Creek restoration from 19th to 24th Avenue, \$850,000 for stormwater rehabilitation activities, \$500,000 for the underground injection control facility removal and \$400,000 for the A3 Channel water quality improvements.
- **Transportation - \$21.3 million**, including \$2.3 million for 8th Avenue Complete Streets and Streetscape, \$1.9 million for the 3rd Avenue, 5th Avenue, Charnelton, Lawrence, Mill and Olive paving project, \$1.5 million for the 19th Avenue from Hilyard to Agate paving project, \$1.5 million for the Downtown Riverfront Park, \$1.3 million in additional funds for the Railroad Quiet Zone and \$900,000 for the South Bank Path realignment.
- **Wastewater - \$3.2 million**, including \$1.5 million for rehabilitation of the wastewater system in the Trainsong neighborhood and \$1.0 million for the West Irwin Pump Station rehabilitation.

This section summarizes proposed non-departmental expenditures by fund. Non-departmental items are not associated with a specific department or activity and include Balance Available, Contingency, Debt Service, Interfund Transfers, Reserves, Special Payments and Unappropriated Ending Fund Balance (UEFB).

Balance Available

Balance Available 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 City financial 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. When authorization is granted, appropriations are transferred from Balance Available to the designated expenditure account.

Contingency

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.

Debt Service

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. For more information on Debt Service, see the Debt Service and Tax Information section.

Interfund Transfers

Interfund transfers are authorized by ORS 294.361 and ORS 294.463 and represent transfers from one fund to finance activities in another fund. The majority of interfund transfers represent Central Service Allocation (CSA) payments from the various funds receiving General Fund services.

Reserves

Reserves are resources set aside for a future period. Council resolution or ordinance is required to move funds out of reserves into an account for expenditure.

Special Payments

Special payments are comprised of interfund loans, loans to parties outside of the City, payments to other governmental agencies and intergovernmental "pass-throughs."

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 10 years. 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 section.

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.

Unappropriated Ending Fund Balance (General Fund only)

The Unappropriated Ending Fund Balance (UEFB), authorized by ORS 294.398, is an amount set aside that represents an estimate of the unexpended resources that will be carried over to the next fiscal year. The UEFB is budgeted in order to ensure positive cash flow between the beginning of the fiscal year in July and when property taxes are received in November. City Council policy sets the UEFB at two months of operating expenditures in the General Fund.

Non-Departmental Budget

Expenditure Summary Table

	Debt Service	Contingency	Transfers	Unappropriated Ending Fund Balancing (UEFB)	Reserves	Balance Available	Special Payments	TOTAL
Fund								
General	\$0	\$12,000	\$4,949,300	\$27,110,000	\$31,632,898	\$0	\$700,000	\$64,404,198
Special Assessment and Management	0	0	10,000	0	50,000	1,040,022	30,000	1,130,022
Library Local Option Levy	0	0	0	0	2,111,152	0	0	2,111,152
Parks and Recreation Local Option Levy	0	0	0	0	0	821,152	0	821,152
Public Safety Communications	0	0	225,000	0	0	1,516,667	0	1,741,667
Road	0	0	2,947,000	0	0	1,226,698	0	4,173,698
Telecom Registration / Licensing	42,000	0	3,000	0	168,847	2,788,016	120,000	3,121,863
Construction and Rental Housing	0	0	1,024,000	0	0	5,460,019	1,020,000	7,504,019
Solid Waste and Recycling	0	0	221,000	0	0	376,189	0	597,189
Community Development	371,249	0	176,000	0	1,257,861	300,000	8,909,961	11,015,071
Library, Parks and Recreation	0	0	0	0	3,677,149	1,067,831	108,900	4,853,880
General Obligation Debt Service	13,904,043	0	0	0	0	0	0	13,904,043
Special Assessment Bond Debt	180,000	0	10,000	0	96,794	0	0	286,794
General Capital Projects	0	0	0	0	1,776,560	17,667,586	0	19,444,146
System Development Capital Projects	0	0	57,000	0	0	10,312,069	0	10,369,069
Transportation Capital Projects	0	0	0	0	0	1,771,989	0	1,771,989
Special Assessments Capital Projects	0	0	20,000	0	0	1,424,929	0	1,444,929
Municipal Airport	0	0	744,000	0	6,358,213	8,525,657	0	15,627,870
Parking Services	26,250	0	1,185,350	0	0	432,673	150,000	1,794,273
Wastewater Utility	0	0	1,820,000	0	0	1,815,771	28,636,000	32,271,771
Stormwater Utility	0	0	1,202,000	0	0	6,956,758	15,000	8,173,758
Ambulance Transport	0	0	1,321,746	0	0	0	0	1,321,746
Fleet Services	0	0	460,000	0	14,141,609	936,366	0	15,537,975
Information Systems and Services	0	0	279,000	0	2,315,610	1,915,435	0	4,510,045
Facilities Services	0	0	654,000	0	200,000	2,363,022	0	3,217,022
Risk and Benefits	7,339,400	0	281,000	0	6,779,890	15,029,906	0	29,430,196
Professional Services	0	0	753,000	0	307,100	100,426	0	1,160,526
TOTAL	\$21,862,942	\$12,000	\$18,342,396	\$27,110,000	\$70,873,683	\$83,849,181	\$39,689,861	\$261,740,063

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 FY20 is expected to be about \$6.85 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 Levies – Voters have authorized the following local option property tax levies:

- In May 2018, a five-year local option levy for parks and recreation was approved, in the amount of \$3.15 million annually, to increase park safety and maintenance from FY19 through FY23. The estimated levy tax rate in FY20 is \$0.19 per \$1,000 of assessed value.
- In November 2015, a five-year local option levy for library operations was approved, in the amount of \$2.7 million annually, to expand hours and services from FY17 through FY21. The estimated levy tax rate in FY20 is \$0.17 per \$1,000 of assessed value.

Debt Levies – The following General Obligation bonds are repaid with property taxes:

- In May 2018, \$39.35 million was approved for the development and renovation of parks, trails, pools, community centers and sports fields.
- In November 2017, a five-year street repair bond issue in the amount of \$51.2 million was approved to fix 88 lane miles of streets and provide funding for bicycle and pedestrian projects. Property tax levies for this bond will begin in FY20 and will go through FY24.
- In November 2006, \$27.5 million was approved for parks, athletic fields and open space.
- In May 2002, \$8.7 million was approved for construction of a downtown fire station.
- In November 1998, \$25.3 million was approved for parks and open space projects.

The estimated tax rate to pay this debt in FY20 is \$0.86 per \$1,000 of taxable assessed value, which is slightly lower than the debt tax rate in FY19. Although the 2017 Street Bonds are added to the tax bill in FY20, the overall debt tax rate is lowered due to the payoff of a portion of the bonds for parks and open space projects approved by voters in November 1998 and November 2006 and the expiration of the 2012 Street Bonds.

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 \$43 in FY20. This 2.4% increase is due to projected growth in the assessed taxable value of a typical Eugene home of 3%, offset by slightly lower debt taxes.

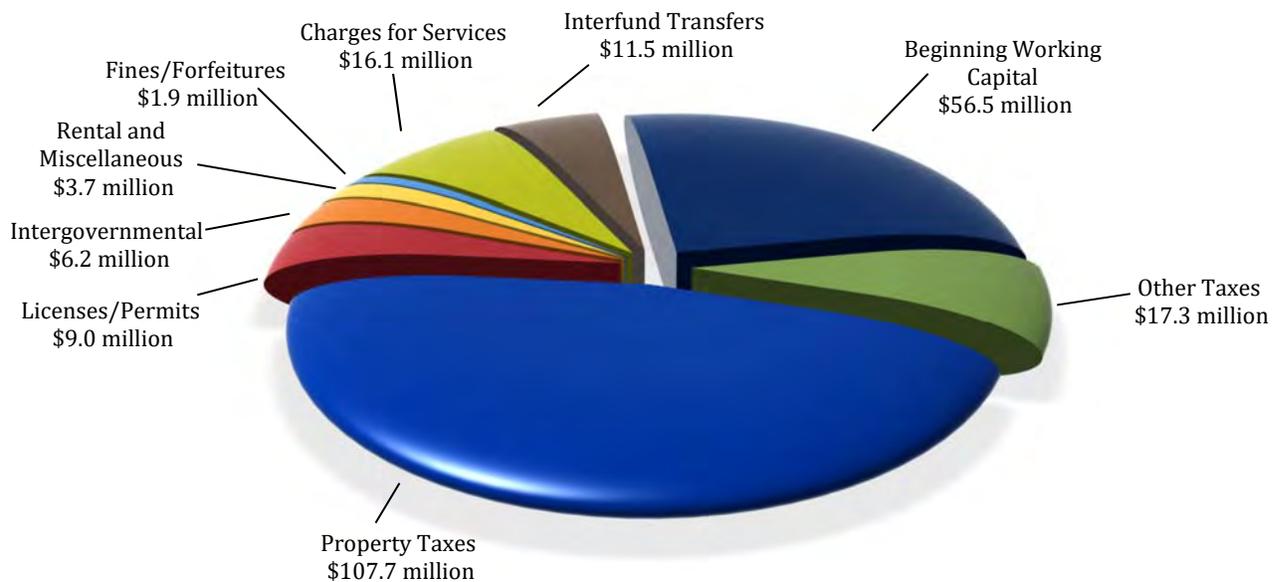
City and Urban Renewal Taxes for a Typical Eugene Home

	FY19	FY20 Estimate
City Permanent Operating Levy	\$1,434	\$1,476
City Local Option Levy for Library Operations (FY17-21)	36	36
City Local Option Levy for Parks and Recreation (FY19-23)	42	42
City Debt Taxes	189	185
Total City Taxes	\$1,701	\$1,739
Urban Renewal Agency Taxes	73	78
Total Taxes	\$1,774	\$1,817
Assessed taxable value of a typical Eugene home*	\$209,195	\$215,471

* FY19 value provided by Lane County Assessment & Taxation; assumed increase of 3% for FY20.

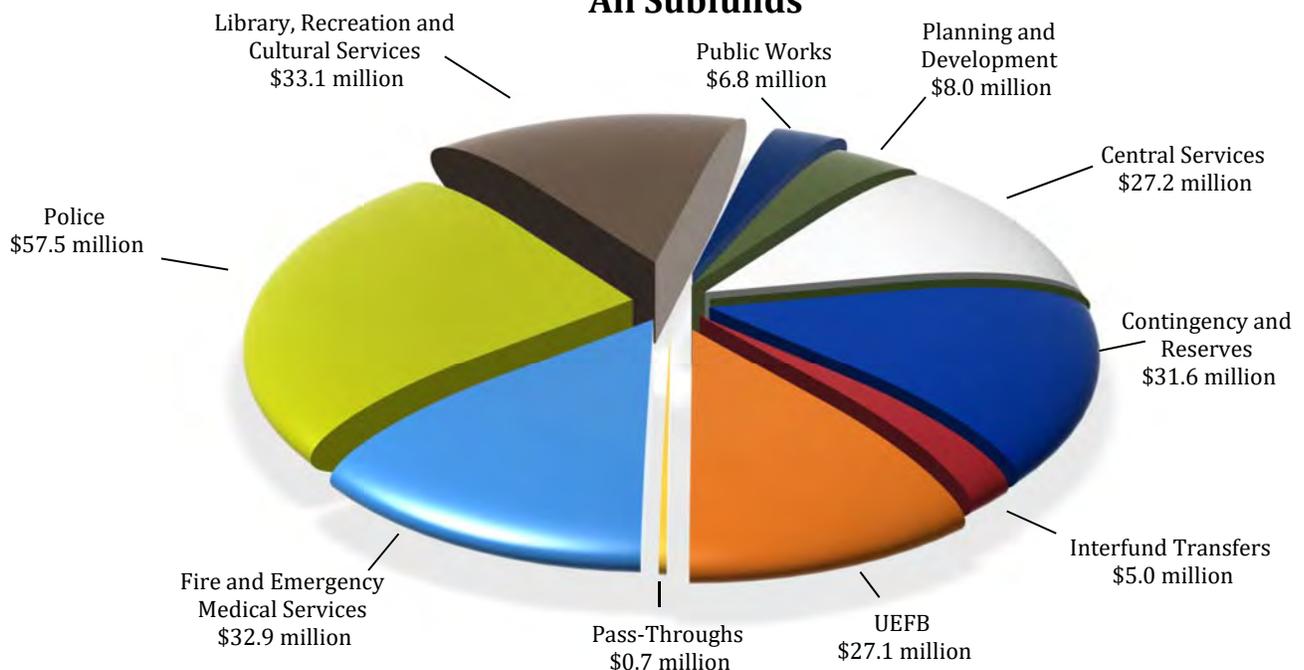
The General Fund is made up of three subfunds: the Main Subfund (\$218.8 million), the Cultural Services subfund (\$10.1 million), and the Equipment Replacement subfund (\$1.0 million). Property taxes continue to remain the largest revenue source in the General Fund, representing 46.9% of General Fund total resources and 62.2% of revenues.

Total General Fund Resources — \$229.9 Million
All Subfunds



The total FY20 Proposed General Fund budget of \$229.9 million is \$17.3 million, or 8.1% higher than the FY19 Adopted Budget, excluding the \$3.1 million prior year reserve for encumbrance for comparison.

Total General Fund Requirements — \$229.9 Million
All Subfunds



The largest requirement for the General Fund is the departmental operating budget, which is \$165.5 million in the FY20 Proposed Budget. This is approximately \$8.2 million, or 5.2%, more than the FY19 Adopted Budget. Increased spending in FY20 is due to higher PERS rates, rising health care costs and normal inflationary pressures such as cost of living adjustments. Also included is \$2.0 million in one-time or limited duration costs for a number of initiatives designed to address the changing needs of the community and Council priorities.

Limited duration, strategic investments in FY20 include Riverfront Urban Renewal project support, an increase to CAHOOTS hours, downtown wayfinding, housing tools and strategies, community events partnership funding, additional security funding for the Eugene Municipal Court, continuation of the equity in contracting program, early literacy, funding to support fuel reduction in wildland urban interfaces, IT solutions for Eugene-Springfield Fire, animal services as well as spay and neuter clinic relocation costs, and an update and review of the City’s nuisance code.

The FY20 Proposed Budget also includes several changes to enhance the financial stability of the General Fund as uncertainty remains around sources of ongoing revenue from right-of-way fees. Modifications to the budget that aim to mitigate future risks include the changes to the Central Service allocation, an ongoing fund transfer from the Solid Waste and Recycling Fund, the Pension Bond rate reduction and the reallocation of community events funding to the Cultural Services Subfund (see Attachment C for more information on these items).

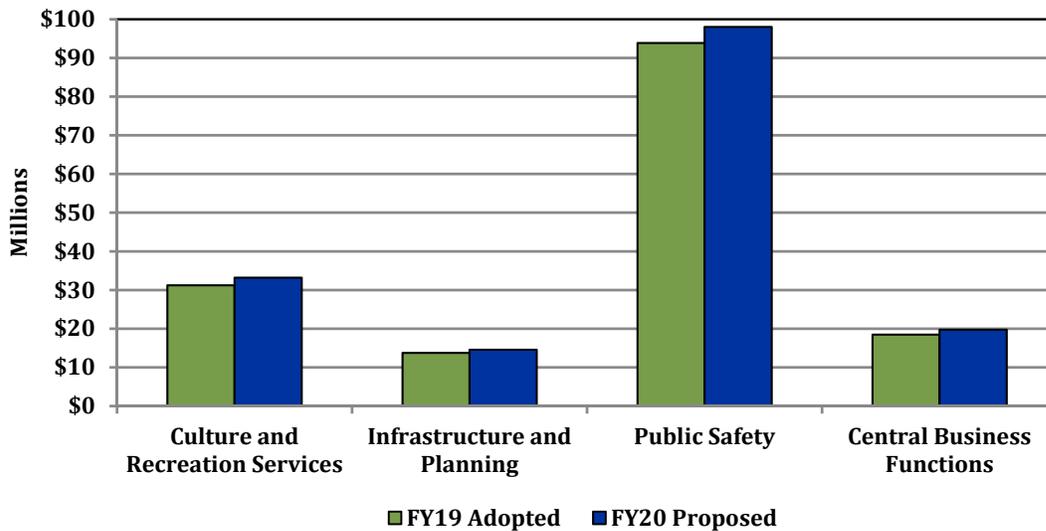
The services provided by the City rely heavily on employees who are fire fighters, police officers, librarians, planners and so on. As a result, personnel services costs comprise 76.0% of the FY20 proposed operating budget for the General Fund, as seen in the following chart.

**General Fund Operating Budget — \$165.5 Million
All Subfunds**



The largest use of General Fund dollars is for the Police Department, which accounts for \$57.4 million, followed by the Library, Recreation and Cultural Services Department at \$33.1 million. The Fire and Emergency Medical Services Department is the third largest recipient of General Fund dollars at \$32.9 million. The two public safety departments represent 54.6% of the total General Fund operating budget.

**Service Budget Comparison
General Fund — All Subfunds**



The change in operating budget by department is shown below. (See Department View section of the Proposed Budget document for more detailed explanation of the changes below.)

General Fund (All Subfunds) Operating Budget Summary by Department

Department	FY19 Adopted Budget	FY20 Proposed Budget	FY19-FY20 Change
Central Services	\$26,047,835	\$27,271,970	4.7%
Fire and EMS	30,777,064	32,885,929	6.9%
Library, Recreation and Cultural Services	31,123,351	33,051,134	6.2%
Planning and Development	7,723,477	8,048,562	4.2%
Police	55,144,120	57,418,869	4.1%
Public Works	6,492,151	6,807,147	4.9%
Total	\$157,307,998	\$165,483,611	5.2%

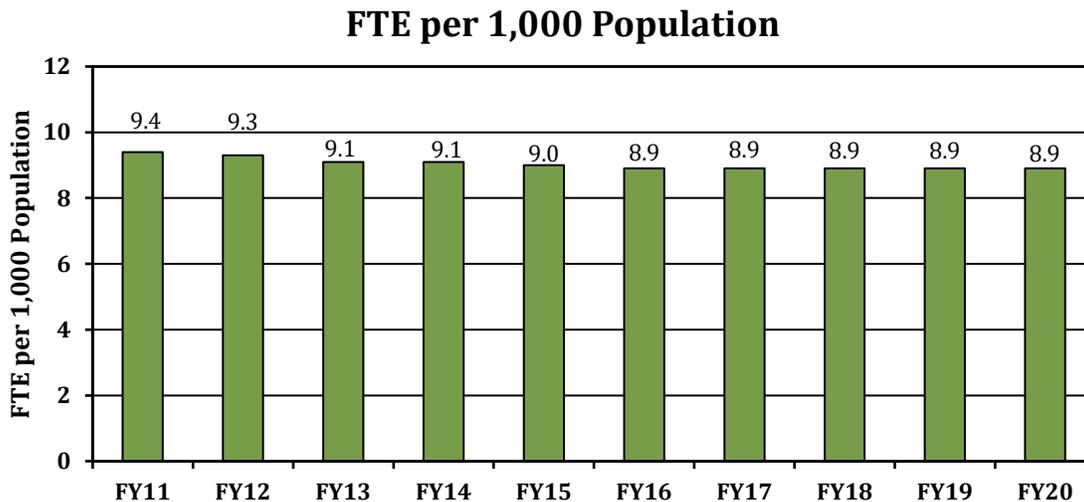
With personnel services expenditures comprising 60.2% of the City’s total operating budget and 76.0% of the General Fund operating budget, reducing the organizational footprint has been one of the main strategies for realizing ongoing savings and achieving a stable budget.

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 fiscal year to meet increased service demands. The largest annual increase was 27.63 FTE in FY17, which included 18.40 new FTE as part of the voter approved Library Operating Levy. The FY20 Proposed Budget reflects an increase of 16.05 FTE compared to the FY19 budget as of December 31, 2018. Of these additions, 1.0 FTE was added in FY19 after December 31. The number of FTE in the FY20 Proposed Budget is still below the FY09 level by over 20 FTE.

Year	Eugene Population	FTE	FTE per 1,000 Population
FY16	163,400	1,446.36	8.9
FY17	165,885	1,473.99	8.9
FY18	167,780	1,489.79	8.9
FY19, as of 12/31/2018	169,695	1,513.34	8.9
FY20 Proposed	172,105	1,529.39	8.9

Prior to the last economic recession, the ratio of City FTEs per 1,000 population hit a high of 10.4. The organizational footprint shrunk in response to pressures of the recession and this ratio has held steady at 8.9 FTE per 1,000 population since FY16, reflecting the City’s conservative growth management.



Budget Summary

FTE Summary and Trends

The additional 16.05 FTE positions by department are shown below.

Public Works, 7.0 FTE

- 2.0 FTE Landscape Architect
- 2.0 FTE Landscape Designer
- 1.0 FTE Fleet Supervisor
- 1.0 FTE Senior Financial Analyst
- 1.0 FTE Airport Worker 2

Planning and Development, 2.8 FTE

- 1.0 FTE Permit Review Manager
- 1.0 FTE Code Compliance
- 0.4 FTE Land Use/Zoning Senior Planner
- 0.2 FTE Management Analyst
- 0.2 FTE Contract Program Coordinator

Central Services, 3.00 FTE

- 1.0 FTE Assistant City Attorney
- 1.0 FTE Human Resources Analyst
- 1.0 FTE Corporate Software Manager (Revenue-backed position added in FY19 after December 31st)

Police, 3.0 FTE

- 3.0 FTE Airport Police Officer

Library, Recreation and Cultural Services, 0.25 FTE

- 0.25 FTE Recreation Program Assistant

The following summary provides a breakdown of FTE changes by department since FY16.

Department	FY16 Actual	FY17 Actual	FY18 Actual	FY19 12/31/18	FY20 Proposed	Change FY16-FY20
Central Services	218.75	220.75	223.55	225.65	228.65	4.1%
Fire and Emergency Medical Services	206.00	206.00	206.00	206.00	206.00	0.0%
Library, Recreation and Cultural Svcs.	172.80	196.08	196.08	196.58	196.83	13.9%
Planning and Development	98.40	99.65	107.65	113.60	116.40	18.3%
Police	328.16	328.16	328.16	330.16	333.16	1.5%
Public Works	422.25	423.35	428.35	441.35	448.35	6.2%
Total	1,446.36	1,473.99	1,489.79	1,513.34	1,529.39	5.7%

This page intentionally left blank.

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.

Department Budget Changes

This section sets out significant changes in the department's FY20 Proposed Budget versus the FY19 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.

Changes in Full-Time Equivalent Employees

The FY20 Proposed Budget includes an increase of 3.0 FTE in the Central Services Department. These position changes consist of the following:

- **Administration Division** added 1.0 FTE in FY19 after adoption of the budget for a revenue-backed Corporate Software Manager position.
- **City Manager's Office** added 2.0 FTEs. One of those FTEs is an existing Web Analyst position that will move from the Information Services Division to the City Manager's Office as part of the FY20 Proposed Budget to better align funding with the work performed by this position. The second FTE is the proposed addition of an Assistant City Attorney position in FY20 to address increased legal workload at the City Attorney's Office.
- **Human Resources Division** budget includes 1.0 new FTE in FY20 to strategically address more complex and in-depth employment issues and situations in the areas of ADA, FMLA, workers' compensation, and other state and federal obligations.
- **Information Services Division** reduced FTE by 1.0 in FY20 due to a Web Analyst position that will move to the City Manager's Office.

Significant Changes in Expenditures by Division

The FY20 Proposed Operating Budget includes the following significant changes, by division:

- **Administration:** Budget increased by \$243,441, or 26.1%, from the FY19 Adopted Budget to the FY20 Proposed Budget. This increase is due primarily to the FY19 mid-year addition of the revenue-backed Corporate Software Manager position in the Central Business Software Subfund of the Information Systems and Services Fund. Another increase of \$48,493 is due to reallocation of General Fund resources within the Central Services existing budget to support one-time contractual services costs, such as those related to Community Safety project management and temporary staffing support. After accounting for these changes, the FY20 budget increase in the Administration Division is \$44,948, or 4.8%.
- **City Manager's Office:** Budget increased by \$836,641, or 12.0%, due to several changes included in the FY20 Proposed Budget such the billing adjustment in the City Attorney's Office (\$260,000), adding a new Assistant City Attorney position (\$170,000), and revenue-backed budget increases at the Spay and Neuter Clinic to cover clinic relocation costs and an increase in sale of flea and tick medications (\$109,000). An additional \$132,063 increase was due to a transfer of a Web Analyst position from the Information Services Division. After accounting for these changes, the CMO budget increase is \$165,578, or 2.4%.
- **Human Resources:** Budget decreased by \$69,519, or 2.7%, primarily due to a \$322,764 decrease in HR's Corporate Software Fund budget due to completion of the corporate software implementation in FY19. This decrease was partially offset by an increase in the

Human Resources Division's General Fund budget of \$130,000 due to the addition of 1.0 FTE. After accounting for these two factors, the FY20 Proposed Budget increase in Human Resources' budget is \$123,245, or 4.8%.

- **Information Services:** Budget decreased by \$3,748,058, or 18.0%. The FY19 Adopted Budget included \$3,313,134 in reserve for encumbrances for funds under various contracts but not expended in FY18, and the FY20 Proposed Budget does not include encumbrances. In addition, the FY20 Proposed Budget reflects a decrease of \$1,079,831 in ISD's Corporate Software Fund budget due to completion of the corporate software implementation in FY19 and a decrease of \$132,603 due to a transfer of Web Analyst position from the Information Services Division to the City Manager's Office. After accounting for these factors, the division's FY20 increase was \$777,510 or 3.7%.
- **Police Auditor:** Budget increased by \$40,285, or 6.7%, due to department-wide personnel cost adjustments in the upcoming fiscal year, including increased retirement costs.

Significant Changes in Funding Sources

The FY20 Proposed Budget includes the following significant changes in funding sources:

- **Parks and Recreation Local Option Levy:** This was a new fund in FY19 due to the May 2018 passage of Ballot Measure 20-288 to fund parks and recreation operations. This fund did not include any budget for the Central Services department in FY19, however, the FY20 Proposed Budget includes \$100,000 for projected increase in pool maintenance costs associated with the bond measure.
- **Telecom Registration/Licensing:** Budget increased by \$722,529, or 21.8% in FY20 due to an increase of \$476,500 in the proposed budget for FY20 Telecom projects, an increase of \$450,000 in Telecom Fund's contribution to the Public Safety and Justice Information Systems Fund, and an increase of \$232,000 in Telecom Equipment Replacement Funding (ERF) from FY19 to FY20. These increases are partially offset by the inclusion in the FY19 budget of \$429,913 in reserve for encumbrances for funds under various contracts but not expended in FY18. After accounting for these changes, the Telecom Fund operating budget is decreasing by \$6,058, or 0.2%, from FY19 to FY20 primarily due to changes in projected contractual services costs in this fund.
- **Information Systems and Services:** Decreased by \$4,943,686, or 38.0%, for two main reasons. First, the fund's FY19 Adopted Budget included \$2,883,221 in reserve for encumbrances for funds under various contracts but not expended in FY18, and the FY20 Proposed Budget does not include encumbrances. Second, the operating budget for the Corporate Renovation Project is decreasing by \$1,869,872 from FY19 to FY20 based on the schedule of project expenditures. The FY20 Proposed Budget also reflects a reduction in the Information Systems and Services subfund operating contingency budget of \$500,000 based on historical experience. After accounting for these factors, the FY20 proposed operating budget for this fund is \$309,407, or 2.4%, higher than the FY19 adopted budget.
- **Facilities Services:** Decreased \$39,283, or 0.4%, due to the FY19 Adopted Budget for this fund including \$253,675 in reserve for encumbrances for funds under various contracts but not expended in FY18, and the FY20 Proposed Budget does not include encumbrances. After accounting for encumbrances, the FY20 proposed operating budget increase for this fund is \$214,392, or 2.1%.

Department View

Central Services

Change by Division	FY19	FY20	FTE or \$ Change	% Change
	Adopted Budget	Proposed Budget		
Administration				
Personnel - FTE	3.00	3.00	0.00	0.0%
Total Expenditures	\$932,092	\$1,175,533	\$243,441	26.1%
City Manager's Office				
Personnel - FTE	34.40	36.40	2.00	5.8%
Total Expenditures	\$6,949,467	\$7,786,108	\$836,641	12.0%
Facilities				
Personnel - FTE	58.50	58.50	0.00	0.0%
Total Expenditures	\$11,111,094	\$11,151,477	\$40,383	0.4%
Finance				
Personnel - FTE	26.00	26.00	0.00	0.0%
Total Expenditures	\$4,527,875	\$4,581,834	\$53,959	1.2%
Human Resources				
Personnel - FTE	14.85	15.85	1.00	6.7%
Total Expenditures	\$2,549,502	\$2,479,983	(\$69,519)	-2.7%
Information Services				
Personnel - FTE	50.50	49.50	(1.00)	-2.0%
Total Expenditures	\$20,816,880	\$17,068,822	(\$3,748,058)	-18.0%
Municipal Court				
Personnel - FTE	18.75	18.75	0.00	0.0%
Total Expenditures	\$5,404,401	\$5,424,685	\$20,284	0.4%
Police Auditor				
Personnel - FTE	3.90	3.90	0.00	0.0%
Total Expenditures	\$599,727	\$640,012	\$40,285	6.7%
Risk Services				
Personnel - FTE	15.75	15.75	0.00	0.0%
Total Expenditures	\$39,688,868	\$40,062,142	\$373,274	0.9%
Central Services Department				
PERSONNEL - FTE	225.65	227.65	2.00	0.9%
TOTAL EXPENDITURES	\$92,579,906	\$90,370,596	(\$2,209,310)	-2.4%

Change by Funding Source

General	\$26,047,835	\$27,271,970	\$1,224,135	4.7%
Special Assessment Mgmt.	104,728	109,440	4,712	4.5%
Parks and Recreation Local Option Levy	0	100,000	100,000	-
Telecom Reg./Licensing	3,308,520	4,031,049	722,529	21.8%
Parking Services	395,512	399,014	3,502	0.9%
Info. Systems and Services	13,015,741	8,072,055	(4,943,686)	-38.0%
Facilities Services	10,329,448	10,290,165	(39,283)	-0.4%
Risk and Benefits	39,378,122	40,096,903	718,781	1.8%
TOTAL FUNDING SOURCES	\$92,579,906	\$90,370,596	(\$2,209,310)	-2.4%

Department Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
PERSONNEL-FTE	220.75	223.55	225.65	225.65	228.65
Personnel Services	\$23,161,024	\$26,342,488	\$30,297,523	\$31,761,464	\$30,009,249
Materials and Services	53,543,245	57,470,476	61,404,296	69,730,699	59,539,847
Capital Outlay	510,016	157,588	878,087	878,087	821,500
TOTAL EXPENDITURES	\$77,214,285	\$83,970,551	\$92,579,906	\$102,370,250	\$90,370,596
FUND SUMMARY					
General	\$23,996,990	\$25,252,556	\$26,047,835	\$33,691,686	\$27,271,970
Special Assessment Mgmt.	89,005	98,969	104,728	104,728	109,440
Parks and Rec Local Option Levy	0	0	0	0	100,000
Telecom Reg./Licensing	1,600,668	2,215,931	3,308,520	7,001,165	4,031,049
Parking Services	356,714	366,027	395,512	395,512	399,014
Info. Systems and Services	8,040,246	10,445,154	13,015,741	11,590,679	8,072,055
Facilities Services	8,828,087	9,384,771	10,329,448	10,248,899	10,290,165
Risk and Benefits	34,302,574	36,207,143	39,378,122	39,337,581	40,096,903
TOTAL	\$77,214,285	\$83,970,551	\$92,579,906	\$102,370,250	\$90,370,596

Service Budget View for FY20

	Revenue		Expenditures		FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Infrastructure and Planning Services					
Parking	\$0	\$0	\$399,014	\$399,014	3.55
Public Buildings and Facilities	0	761,312	10,390,165	11,151,477	58.50
Subtotal	0	761,312	10,789,179	11,550,491	62.05
Public Safety Services					
Animal Services	958,308	958,308	0	958,308	3.75
Municipal Court	1,506,400	5,826,275	0	5,826,275	19.70
Subtotal	2,464,708	6,784,583	0	6,784,583	23.45
Central Business Functions					
Financial Services	100,000	4,301,843	279,991	4,581,834	26.00
Civic Leadership and Collab. Svcs.	300	5,671,938	0	5,671,938	26.90
Human Resources and Risk Svcs.	0	2,400,820	40,034,966	42,435,786	31.85
Information Technology Services	0	5,330,671	11,994,490	17,325,161	50.25
Human Rights and Neigh. Invol.	0	995,270	0	995,270	5.15
Central Services Admin.	0	1,025,533	0	1,025,533	3.00
Subtotal	100,300	19,726,075	52,309,447	72,035,522	143.15
Total	\$2,565,008	\$27,271,970	\$63,098,626	\$90,370,596	228.65

Division Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Administration					
PERSONNEL-FTE	3.00	3.00	3.00	3.00	4.00
Personnel Services	\$463,326	\$504,543	\$862,959	\$862,959	\$1,100,910
Materials and Services	158,141	238,731	69,133	1,139,869	74,623
TOTAL EXPENDITURES	\$621,467	\$743,274	\$932,092	\$2,002,828	\$1,175,533
FUND SUMMARY					
General	\$621,467	\$743,274	\$932,092	\$2,002,828	\$1,025,533
Info. Systems and Services	0	0	0	0	150,000
TOTAL	\$621,467	\$743,274	\$932,092	\$2,002,828	\$1,175,533
City Manager's Office					
PERSONNEL-FTE	33.90	34.40	34.40	34.40	36.40
Personnel Services	\$4,548,635	\$5,411,646	\$5,133,871	\$5,604,908	\$5,445,143
Materials and Services	1,871,446	1,938,420	1,815,596	5,312,604	2,340,965
Capital Outlay	7,327	50	0	0	0
TOTAL EXPENDITURES	\$6,427,408	\$7,350,116	\$6,949,467	\$10,917,512	\$7,786,108
FUND SUMMARY					
General	\$6,427,408	\$7,350,116	\$6,949,467	\$10,917,512	\$7,786,108
Facilities					
PERSONNEL-FTE	57.50	58.50	58.50	58.50	58.50
Personnel Services	\$4,705,898	\$5,273,491	\$5,698,991	\$5,758,991	\$6,011,232
Materials and Services	4,868,605	4,974,181	5,412,103	5,708,378	5,140,245
Capital Outlay	5,640	15,721	0	0	0
TOTAL EXPENDITURES	\$9,580,143	\$10,263,393	\$11,111,094	\$11,467,369	\$11,151,477
FUND SUMMARY					
General	\$748,818	\$875,470	\$781,646	\$1,218,470	\$761,312
Parks and Rec Local Option Levy	0	0	0	0	100,000
Parking Services	3,238	3,152	0	0	0
Facilities Services	8,828,087	9,384,771	10,329,448	10,248,899	10,290,165
TOTAL	\$9,580,143	\$10,263,393	\$11,111,094	\$11,467,369	\$11,151,477

Department View

Central Services

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Finance					
PERSONNEL-FTE	26.00	26.00	26.00	26.00	26.00
Personnel Services	\$3,220,974	\$3,527,086	\$3,535,200	\$3,624,141	\$3,601,262
Materials and Services	1,119,054	1,066,271	992,675	1,146,922	980,572
TOTAL EXPENDITURES	\$4,340,028	\$4,593,357	\$4,527,875	\$4,771,063	\$4,581,834
FUND SUMMARY					
General	\$3,748,632	\$3,807,630	\$3,977,786	\$4,220,974	\$4,301,843
Special Assessment Mgt.	89,005	98,969	104,728	104,728	109,440
Telecom. Reg./Licensing	13,927	15,580	15,598	15,598	16,941
Info. Systems and Services	437,957	617,213	373,950	373,950	91,673
Risk and Benefits	50,507	53,965	55,813	55,813	61,937
TOTAL	\$4,340,028	\$4,593,357	\$4,527,875	\$4,771,063	\$4,581,834
Human Resources					
PERSONNEL-FTE	14.85	14.85	14.85	14.85	15.85
Personnel Services	\$1,515,305	\$1,719,886	\$2,143,485	\$2,276,485	\$2,121,199
Materials and Services	443,145	443,186	406,017	430,033	358,784
TOTAL EXPENDITURES	\$1,958,450	\$2,163,072	\$2,549,502	\$2,706,518	\$2,479,983
FUND SUMMARY					
General	\$1,938,658	\$1,995,580	\$2,147,575	\$2,304,591	\$2,400,820
Info. Systems and Services	19,792	167,492	401,927	401,927	79,163
TOTAL	\$1,958,450	\$2,163,072	\$2,549,502	\$2,706,518	\$2,479,983
Information Services					
PERSONNEL-FTE	49.50	49.50	50.50	50.50	49.50
Personnel Services	\$4,897,982	\$5,685,463	\$6,938,223	\$6,938,223	\$6,999,591
Materials and Services	9,321,386	11,175,564	13,000,570	15,485,992	9,252,731
Capital Outlay	497,049	55,581	878,087	878,087	816,500
TOTAL EXPENDITURES	\$14,716,417	\$16,916,608	\$20,816,880	\$23,302,302	\$17,068,822
FUND SUMMARY					
General	\$5,539,227	\$5,118,560	\$5,650,653	\$5,868,492	\$5,330,671
Telecom. Reg./Licensing	1,586,741	2,200,350	3,292,922	6,985,567	4,014,108
Info. Systems and Services	7,562,678	9,567,363	11,839,864	10,414,802	7,686,219
Risk and Benefits	27,771	30,335	33,441	33,441	37,824
TOTAL	\$14,716,417	\$16,916,608	\$20,816,880	\$23,302,302	\$17,068,822

Department View

Central Services

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Municipal Court					
PERSONNEL-FTE	18.75	18.75	18.75	18.75	18.75
Personnel Services	\$1,619,426	\$1,828,161	\$2,056,379	\$2,767,342	\$1,931,883
Materials and Services	3,190,558	3,334,158	3,348,022	4,187,262	3,492,802
TOTAL EXPENDITURES	\$4,809,985	\$5,162,319	\$5,404,401	\$6,954,604	\$5,424,685
FUND SUMMARY					
General	\$4,456,509	\$4,799,443	\$5,008,889	\$6,559,092	\$5,025,671
Parking Services	353,477	362,876	395,512	395,512	399,014
TOTAL	\$4,809,985	\$5,162,319	\$5,404,401	\$6,954,604	\$5,424,685
Police Auditor					
PERSONNEL-FTE	3.00	3.80	3.90	3.90	3.90
Personnel Services	\$445,891	\$498,702	\$531,820	\$531,820	\$577,842
Materials and Services	70,381	63,780	67,907	67,907	62,170
TOTAL EXPENDITURES	\$516,272	\$562,481	\$599,727	\$599,727	\$640,012
FUND SUMMARY					
General	\$516,272	\$562,481	\$599,727	\$599,727	\$640,012
Risk Services					
PERSONNEL-FTE	14.25	14.75	15.75	15.75	15.75
Personnel Services	\$1,743,588	\$1,893,511	\$3,396,595	\$3,396,595	\$2,220,187
Materials and Services	32,500,528	34,236,184	36,292,273	36,251,732	37,836,955
Capital Outlay	0	86,235	0	0	5,000
TOTAL EXPENDITURES	\$34,244,115	\$36,215,930	\$39,688,868	\$39,648,327	\$40,062,142
FUND SUMMARY					
Info. Systems and Services	\$19,819	\$93,086	\$400,000	\$400,000	\$65,000
Risk and Benefits	34,224,297	36,122,844	39,288,868	39,248,327	39,997,142
TOTAL	\$34,244,115	\$36,215,930	\$39,688,868	\$39,648,327	\$40,062,142

Department Budget Changes

This section sets out significant changes in the department's FY20 Proposed Budget versus the FY19 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.

Changes in Full-Time Equivalent Employees

There are no FTE increases for the Fire and Emergency Medical Services Department in the FY20 Proposed Budget, but 1.0 FTE moved between divisions. The changes consist of the following:

- **Special Operations** added 1.0 FTE. As part of an administrative reorganization related to the ongoing consolidation of administrative functions between Eugene and Springfield Fire Departments, 1.0 FTE Program Specialist position was shifted from the Fire Marshal's Office to Special Operations.
- **Fire Marshal's Office** reduced FTE by 1.0. As part of an administrative reorganization related to the ongoing consolidation of administrative functions between Eugene and Springfield Fire Departments, 1.0 FTE Program Specialist position was shifted from the Fire Marshal's Office to Special Operations.

Significant Changes in Expenditures by Division

The FY20 Proposed Operating Budget includes the following significant changes, by division:

- **Office of the Chief:** Budget increased by \$194,660, or 10.7%. In FY19, budgeted wages were reduced by \$94,000 to reflect savings from a vacant position. The FY20 Proposed Budget assumes that all positions will be filled. Excluding this change, the budget increased by \$100,660, or 5.5% due to department-wide personnel cost adjustments in the upcoming fiscal year, including increased retirement costs.
- **Shift Operations:** Budget increased by \$2,654,272, or 8.4%. The FY20 Proposed Budget reflects an increase of nearly \$1,050,000 in overtime to align the budget with prior years' experience and increasing call volume. In addition, the FY20 budget includes a one-time funding increase of \$90,000 for IT solutions to address scheduling, fire incident reporting, electronic patient records, investigations, inspections, permitting and billing. Excluding these changes, the budget increased by \$1,514,272, or 4.8%.
- **Fire Marshal's Office:** Budget decreased \$4,188, or 0.3%. \$88,726 of this decrease is attributed to moving 1.0 FTE from the Fire Marshal's Office to Special Operations. After adjusting for this change the Fire Marshal's Office budget would have increased by \$84,538, or 5.7% due primarily to department-wide personnel cost adjustments in the upcoming fiscal year, including increased retirement costs.

Significant Changes in Funding Sources

The FY20 Proposed Budget includes the following significant changes in funding sources:

- **General:** Budget increased by \$2,108,865, or 6.9% primarily due to an increase in budgeted overtime of over \$780,000 to align the budget with prior years' experience and increasing call volume, as well as the addition of \$190,000 in one-time funding for Fire IT solutions (\$90,000) and Fuel Reduction in Wildland Urban Interface Areas (\$100,000). Excluding these changes, the budget increased by \$1,136,357, or 3.7%.
- **Construction and Rental Housing:** Budget increased by \$17,193, or 5.1%, due to department-wide personnel cost adjustments in the upcoming fiscal year, including increased retirement costs.
- **Ambulance Transport:** Budget increased by \$863,677, or 9.0%. FY20 includes an increase of over \$350,000 in anticipated overtime expenditures to align the budget with prior years' experience and increasing call volume, and the budget for contractual services was increased by \$167,725 based on an analysis of actual expenses over the last two fiscal years. Excluding these changes, the budget would have increased by \$342,494, or 3.6%.

Department View

Fire and Emergency Medical Services

Change by Division	FY19	FY20	FTE or \$ Change	% Change
	Adopted Budget	Proposed Budget		
Office of the Chief				
Personnel - FTE	9.56	9.56	0.00	0.0%
Total Expenditures	\$1,815,956	\$2,010,616	\$194,660	10.7%
Shift Operations				
Personnel - FTE	169.00	169.00	0.00	0.0%
Total Expenditures	\$31,747,613	\$34,401,885	\$2,654,272	8.4%
Special Operations				
Personnel - FTE	18.44	19.44	1.00	5.4%
Total Expenditures	\$6,903,305	\$7,104,601	\$201,296	2.9%
Fire Marshal's Office				
Personnel - FTE	9.00	8.00	(1.00)	-11.1%
Total Expenditures	\$1,489,385	\$1,485,197	(\$4,188)	-0.3%
Fire and Emergency Medical Services Department				
PERSONNEL - FTE	206.00	206.00	0.00	0.0%
TOTAL EXPENDITURES	\$41,956,259	\$45,002,299	\$3,046,040	7.3%

Change by Funding Source

General	\$30,777,064	\$32,885,929	\$2,108,865	6.9%
Construction and Rental Housing	340,239	357,432	17,193	5.1%
Municipal Airport	1,235,585	1,291,890	56,305	4.6%
Ambulance Transport	9,603,371	10,467,048	863,677	9.0%
TOTAL FUNDING SOURCES	\$41,956,259	\$45,002,299	\$3,046,040	7.3%

Department Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
PERSONNEL-FTE	206.00	206.00	206.00	206.00	206.00
Personnel Services	\$32,104,882	\$36,191,855	\$35,256,910	\$36,116,333	\$37,745,065
Materials and Services	5,912,617	6,363,026	6,699,349	6,801,701	7,257,234
Capital Outlay	92,037	314,108	0	1,255,380	0
TOTAL EXPENDITURES	\$38,109,537	\$42,868,988	\$41,956,259	\$44,173,414	\$45,002,299
FUND SUMMARY					
General	\$28,818,000	\$31,860,727	\$30,777,064	\$31,271,511	\$32,885,929
Construction and Rental Housing	296,696	291,303	340,239	340,239	357,432
Municipal Airport	864,582	907,517	1,235,585	1,235,585	1,291,890
Ambulance Transport	8,130,258	9,809,441	9,603,371	11,326,079	10,467,048
TOTAL	\$38,109,537	\$42,868,988	\$41,956,259	\$44,173,414	\$45,002,299

Service Budget View for FY20

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Infrastructure and Planning Services					
Airport	\$0	\$0	\$1,291,890	\$1,291,890	7.00
Construction Permits	0	0	357,432	357,432	2.00
Subtotal	0	0	1,649,322	1,649,322	9.00
Public Safety Services					
Fire and Emergency Medical Services	3,284,074	31,709,751	9,632,610	41,342,361	187.44
Fire and EMS Department Admin.	0	1,176,178	834,438	2,010,616	9.56
Subtotal	3,284,074	32,885,929	10,467,048	43,352,977	197.00
Total	\$3,284,074	\$32,885,929	\$12,116,370	\$45,002,299	206.00

Division Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Office of the Chief					
PERSONNEL-FTE	9.56	9.56	9.56	9.56	9.56
Personnel Services	\$1,034,518	\$1,064,397	\$1,417,359	\$1,417,359	\$1,612,222
Materials and Services	483,548	485,134	398,597	428,180	398,394
TOTAL EXPENDITURES	\$1,518,065	\$1,549,531	\$1,815,956	\$1,845,539	\$2,010,616
FUND SUMMARY					
General	\$736,146	\$755,990	\$907,794	\$937,377	\$1,176,178
Ambulance Transport	781,919	793,541	908,162	908,162	834,438
TOTAL	\$1,518,065	\$1,549,531	\$1,815,956	\$1,845,539	\$2,010,616
Shift Operations					
PERSONNEL-FTE	169.00	169.00	169.00	169.00	169.00
Personnel Services	\$27,263,060	\$30,701,960	\$29,434,274	\$30,179,332	\$31,477,695
Materials and Services	2,334,999	2,285,898	2,313,339	2,313,339	2,924,190
Capital Outlay	30,675	35,000	0	0	0
TOTAL EXPENDITURES	\$29,628,734	\$33,022,858	\$31,747,613	\$32,492,671	\$34,401,885
FUND SUMMARY					
General	\$23,043,283	\$25,068,382	\$24,663,381	\$25,008,439	\$26,115,515
Municipal Airport	864,582	907,517	1,235,585	1,235,585	1,291,890
Ambulance Transport	5,720,869	7,046,960	5,848,647	6,248,647	6,994,480
TOTAL	\$29,628,734	\$33,022,858	\$31,747,613	\$32,492,671	\$34,401,885
Special Operations					
PERSONNEL-FTE	18.44	18.44	18.44	18.44	19.44
Personnel Services	\$2,597,011	\$3,097,947	\$3,052,761	\$3,084,206	\$3,309,010
Materials and Services	2,942,240	3,442,868	3,850,544	3,887,261	3,795,591
Capital Outlay	61,362	279,108	0	1,255,380	0
TOTAL EXPENDITURES	\$5,600,613	\$6,819,922	\$6,903,305	\$8,226,847	\$7,104,601
FUND SUMMARY					
General	\$3,973,144	\$4,850,982	\$4,056,743	\$4,057,577	\$4,466,471
Ambulance Transport	1,627,470	1,968,940	2,846,562	4,169,270	2,638,130
TOTAL	\$5,600,613	\$6,819,922	\$6,903,305	\$8,226,847	\$7,104,601

Department View

Fire and Emergency Medical Services

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Fire Marshal's Office					
PERSONNEL-FTE	9.00	9.00	9.00	9.00	8.00
Personnel Services	\$1,210,294	\$1,327,551	\$1,352,516	\$1,435,436	\$1,346,138
Materials and Services	151,829	149,126	136,869	172,921	139,059
TOTAL EXPENDITURES	\$1,362,124	\$1,476,677	\$1,489,385	\$1,608,357	\$1,485,197
FUND SUMMARY					
General	\$1,065,427	\$1,185,374	\$1,149,146	\$1,268,118	\$1,127,765
Special Assessment Mgmt	296,696	291,303	340,239	340,239	357,432
TOTAL	\$1,362,124	\$1,476,677	\$1,489,385	\$1,608,357	\$1,485,197

Department Budget Changes

This section sets out significant changes in the department’s FY20 Proposed Budget versus the FY19 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.

Changes in Full-Time Equivalent Employees

The FY20 Proposed Budget includes an increase of 0.25 FTE in the Library, Recreation and Cultural Services (LRCS) Department, as well as a reorganization of existing positions within the department’s divisions. The position changes consist of the following:

- **Administration** added 8.63 FTE. LRCS combined its marketing and public information staff into one group now reporting to LRCS Administration. 6.63 FTE were previously budgeted in the Cultural Services Division and 2.0 FTE were in Library Services Division.
- **Cultural Services** reduced FTE by 6.63 due to the reorganization described in the Administration Division explanation.
- **Library Services** reduced FTE by 2.0 FTE due to the reorganization described in the Administration Division explanation.
- **Recreation Services** added 0.25 FTE to an existing 0.75 FTE Program Assistant funded by reallocating existing personnel budget to pay for the position, making it an ongoing cost-neutral FTE increase.

Significant Changes in Expenditures by Division

The FY20 Proposed Operating Budget includes the following significant changes, by division:

- **Administration:** Budget increased by \$1,790,309, or 162.2%, from the FY19 Adopted Budget. As noted in the Changes in Full-Time Equivalent Employees explanations, in FY20 all LRCS marketing and public information assets were reorganized into a single group under the Administration Division. The costs associated with this move, \$1,360,821, were transferred from the Cultural Services Division and the Library Services divisions. Additionally, \$400,000 in one-time funding was added to the division’s FY20 budget for Pedestrian Wayfinding (\$250,000) and support for upcoming community events (\$150,000). Excluding these changes, the Administration Division budget increased \$29,488, or 2.7%.
- **Cultural Services:** Budget decreased by \$674,037, or 8.3%. As noted previously, all LRCS marketing and public information assets were reorganized into a single group reporting under the Administration Division. The costs associated with this move, \$1,048,527, were transferred from Cultural Services Division to the Administration Division. Excluding this change, the Cultural Services budget increased by \$374,490, or 4.6%.

Significant Changes in Funding Sources

The FY20 Proposed Budget includes the following significant changes in funding sources:

- **General:** Budget increased by \$1,927,783, or 6.2%. The FY20 Proposed Budget includes one-time funding in the amount of \$500,000 for several projects: Pedestrian Wayfinding (\$250,000), support for upcoming community events (\$150,000), and investing in early literacy strategies (\$100,000). Excluding these changes, the LRCS General Fund budget increased \$1,427,783, or 4.6%.
- **Parks and Recreation Local Option Levy:** This was a new fund in FY19 due to the May 2018 passage of Ballot Measure 20-288 to fund parks and recreation operations. This fund did not include any budget for LRCS services in FY19 but includes \$50,000 in the FY20 Proposed Budget to allow for the temporary relocation of staff and/or programming during facility construction.

Department View

Library, Recreation and Cultural Services

Change by Division	FY19	FY20	FTE or \$ Change	% Change
	Adopted Budget	Proposed Budget		
Administration				
Personnel - FTE	3.00	11.63	8.63	287.7%
Total Expenditures	\$1,103,788	\$2,894,097	\$1,790,309	162.2%
Cultural Services				
Personnel - FTE	36.13	29.50	(6.63)	-18.4%
Total Expenditures	\$8,086,246	\$7,412,209	(\$674,037)	-8.3%
Library Services				
Personnel - FTE	105.00	103.00	(2.00)	-1.9%
Total Expenditures	\$14,051,096	\$14,484,366	\$433,270	3.1%
Recreation Services				
Personnel - FTE	52.45	52.70	0.25	0.5%
Total Expenditures	\$10,696,803	\$11,183,472	\$486,669	4.5%
Library, Recreation and Cultural Services Department				
PERSONNEL - FTE	196.58	196.83	0.25	0.1%
TOTAL EXPENDITURES	\$33,937,933	\$35,974,144	\$2,036,211	6.0%

Change by Funding Source

General	\$31,123,351	\$33,051,134	\$1,927,783	6.2%
Library Local Option Levy	2,417,582	2,467,510	49,928	2.1%
Parks and Recreation Local Option Levy	0	50,000	50,000	-
General Capital Projects	20,000	20,000	0	0.0%
Library, Parks and Recreation	377,000	385,500	8,500	2.3%
TOTAL FUNDING SOURCES	\$33,937,933	\$35,974,144	\$2,036,211	6.0%

Department Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
PERSONNEL-FTE	196.08	196.08	196.58	196.58	196.83
Personnel Services	\$18,968,415	\$20,890,310	\$21,948,458	\$22,295,571	\$23,060,009
Materials and Services	11,277,663	12,888,627	11,989,475	12,828,238	12,914,135
Capital Outlay	0	216,816	0	62,703	0
TOTAL EXPENDITURES	\$30,246,079	\$33,995,753	\$33,937,933	\$35,186,512	\$35,974,144
FUND SUMMARY					
General	\$28,162,351	\$31,864,851	\$31,123,351	\$32,381,930	\$33,051,134
General Capital Projects	1,625	0	20,000	20,000	20,000
Parks and Rec Local Option Levy	0	0	0	0	50,000
Library Local Option Levy	1,627,640	1,923,399	2,417,582	2,407,582	2,467,510
Library, Parks and Recreation	454,463	207,503	377,000	377,000	385,500
TOTAL	\$30,246,079	\$33,995,753	\$33,937,933	\$35,186,512	\$35,974,144

Service Budget View for FY20

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Culture and Recreation Services					
Adaptive Recreation Services	\$122,000	\$843,701	\$21,500	\$865,201	4.00
Adult and Senior Services	278,000	1,186,824	62,000	1,248,824	5.75
Aquatics	952,000	3,130,578	3,000	3,133,578	9.50
Athletics	370,000	503,539	1,000	504,539	3.00
Cultural Services	4,920,000	7,392,209	20,000	7,412,209	29.50
Library	478,540	11,739,856	2,744,510	14,484,366	103.00
Youth and Family Recreation Svcs.	1,206,000	5,360,330	71,000	5,431,330	30.45
LRCS Department Admin.	0	2,894,097	0	2,894,097	11.63
Total	\$8,326,540	\$33,051,134	\$2,923,010	\$35,974,144	196.83

Division Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Administration					
PERSONNEL-FTE	3.00	3.00	3.00	3.00	11.63
Personnel Services	\$494,332	\$492,726	\$630,787	\$630,787	\$1,717,575
Materials and Services	328,613	272,779	473,001	571,818	1,176,522
TOTAL EXPENDITURES	\$822,945	\$765,505	\$1,103,788	\$1,202,605	\$2,894,097
FUND SUMMARY					
General	\$822,945	\$765,505	\$1,103,788	\$1,202,605	\$2,894,097
Cultural Services					
PERSONNEL-FTE	36.13	36.13	36.13	36.13	29.50
Personnel Services	\$3,385,400	\$3,926,724	\$4,223,676	\$4,271,676	\$3,650,321
Materials and Services	3,179,560	5,365,897	3,862,570	4,323,200	3,761,888
Capital Outlay	0	30,889	0	15,995	0
TOTAL EXPENDITURES	\$6,564,961	\$9,323,510	\$8,086,246	\$8,610,871	\$7,412,209
FUND SUMMARY					
General	\$6,563,336	\$9,323,510	\$8,066,246	\$8,590,871	\$7,392,209
General Capital Projects	1,625	0	20,000	20,000	20,000
TOTAL	\$6,564,961	\$9,323,510	\$8,086,246	\$8,610,871	\$7,412,209
Library					
PERSONNEL-FTE	105.00	105.00	105.00	105.00	103.00
Personnel Services	\$8,620,412	\$9,384,939	\$9,923,793	\$9,923,793	\$10,172,284
Materials and Services	3,995,495	3,765,564	4,127,303	4,088,777	4,312,082
Capital Outlay	0	12,730	0	46,708	0
TOTAL EXPENDITURES	\$12,615,907	\$13,163,233	\$14,051,096	\$14,059,278	\$14,484,366
FUND SUMMARY					
General	\$10,722,933	\$11,059,109	\$11,366,514	\$11,384,696	\$11,739,856
Library Local Option Levy	1,627,640	1,923,399	2,417,582	2,407,582	2,467,510
Library, Parks, and Recreation	265,334	180,725	267,000	267,000	277,000
TOTAL	\$12,615,907	\$13,163,233	\$14,051,096	\$14,059,278	\$14,484,366

Department View

Library, Recreation and Cultural Services

Recreation

PERSONNEL-FTE	51.95	51.95	52.45	52.45	52.70
Personnel Services	\$6,468,270	\$7,085,921	\$7,170,202	\$7,469,315	\$7,519,829
Materials and Services	3,773,995	3,484,387	3,526,601	3,844,443	3,663,643
Capital Outlay	0	173,197	0	0	0
TOTAL EXPENDITURES	\$10,242,265	\$10,743,505	\$10,696,803	\$11,313,758	\$11,183,472
FUND SUMMARY					
General	\$10,053,136	\$10,716,727	\$10,586,803	\$11,203,758	\$11,024,972
Parks and Rec Local Option Levy	0	0	0	0	50,000
Library, Parks and Recreation	189,129	26,778	110,000	110,000	108,500
TOTAL	\$10,242,265	\$10,743,505	\$10,696,803	\$11,313,758	\$11,183,472

Department Budget Changes

This section sets out significant changes in the department's FY20 Proposed Budget versus the FY19 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.

Changes in Full-Time Equivalent Employees

The FY20 Proposed Budget includes an increase of 3.4 FTE in the Planning and Development Department. The changes consist of the following:

- **Administration and Parking** added 0.4 FTE. Of this increase, 0.2 FTE was added to an existing Program Coordinator position to increase capacity related to contract administration. An additional 0.2 FTE was added to an existing Management Analyst position to assess and help with commercial space leases.
- **Building and Permit Services (BPS)** added a total of 3.0 FTE in the FY20 Proposed Budget. The adoption of Transportation Network Companies (TNCs or ridesharing services) licensing began in early FY19 and 1.0 FTE is included in the FY20 Proposed Budget to provide additional support for this and other code compliance work. In the Land Use Zoning permit review team, 0.6 FTE was added in FY19 after the adoption of the budget to provide supervision and technical assistance to the Land Use Zoning permit review team. An additional 0.4 FTE is added to this position in FY20 to make it 1.0 FTE total. An additional 1.0 FTE Permit Review Manager is added in FY20 and will be responsible for overseeing the City's building plan review teams.

Significant Changes in Expenditures by Division

The FY20 Proposed Operating Budget includes the following significant changes, by division:

- **Administration and Parking:** The total budget decreased by \$390,516, or 4.3%. The FY19 Adopted Budget included \$721,819 in reserve for encumbrances for funds under various contracts but not expended in FY18, and the FY20 Proposed Budget does not include encumbrances. Excluding this change, the budget increased by \$331,303 or 3.6%.
- **Building and Permit Services:** Budget increased by \$932,620, or 11.1%. The FY19 Adopted Budget included \$97,129 in reserve for encumbrances for funds under various contracts but not expended in FY19, and the FY20 Proposed Budget does not include encumbrances. Other increases to proposed FY20 expenditures are due to the addition of the 3.0 FTE detailed above for \$389,168, one-time funding for revision of the Nuisance Code totaling \$70,000, a one-time equipment and setup-based cost increase related to software redevelopment of \$100,000, a State-mandated update to the specialty building codes for \$40,000 and a \$27,528 increase in allocated system fees to cover increased merchant service fees associated with processing System Development fees on building permits. Excluding these changes, the budget increased by \$402,999, or 4.8%.

- **Planning:** The total budget decreased by \$186,864, or 6.4%. The FY19 Adopted Budget included \$150,000 in funding for Urban Reserve staffing and consulting, \$30,000 for the University Neighborhood Plan, \$100,000 for Land Use Code updates and \$70,000 for the Clear Lake Expansion Area Shovel Ready Development Plan that are not included in the FY20 Proposed Budget. Excluding these changes, the total budget increased \$163,136, or 5.6%, which is due to department-wide personnel cost adjustments in the upcoming fiscal year, including increased retirement costs.

Significant Changes in Funding Sources

The FY20 Proposed Budget includes the following significant changes in funding sources:

- **Solid Waste and Recycling:** Decrease of \$9,830, or 0.9%. The FY19 Adopted Budget included \$110,703 in reserve for encumbrances for funds under various contracts but not expended in FY19, and the FY20 Proposed Budget does not include encumbrances. The fund's FY20 Proposed Budget also includes \$12,750 for 0.1 FTE to increase capacity related to contract administration and \$45,000 for the Repair and Reuse program to offer Fix-It-Fairs to the public to prolong the life of consumer goods and reduce waste. Excluding these changes, the fund increased by \$43,123, or 3.9%.
- **Construction and Rental Housing:** Increase of \$758,972, or 9.7%. The FY19 Adopted Budget included \$97,129 in reserve for encumbrances for funds under various contracts but not expended in FY19, and the FY20 Proposed Budget does not include encumbrances. Significant proposed FY20 expenditures are the addition of the 3.0 FTE detailed above totaling \$389,168, a State-mandated specialty building code update for \$40,000, and a one-time equipment and setup-based increase in the three-year allocation for software redevelopment of \$100,000. Excluding these changes, the fund increased \$390,546, or 4.2%.
- **Community Development:** Decreased by \$281,238, or 8.7%. The FY19 Adopted Budget included \$47,234 in reserve for encumbrances for funds under various contracts but not expended in FY19, and the FY20 Proposed Budget does not include encumbrances. Excluding this change, the budget decreased by \$234,004 or 7.2%. The Community Development CDBG Grant contractual services for Human Services Capital Facilities program was reduced \$535,196 because several pending projects should be completed in FY19, leaving FY20 with lower funding demand than prior years. Additional proposed FY20 changes include the addition of a Limited Duration Environmental Review position (\$109,940) and increased funding for the Emergency Minor Home Repair program (\$50,000). Excluding these changes, the Federal grant draw would increase by \$141,252, or 4.4%.
- **System Development Capital Projects:** Budget increased by \$14,982, or 9.0%, due to a \$7,528 increase in allocated system fees to cover increased merchant service fees associated with processing System Development fees on building permits. Excluding this change, the budget increased by \$7,454, or 4.5%.
- **Parking Services:** Decrease of \$401,344, or 6.4%. The FY19 Adopted Budget included \$555,794 in reserve for encumbrances for funds under various contracts but not expended in FY18 which the FY20 Proposed Budget does not include. Excluding these changes, Parking Services showed an increase of \$154,450, or 2.5%.

- **Facilities Services:** Decreased \$15,449, or 3.0%. The FY19 Adopted Budget included \$55,322 in reserve for encumbrances for funds under various contracts but not expended in FY19, and the FY20 Proposed Budget does not include encumbrances. In FY20, 0.2 FTE was added to an existing Management Analyst position to assess and help with commercial space leases for \$17,000. Excluding these change the fund increased \$22,873, or 4.4%.

Department View

Planning and Development

Change by Division	FY19	FY20	FTE or \$ Change	% Change
	Adopted Budget	Proposed Budget		
Administration and Parking				
Personnel - FTE	28.15	28.55	0.40	1.4%
Total Expenditures	\$9,186,977	\$8,796,461	(\$390,516)	-4.3%
Building and Permit Services				
Personnel - FTE	50.25	53.25	3.00	6.0%
Total Expenditures	\$8,435,828	\$9,368,448	\$932,620	11.1%
Community Development				
Personnel - FTE	17.60	17.60	0.00	0.0%
Total Expenditures	\$6,335,921	\$6,371,859	\$35,938	0.6%
Planning				
Personnel - FTE	17.00	17.00	0.00	0.0%
Total Expenditures	\$2,910,206	\$2,723,342	(\$186,864)	-6.4%
Planning and Development Department				
PERSONNEL - FTE	113.00	116.40	3.40	3.0%
TOTAL EXPENDITURES	\$26,868,932	\$27,260,110	\$391,178	1.5%

Change by Funding Source

General	\$7,723,477	\$8,048,562	\$325,085	4.2%
Solid Waste and Recycling	1,111,696	1,101,866	(9,830)	-0.9%
Construction and Rental Housing	7,810,918	8,569,890	758,972	9.7%
Community Development	3,244,642	2,963,404	(281,238)	-8.7%
System Dev. Capital Proj.	166,511	181,493	14,982	9.0%
Parking Services	6,293,570	5,892,226	(401,344)	-6.4%
Facilities Services	518,118	502,669	(15,449)	-3.0%
TOTAL FUNDING SOURCES	\$26,868,932	\$27,260,110	\$391,178	1.5%

Department Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
PERSONNEL-FTE	99.65	107.65	113.00	113.60	116.40
Personnel Services	\$11,087,001	\$11,852,020	\$14,269,963	\$14,821,550	\$16,651,836
Materials and Services	8,942,735	9,343,613	12,598,969	14,705,533	10,548,274
Capital Outlay	39,375	88,888	0	0	60,000
TOTAL EXPENDITURES	\$20,069,111	\$21,284,521	\$26,868,932	\$29,527,083	\$27,260,110
FUND SUMMARY					
General	\$6,389,376	\$6,862,773	\$7,723,477	\$10,076,160	\$8,048,562
Construction and Rental Housing	6,336,755	5,800,614	7,810,918	7,865,834	8,569,890
Solid Waste and Recycling	850,347	1,036,529	1,111,696	1,147,169	1,101,866
Community Development	1,519,211	1,453,087	3,244,642	3,543,661	2,963,404
Systems Dev. Cap. Proj.	90,010	119,171	166,511	166,511	181,493
Parking Services	4,623,053	5,672,073	6,293,570	6,243,844	5,892,226
Facilities Services	260,360	340,274	518,118	483,904	502,669
TOTAL	\$20,069,111	\$21,284,521	\$26,868,932	\$29,527,083	\$27,260,110

Service Budget View for FY20

	Revenue		Expenditures		FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Infrastructure and Planning Services					
Housing Opp. and Econ. Prosperity	\$28,262	\$956,501	\$1,670,087	\$2,626,588	12.14
Construction Permits	0	0	8,751,383	8,751,383	49.15
Greater Downtown Services	1,402,512	1,532,776	0	1,532,776	4.87
Land Use Planning	429,183	1,156,641	0	1,156,641	7.50
Metro and Community Planning	0	1,167,814	0	1,167,814	7.50
Parking Services	0	0	5,892,226	5,892,226	16.40
Infrastructure Project Management	0	0	256,500	256,500	0.00
Public Buildings and Facilities	0	0	502,669	502,669	0.50
Waste Prev./Green Bldg and Bus. Lic.	179,351	180,285	1,101,866	1,282,151	7.40
Zoning and Nuisance Admin.	89,100	744,501	0	744,501	4.55
Planning and Develop. Dept. Admin.	0	1,391,266	0	1,391,266	5.80
Subtotal	2,128,408	7,129,784	18,174,731	25,304,515	115.80
Public Safety Services					
Social Services	0	918,778	1,036,817	1,955,595	0.60
Total	\$2,128,408	\$8,048,562	\$19,211,548	\$27,260,110	116.40

POLICE

Division Financial Summary

	FY17	FY18	FY19	FY19	FY20
	Actual	Actual	Adopted	Budget	Proposed
			Budget	12/31/2018	Budget
Administration and Parking					
PERSONNEL-FTE	23.05	25.55	28.15	28.15	28.55
Personnel Services	\$2,667,489	\$2,751,359	\$3,314,506	\$3,454,506	\$3,805,993
Materials and Services	4,280,450	5,316,736	5,872,471	6,004,931	4,930,468
Capital Outlay	39,375	88,888	0	0	60,000
TOTAL EXPENDITURES	\$6,987,314	\$8,156,982	\$9,186,977	\$9,459,437	\$8,796,461
FUND SUMMARY					
General	\$847,494	\$835,457	\$984,948	\$1,305,875	\$991,979
Construction and Rental Housing	412,016	272,649	278,645	278,645	307,721
Solid Waste and Recycling	850,347	1,036,529	1,111,696	1,147,169	1,101,866
Parking Services	4,617,098	5,672,073	6,293,570	6,243,844	5,892,226
Facilities Services	260,360	340,274	518,118	483,904	502,669
TOTAL	\$6,987,314	\$8,156,982	\$9,186,977	\$9,459,437	\$8,796,461
Building and Permit Services					
PERSONNEL-FTE	47.00	50.00	50.25	50.85	53.25
Personnel Services	\$4,990,115	\$5,284,496	\$6,290,110	\$6,405,110	\$7,502,450
Materials and Services	1,641,695	1,005,458	2,145,718	2,168,376	1,865,998
Capital Outlay	0	0	0	0	0
TOTAL EXPENDITURES	\$6,631,811	\$6,289,954	\$8,435,828	\$8,573,486	\$9,368,448
FUND SUMMARY					
General	\$617,062	\$642,817	\$737,044	\$819,786	\$924,786
Construction and Rental Housing	5,924,739	5,527,965	7,532,273	7,587,189	8,262,169
Systems Dev. Cap. Proj.	90,010	119,171	166,511	166,511	181,493
TOTAL	\$6,631,811	\$6,289,954	\$8,435,828	\$8,573,486	\$9,368,448
Community Development					
PERSONNEL-FTE	14.60	16.10	17.60	17.60	17.60
Personnel Services	\$1,646,580	\$1,917,333	\$2,456,573	\$2,657,198	\$3,038,316
Materials and Services	2,531,635	2,461,172	3,879,348	4,506,664	3,333,543
Capital Outlay	0	0	0	0	0
TOTAL EXPENDITURES	\$4,178,215	\$4,378,504	\$6,335,921	\$7,163,862	\$6,371,859
FUND SUMMARY					
General	\$2,653,049	\$2,925,418	\$3,091,279	\$3,620,201	\$3,408,455
Community Development	1,519,211	1,453,087	3,244,642	3,543,661	2,963,404
Parking Services	5,955	0	0	0	0
TOTAL	\$4,178,215	\$4,378,504	\$6,335,921	\$7,163,862	\$6,371,859

Department View

Planning and Development

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Planning					
PERSONNEL-FTE	15.00	16.00	17.00	17.00	17.00
Personnel Services	\$1,782,816	\$1,898,833	\$2,208,774	\$2,304,736	\$2,305,077
Materials and Services	488,955	560,248	701,432	2,025,562	418,265
TOTAL EXPENDITURES	\$2,271,771	\$2,459,081	\$2,910,206	\$4,330,298	\$2,723,342
FUND SUMMARY					
General	\$2,271,771	\$2,459,081	\$2,910,206	\$4,330,298	\$2,723,342

Department Budget Changes

This section sets out significant changes in the department's FY20 Proposed Budget versus the FY19 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.

Changes in Full-Time Equivalent Employees

The FY20 Proposed Budget includes an increase of 3.0 FTE in the Police Department. The changes consist of the following:

- **Operations Support** decreased by 1.0 FTE due to reclassification of a Crime Analyst position to the Evidence Control Supervisor, which was then moved to the Investigations Division.
- **Patrol** increased FTE by 4.0 due to the addition of 3.0 FTE for the Airport (1.0 FTE is funded from the existing Airport personnel budget) and moving 1.0 FTE Evidence Unit Sergeant to the Patrol Division from the Investigations Division.
- **Investigations** experienced a net change of 0 FTE by moving an Evidence Unit Sergeant to Patrol (decrease of 1.0 FTE) and received 1.0 FTE Evidence Control Supervisor that was transferred from the Operations Support Division.

Significant Changes in Expenditures by Division

The FY20 Proposed Operating Budget includes the following significant changes, by division:

- **Office of the Chief:** Budget decreased overall by \$305,251, or 7.4%, due to the cessation of one-time funds included in the FY19 Adopted Budget, including funding for Body Worn Camera Storage (\$80,000), staffing support for backfill hiring (\$270,000) and the Community Justice Initiative (\$500,000). These decreases were offset primarily by department-wide personnel cost adjustments in the upcoming fiscal year, including increased retirement costs. In FY20, funding has been set aside as the department continues to evaluate its organizational structure while conversations continue about the Community Safety Initiative. After accounting for these changes, the division budget decreased by \$4,251, or 0.1%.
- **Patrol:** Budget increased by \$1,965,727, or 6.6%, due to several changes to FY20 service levels. The FY20 budget includes one-time funding to increase CAHOOTS service (\$281,000) and the ongoing addition of 2.0 FTE Police Officer positions at the Airport to support the new United Chicago service (\$345,475). After accounting for these changes, the division budget increased by \$1,339,252, or 4.5%.

Significant Changes in Funding Sources

The FY20 Proposed Budget includes the following significant changes in funding sources:

- **Parks and Recreation Local Option Levy:** Budget decreased by \$40,938, or 9.5%, due to one-time costs included in the FY19 Adopted Budget that were removed for FY20.

- **Public Safety Communications:** Budget increased by \$158,902, or 7.2%. The FY20 budget for contractual services was increased by \$46,400 to allow for budget authority for larger projects. After accounting for these changes, the budget increased by \$112,502, or 5%.
- **Municipal Airport:** Budget increased by \$405,114, or 57.1%. This increase is primarily attributable to the addition of 2.0 FTE Police Officer positions at a cost of \$345,475 to support the new United Chicago service at the Airport. Excluding this change, the budget increased by \$59,639 or 8.4%, due to personnel cost adjustments in the upcoming fiscal year, including increased retirement costs.

Department View

Police

Change by Division	FY19 Adopted Budget	FY20 Proposed Budget	FTE or \$ Change	% Change
Investigations				
Personnel - FTE	48.00	48.00	0.00	0.0%
Total Expenditures	\$8,605,383	\$9,039,692	\$434,309	5.0%
Office of the Chief				
Personnel - FTE	14.50	14.50	0.00	0.0%
Total Expenditures	\$4,126,074	\$3,820,823	(\$305,251)	-7.4%
Operations Support				
Personnel - FTE	19.66	18.66	(1.00)	-5.1%
Total Expenditures	\$3,666,884	\$3,754,694	\$87,810	2.4%
Patrol				
Personnel - FTE	164.00	168.00	4.00	2.4%
Total Expenditures	\$29,826,585	\$31,792,312	\$1,965,727	6.6%
Technical Services				
Personnel - FTE	84.00	84.00	0.00	0.0%
Total Expenditures	\$12,277,813	\$12,893,045	\$615,232	5.0%
Police Department				
PERSONNEL - FTE	330.16	333.16	3.00	0.9%
TOTAL EXPENDITURES	\$58,502,739	\$61,300,566	\$2,797,827	4.8%

Change by Funding Source

General	\$55,144,120	\$57,418,869	\$2,274,749	4.1%
Parks and Recreation Local Option Levy	430,000	389,062	(40,938)	-9.5%
Public Safety Communications	2,219,619	2,378,521	158,902	7.2%
Municipal Airport	709,000	1,114,114	405,114	57.1%
TOTAL FUNDING SOURCES	\$58,502,739	\$61,300,566	\$2,797,827	4.8%

Department Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
PERSONNEL-FTE	328.16	328.16	330.16	330.16	333.16
Personnel Services	\$43,493,318	\$45,191,881	\$48,173,192	\$52,909,912	\$50,879,876
Materials and Services	10,358,200	9,796,635	10,329,547	10,790,965	10,420,690
Capital Outlay	171,918	275,374	0	56,408	0
TOTAL EXPENDITURES	\$54,023,436	\$55,263,890	\$58,502,739	\$63,757,285	\$61,300,566
FUND SUMMARY					
General	\$51,649,187	\$52,975,096	\$55,144,120	\$60,398,666	\$57,418,869
Special Revenue	0	0	430,000	430,000	389,062
Public Safety Communications	1,797,694	1,654,517	2,219,619	2,219,619	2,378,521
Municipal Airport	576,555	634,276	709,000	709,000	1,114,114
TOTAL	\$54,023,436	\$55,263,890	\$58,502,739	\$63,757,285	\$61,300,566

Service Budget View for FY20

	Revenue	Expenditures			FTE
	General Fund	General Fund	Other Funds	All Funds	All Funds
Infrastructure and Planning Services					
Airport	0	0	1,114,114	1,114,114	6.00
Public Safety Services					
Animal Services	\$240,000	\$1,022,526	\$0	\$1,022,526	3.00
Call Taking and Dispatch	1,430,000	7,287,406	2,378,521	9,665,927	58.50
Investigations	10,000	9,039,692	0	9,039,692	48.00
Police Records Mgmt. and Analysis	35,000	3,227,118	0	3,227,118	25.50
Patrol	1,255,000	30,289,136	389,062	30,678,198	162.00
Police Department Admin.	0	6,552,991	0	6,552,991	30.16
Subtotal	2,970,000	57,418,869	2,767,583	60,186,452	327.16
Total	\$2,970,000	\$57,418,869	\$3,881,697	\$61,300,566	333.16

Division Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Investigations					
PERSONNEL-FTE	47.66	48.00	48.00	48.00	48.00
Personnel Services	\$6,768,720	\$7,395,321	\$7,352,490	\$7,352,490	\$7,721,587
Materials and Services	1,345,025	1,147,749	1,252,893	1,343,518	1,318,105
Capital Outlay	14,880	34,110	0	0	0
TOTAL EXPENDITURES	\$8,128,625	\$8,577,180	\$8,605,383	\$8,696,008	\$9,039,692
FUND SUMMARY					
General	\$8,128,625	\$8,577,180	\$8,605,383	\$8,696,008	\$9,039,692
Office of the Chief					
PERSONNEL-FTE	13.50	14.50	14.50	14.50	14.50
Personnel Services	\$1,905,026	\$1,952,215	\$2,492,790	\$2,492,790	\$2,768,543
Materials and Services	440,305	1,126,200	1,633,284	1,679,342	1,052,280
TOTAL EXPENDITURES	\$2,345,332	\$3,078,415	\$4,126,074	\$4,172,132	\$3,820,823
FUND SUMMARY					
General	\$2,345,332	\$3,078,415	\$4,126,074	\$4,172,132	\$3,820,823
Operations Support					
PERSONNEL-FTE	20.00	19.66	19.66	19.66	18.66
Personnel Services	\$2,931,771	\$1,939,828	\$2,402,805	\$2,402,805	\$2,429,149
Materials and Services	3,062,752	1,216,544	1,264,079	1,391,582	1,325,545
Capital Outlay	91,956	6,995	0	0	0
TOTAL EXPENDITURES	\$6,086,479	\$3,163,367	\$3,666,884	\$3,794,387	\$3,754,694
FUND SUMMARY					
General	\$6,081,164	\$3,163,443	\$3,666,884	\$3,794,387	\$3,754,694
Public Safety Communications	5,315	-76	0	0	0
TOTAL	\$6,086,479	\$3,163,367	\$3,666,884	\$3,794,387	\$3,754,694
Patrol					
PERSONNEL-FTE	163.00	162.00	164.00	164.00	168.00
Personnel Services	\$22,928,784	\$24,606,635	\$25,549,397	\$29,786,117	\$27,032,266
Materials and Services	3,961,376	4,949,512	4,277,188	4,457,116	4,760,046
Capital Outlay	65,081	234,269	0	56,408	0
TOTAL EXPENDITURES	\$26,955,242	\$29,790,416	\$29,826,585	\$34,299,641	\$31,792,312
FUND SUMMARY					
General	\$26,378,687	\$29,156,140	\$28,687,585	\$33,160,641	\$30,289,136
Special Revenue	0	0	430,000	430,000	389,062
Municipal Airport	576,555	634,276	709,000	709,000	1,114,114
TOTAL	\$26,955,242	\$29,790,416	\$29,826,585	\$34,299,641	\$31,792,312

Department View

Police

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Technical Services					
PERSONNEL-FTE	84.00	84.00	84.00	84.00	84.00
Personnel Services	\$8,959,017	\$9,297,882	\$10,375,710	\$10,875,710	\$10,928,331
Materials and Services	1,548,742	1,356,629	1,902,103	1,919,407	1,964,714
Capital Outlay	0	0	0	0	0
TOTAL EXPENDITURES	\$10,507,759	\$10,654,511	\$12,277,813	\$12,795,117	\$12,893,045
FUND SUMMARY					
General	\$8,715,379	\$8,999,917	\$10,058,194	\$10,575,498	\$10,514,524
Public Safety Communications	1,792,379	1,654,594	2,219,619	2,219,619	2,378,521
TOTAL	\$10,507,759	\$10,654,511	\$12,277,813	\$12,795,117	\$12,893,045

Department Budget Changes

This section sets out significant changes in the department’s FY20 Proposed Budget versus the FY19 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.

Changes in Full-Time Equivalent Employees

The FY20 Proposed Budget includes an increase of 7.0 FTE in the Public Works Department. The changes consist of the following:

- **Airport Division** added 1.0 FTE in FY20 for an Airport Worker 2 to provide both mechanical and electrical work on equipment such as jet bridges, bag belts and bag claim equipment.
- **Engineering Division** added 3.0 FTE in FY20. Of this increase, 2.0 FTE is for a landscape designer and a landscape architect. The 2018 voter-approved Parks and Recreation capital bond increases capital project related work and created the need for additional staff. In addition, 1.0 FTE Associate Engineering Technician was moved from the Maintenance Division to the Engineering Division.
- **Maintenance Division** added 0.5 FTE in FY20. The division added 1.0 FTE for a Fleet Supervisor and 0.5 FTE for a Senior Financial Analyst and moved 1.0 FTE Associate Engineering Technician to the Engineering Division. The Fleet position will be responsible for the supervision of fleet parts, fuel, fleet administration and will also add capacity for additional emergency communications support. A Senior Financial Analyst is proposed for financial support for both the Maintenance (0.5 FTE) and Parks and Open Space Divisions (0.5 FTE). This position will provide financial management, including budget development and analytical support.
- **Parks and Open Space Division** added 2.5 FTE. 2.0 FTE for a landscape designer and a landscape architect, and 0.5 FTE for a Senior Financial Analyst. The 2018 voter-approved Parks and Recreation capital bond increases capital project-related work and created the need for additional staff. A Senior Financial Analyst is proposed for financial support for both the Maintenance (0.5 FTE) and Parks and Open Space Divisions (0.5 FTE). This position will provide financial management, including budget development and analytical support.

Significant Changes in Expenditures by Division

The FY20 Proposed Operating Budget includes the following significant changes, by division:

- **Administration:** Budget increased by \$350,245, or 5.6%, due to an increase in the City Utility ROW Fees of \$101,000 and a projected increase in the administrative fee paid to EWEB for the billing and collection of the stormwater and wastewater fees of \$66,000. Excluding these additions, the change would have been \$183,245, or 2.9%.
- **Airport:** Budget increased by \$555,268, or 6.3%, due to the increase of 1.0 FTE Airport Worker 2 (\$100,000) and increases in contract costs for the management of the parking lot (\$62,000). Excluding these additions, the change would have been \$393,268, or 4.5%.

- **Engineering:** Budget increased by \$671,326, or 5.3%; \$255,000 was added in FY20 for the 2.0 FTE landscape designer and landscape architect. Excluding these changes, the overall budget increased \$416,326, or 3.3%.
- **Maintenance:** The reduction of \$4,741,782, or 12.5%, is primarily due to budgeting of vehicle replacement which will fluctuate each year depending on the schedule of vehicles to be replaced. Excluding this change, the overall budget decreased by \$125,069, or 0.4%.
- **Wastewater:** The overall reduction of \$656,802, or 3.9%, in the Wastewater Division is primarily due to two factors: the FY19 Adopted Budget included \$251,593 in reserve for encumbrances for funds under various contracts but not expended in FY18, and the FY20 Proposed Budget does not include encumbrances, and FY20's budget for major rehabilitation of Metropolitan Wastewater Management Commission (MWMC) assets was reduced by \$527,300 based on the projects scheduled for the upcoming fiscal year. Excluding these changes, the overall budget increased by \$122,091, or 0.7%.

Significant Changes in Funding Sources

The FY20 Proposed Budget includes the following significant changes in funding sources:

- **Parks and Recreation Local Option Levy:** The Parks and Recreation Local Option Levy fund increased by \$237,786, or 11.9%. This increase is the implementation of the second year of the spending plan for the 2018 Parks and Recreation Levy, which includes funding for the operation of projects that will be completed by the accompanying 2018 Parks and Recreation Bond through FY19 and FY20. Excluding this change, the overall budget increased \$37,786, or 1.9%.
- **Road:** The Road Fund budget decreased by \$734,198, or 5.0%. The FY19 Adopted Budget included \$1,089,715 in reserve for encumbrances for funds under various contracts but not expended in FY18. Excluding this change, the Road Fund budget increased by \$355,517, or 2.4%.
- **Construction and Rental Housing:** The Construction and Rental Housing fund increased by \$24,503, or 5.1%. This increase is due to department-wide personnel cost adjustments of \$23,137 in the upcoming fiscal year, including increased retirement costs. Excluding these changes, the overall budget increased \$1,366, or 0.3%.
- **System Development Capital Projects:** The System Development Capital Projects Fund (Administration Costs) is proposed to decrease by \$48,578, or 9.6%. The FY20 budget reflects a decrease of \$40,000 due to the completion of consultant contracts for SDC system review. Excluding this change, the overall budget decreased \$8,578, or 1.7%.
- **Municipal Airport:** The Municipal Airport Fund increase of \$559,829, or 6.3%, is described in the Significant Changes in Expenditures by Division section.
- **Wastewater Utility:** The overall reduction of \$383,995, or 1.5%, in the Wastewater Utility Fund (which includes both regional and local) is primarily due to the FY19 Adopted Budget including \$333,012 in reserve for encumbrances for funds under various contracts but not expended in FY18. In addition, the fund's budget for major rehabilitation of Metropolitan MWMC assets was reduced by \$541,300 based on the projects scheduled for the upcoming fiscal year. Excluding these changes, the overall budget increased by \$490,317, or 2.0%.
- **Fleet Services:** The Fleet Services budget reflects an overall reduction of \$4,260,165, or 26.0%. This reduction is primarily due to the reduction of \$4,616,713 for budgeting of vehicle replacement. Vehicle replacement will fluctuate each year depending on the

schedule of vehicles to be replaced. Excluding this change, the overall budget increased \$356,548, or 2.2%.

- **Professional Services:** The Professional Services Fund increase of \$814,805, or 12.1%, is due to the addition of 4.0 FTE for two landscape designers and two landscape architects at the cost of \$514,000 (see the explanations for Changes in Full-Time Equivalent Employees for the Engineering and Parks and Open Space divisions). The 2018 voter-approved Parks and Recreation capital bond increases capital project related work and created the need for additional staff. Excluding this change, the overall budget increased by \$300,805, or 4.5%.

Department View

Public Works

Change by Division	FY19	FY20	FTE or \$ Change	% Change
	Adopted Budget	Proposed Budget		
Administration				
Personnel - FTE	17.00	17.00	0.00	0.0%
Total Expenditures	\$6,247,497	\$6,597,742	\$350,245	5.6%
Airport				
Personnel - FTE	41.50	42.50	1.00	2.4%
Total Expenditures	\$8,775,898	\$9,331,166	\$555,268	6.3%
Engineering				
Personnel - FTE	77.00	80.00	3.00	3.9%
Total Expenditures	\$12,711,724	\$13,383,050	\$671,326	5.3%
Maintenance				
Personnel - FTE	134.25	134.75	0.50	0.4%
Total Expenditures	\$37,817,086	\$33,075,304	(\$4,741,782)	-12.5%
Parks and Open Space				
Personnel - FTE	87.10	89.60	2.50	2.9%
Total Expenditures	\$15,542,940	\$15,992,861	\$449,921	2.9%
Wastewater				
Personnel - FTE	84.50	84.50	0.00	0.0%
Total Expenditures	\$16,648,651	\$15,991,849	(\$656,802)	-3.9%
Public Works Department				
PERSONNEL - FTE	441.35	448.35	7.00	1.6%
TOTAL EXPENDITURES	\$97,743,796	\$94,371,972	(\$3,371,824)	-3.4%

Change by Funding Source

General	\$6,492,151	\$6,807,147	\$314,996	4.9%
Parks and Recreation Local Option Levy	\$2,000,000	\$2,237,786	\$237,786	11.9%
Road	14,694,473	13,960,275	(734,198)	-5.0%
Construction and Rental Housing	481,074	505,577	24,503	5.1%
System Dev. Capital Proj.	506,821	458,243	(48,578)	-9.6%
Municipal Airport	8,822,783	9,382,612	559,829	6.3%
Parking Services	90,061	93,033	2,972	3.3%
Wastewater Utility	24,932,977	24,548,982	(383,995)	-1.5%
Stormwater Utility	16,574,573	16,674,794	100,221	0.6%
Fleet Services	16,401,757	12,141,592	(4,260,165)	-26.0%
Professional Services	6,747,126	7,561,931	814,805	12.1%
TOTAL FUNDING SOURCES	\$97,743,796	\$94,371,972	(\$3,371,824)	-3.4%

Department Financial Summary

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
PERSONNEL-FTE	423.35	428.35	441.35	441.35	448.35
Personnel Services	\$43,601,881	\$46,397,216	\$51,665,294	\$51,828,794	\$54,820,617
Materials and Services	28,032,994	28,204,648	34,618,512	35,231,018	33,627,284
Capital Outlay	6,070,443	4,876,023	11,459,990	13,804,106	5,924,071
TOTAL EXPENDITURES	\$77,705,317	\$79,477,887	\$97,743,796	\$100,863,918	\$94,371,972
FUND SUMMARY					
General	\$5,953,669	\$6,441,476	\$6,492,151	\$6,717,618	\$6,807,147
Parks and Rec Local Option Levy	0	0	2,000,000	2,000,000	2,237,786
Road	11,749,456	12,020,076	14,694,473	15,215,394	13,960,275
Construction and Rental Housing	430,663	418,736	481,074	481,074	505,577
Systems Dev. Cap. Proj.	373,897	434,431	506,821	506,821	458,243
Municipal Airport	7,499,991	8,311,188	8,822,783	8,822,783	9,382,612
Parking Services	61,509	62,117	90,061	90,061	93,033
Wastewater Utility	21,222,194	21,594,521	24,932,977	25,318,226	24,548,982
Stormwater Utility	13,776,144	14,138,730	16,574,573	16,958,058	16,674,794
Fleet Services	10,608,905	10,225,848	16,401,757	17,756,757	12,141,592
Professional Services	6,028,890	5,830,765	6,747,126	6,997,126	7,561,931
TOTAL	\$77,705,317	\$79,477,887	\$97,743,796	\$100,863,918	\$94,371,972

Service Budget View for FY20

Construction Permits	0	0	1,735,406	1,735,406	12.20
Parks and Open Space	138,000	4,583,367	2,287,786	6,871,153	33.97
Parking	0	0	93,033	93,033	0.00
Infrastructure Project Management	0	0	7,561,931	7,561,931	46.29
Stormwater Management	0	0	15,100,826	15,100,826	78.29
Transportation	0	176,850	12,804,226	12,981,076	60.92
Urban Forestry	18,000	119,254	2,127,242	2,246,496	11.50
Wastewater Collection and Treatment	0	0	24,330,171	24,330,171	123.42
Public Works Department Admin.	0	1,802,508	0	1,802,508	7.65
Subtotal	156,000	6,681,979	75,423,233	82,105,212	417.15
Culture and Recreation Services					
Athletics	0	125,168	0	125,168	1.00
Central Business Functions					
Fleet and Radio Communication Svcs.	0	0	12,141,592	12,141,592	30.20
Total	\$156,000	\$6,807,147	\$87,564,825	\$94,371,972	448.35
Total All Departments and Services	\$19,430,030	\$165,483,611	\$188,796,076	\$354,279,687	1,529.39

Division Financial Summary

	FY17	FY18	FY19	FY19	FY20
Administration	Actual	Actual	Adopted	Budget	Proposed
			Budget	12/31/2018	Budget
PERSONNEL-FTE	16.00	17.00	17.00	17.00	17.00
Personnel Services	\$1,845,706	\$2,099,582	\$2,165,433	\$2,165,433	\$2,463,826
Materials and Services	3,271,495	3,256,106	4,082,064	4,086,062	4,133,916
TOTAL EXPENDITURES	\$5,117,200	\$5,355,688	\$6,247,497	\$6,251,495	\$6,597,742
FUND SUMMARY					
General	\$1,303,386	\$1,469,782	\$1,712,246	\$1,716,244	\$1,802,508
Road	135,836	217,815	180,626	180,626	189,478
Wastewater Utility	1,572,860	1,583,292	1,883,157	1,883,157	1,997,280
Stormwater Utility	1,885,443	1,835,516	2,202,766	2,202,766	2,322,348
Professional Services	219,675	249,283	268,702	268,702	286,128
TOTAL	\$5,117,200	\$5,355,688	\$6,247,497	\$6,251,495	\$6,597,742
Airport					
PERSONNEL-FTE	38.50	39.50	41.50	41.50	42.50
Personnel Services	\$4,030,649	\$4,437,661	\$4,725,991	\$4,725,991	\$5,033,745
Materials and Services	3,260,845	3,656,154	4,014,907	4,014,907	4,262,421
Capital Outlay	\$157,723	\$162,277	\$35,000	\$35,000	\$35,000
TOTAL EXPENDITURES	\$7,449,217	\$8,256,092	\$8,775,898	\$8,775,898	\$9,331,166
FUND SUMMARY					
Municipal Airport	\$7,449,217	\$8,256,092	\$8,766,299	\$8,766,299	\$9,321,213
Professional Services	0	0	9,599	9,599	9,953
TOTAL	\$7,449,217	\$8,256,092	\$8,775,898	\$8,775,898	\$9,331,166
Engineering					
PERSONNEL-FTE	76.00	77.00	77.00	77.00	80.00
Personnel Services	\$8,403,919	\$8,754,898	\$9,900,540	\$10,065,540	\$10,717,234
Materials and Services	1,986,749	2,017,199	2,711,184	3,573,363	2,585,816
Capital Outlay	106,512	108,138	100,000	100,000	80,000
TOTAL EXPENDITURES	\$10,497,179	\$10,880,235	\$12,711,724	\$13,738,903	\$13,383,050
FUND SUMMARY					
General	\$51,691	\$51,085	\$67,763	\$69,763	\$66,437
Road	2,009,094	2,330,108	2,364,853	3,248,110	2,394,742
Construction and Rental Housing	309,376	291,210	358,371	358,371	376,916
Systems Dev. Cap. Proj.	283,650	320,629	417,027	417,027	408,243
Wastewater Utility	1,043,994	1,223,543	1,601,513	1,592,613	1,734,966
Stormwater Utility	1,552,794	1,720,834	2,114,997	2,100,819	2,105,406
Fleet Services	10,902	10,522	21,111	21,111	21,204
Professional Services	5,235,678	4,932,304	5,766,089	5,931,089	6,275,136
TOTAL	\$10,497,179	\$10,880,235	\$12,711,724	\$13,738,903	\$13,383,050

Department View

Public Works

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Maintenance					
PERSONNEL-FTE	130.25	131.25	134.25	134.25	134.75
Personnel Services	\$12,797,913	\$13,704,692	\$15,487,048	\$15,487,048	\$15,731,527
Materials and Services	10,900,027	11,186,646	13,192,854	12,464,806	12,823,306
Capital Outlay	4,064,010	3,322,306	9,137,184	10,893,000	4,520,471
TOTAL EXPENDITURES	\$27,761,950	\$28,213,644	\$37,817,086	\$38,844,854	\$33,075,304
FUND SUMMARY					
General	\$108,137	\$179,222	\$139,638	\$140,123	\$145,779
Road	7,606,684	8,026,984	10,121,711	9,716,954	9,458,490
Construction and Rental Housing	121,287	127,526	122,703	122,703	128,661
Municipal Airport	50,774	55,096	56,484	56,484	61,399
Parking Services	61,509	62,117	90,061	90,061	93,033
Wastewater Utility	4,601,206	4,667,697	5,321,638	5,324,827	5,373,581
Stormwater Utility	4,447,839	4,771,811	5,425,114	5,498,965	5,528,727
Fleet Services	10,598,004	10,215,326	16,380,646	17,735,646	12,120,388
Professional Services	166,511	107,867	159,091	159,091	165,246
TOTAL	\$27,761,950	\$28,213,644	\$37,817,086	\$38,844,854	\$33,075,304
Parks and Open Space					
PERSONNEL-FTE	79.10	79.10	87.10	87.10	89.60
Personnel Services	\$7,761,255	\$8,030,404	\$9,496,011	\$9,494,511	\$10,435,981
Materials and Services	4,663,915	4,172,052	6,046,929	6,664,840	5,556,880
Capital Outlay	0	12,071	0	50,000	0
TOTAL EXPENDITURES	\$12,425,169	\$12,214,527	\$15,542,940	\$16,209,351	\$15,992,861
FUND SUMMARY					
General	\$4,490,455	\$4,741,388	\$4,572,504	\$4,791,488	\$4,792,423
Parks and Rec Local Option Levy	\$0	\$0	\$2,000,000	\$2,000,000	\$2,237,786
Road	1,997,841	1,445,170	2,027,283	2,069,704	1,917,565
Library, Parks and Recreation	0	0	0	0	0
Systems Dev. Cap. Proj.	90,247	113,802	89,794	89,794	50,000
Wastewater Utility	9,422	13,171	13,177	13,177	13,467
Stormwater Utility	5,430,178	5,359,686	6,296,537	6,616,543	6,156,152
Professional Services	407,026	541,310	543,645	628,645	825,468
TOTAL	\$12,425,169	\$12,214,527	\$15,542,940	\$16,209,351	\$15,992,861

Department View

Public Works

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY20 Proposed Budget
Wastewater					
PERSONNEL-FTE	83.50	84.50	84.50	84.50	84.50
Personnel Services	\$8,762,440	\$9,369,979	\$9,890,271	\$9,890,271	\$10,438,304
Materials and Services	3,949,964	3,916,491	4,570,574	4,427,040	4,264,945
Capital Outlay	1,742,198	1,271,231	2,187,806	2,726,106	1,288,600
TOTAL EXPENDITURES	\$14,454,601	\$14,557,701	\$16,648,651	\$17,043,417	\$15,991,849
FUND SUMMARY					
Wastewater Utility	\$13,994,711	\$14,106,818	\$16,113,492	\$16,504,452	\$15,429,688
Stormwater Utility	459,890	450,882	535,159	538,965	562,161
TOTAL	\$14,454,601	\$14,557,701	\$16,648,651	\$17,043,417	\$15,991,849

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.

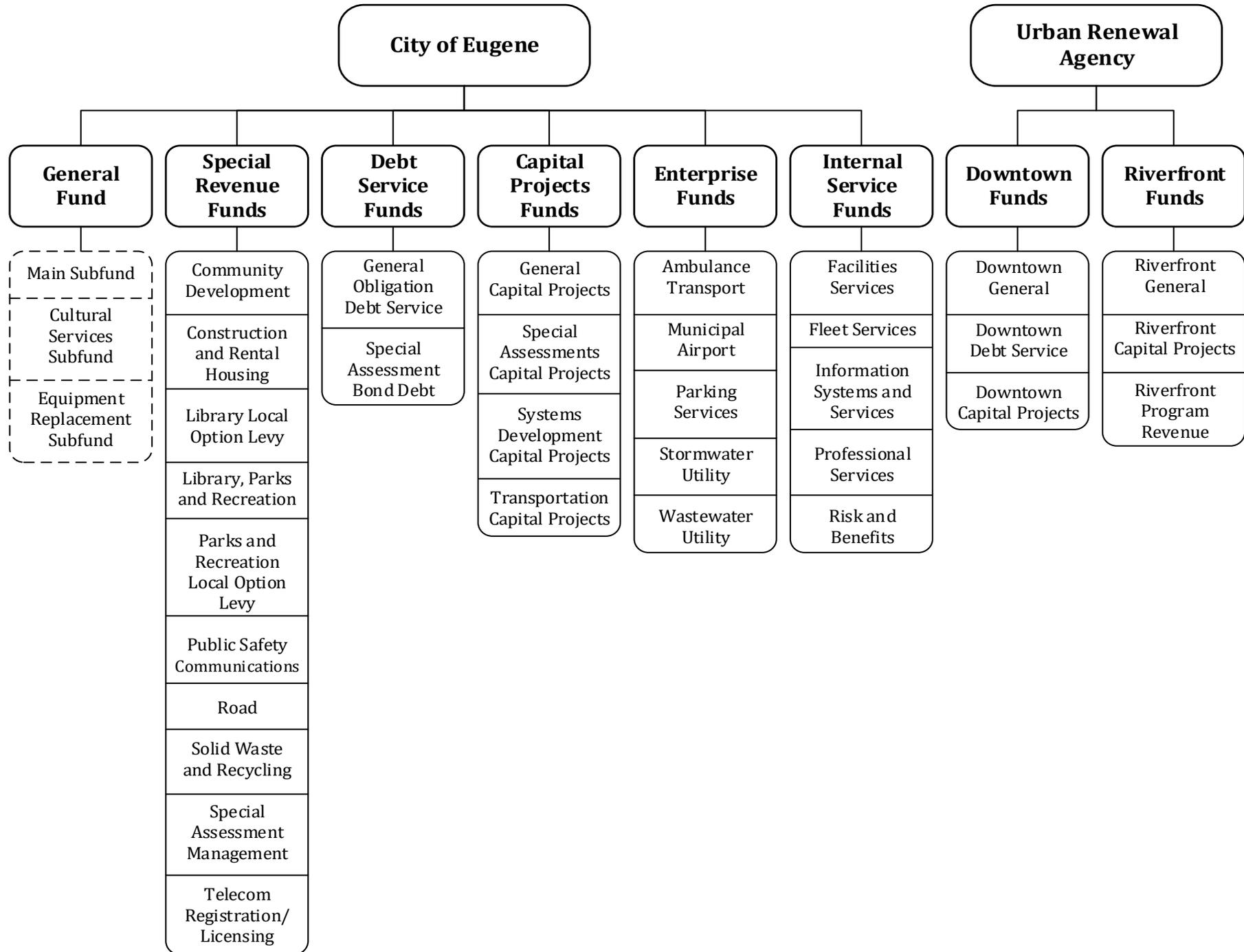
Since there are legal, administrative and political constraints on the use of resources, respective funds are grouped together for the purpose of monitoring and controlling expenditures. The reports generated from the fund accounting system present information according to Oregon Local Budget Law and 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 are those through which most governmental functions of the City are financed including the General Fund, special revenue funds, debt service funds and capital projects 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.



GOVERNMENTAL FUND TYPES

Governmental funds are those through which most governmental functions of the City are financed. 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 services, cultural/leisure 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.

Fund Summary

Fund Matrix

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	FY20 Proposed 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 138
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. Local marijuana tax revenue is restricted to parks security, community justice and human services as directed by the City Council.	Page 139
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 N/A
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, recreation, and cultural services equipment.	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 N/A

Fund Summary

Fund Matrix

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	FY20 Proposed 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 140
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 141
Library Local Option Levy (111)	To account for local option levy property taxes for library service enhancements.	Local option property tax levy from FY17 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 142
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 144
Parks and Recreation Local Option Levy (112)	To account for local option levy property taxes for Parks and Recreation Operations and Maintenance.	Local option property tax levy from FY19 through FY23.	Parks and Recreation Operations and Maintenance described in Ballot Measure 20-288 including public safety presence in parks, improved general maintenance in developed parks and natural areas, new park development, and renovations to recreation facilities.	Can only be used for purposes identified in the ballot measure. The measure requires an annual report on spending to be reviewed by a Citizen Advisory Board and made available to the City Council and the public.	Page 143
Public Safety Communications Fund (130)	To account for the operation of 911 Call Center 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.	911 Call Center and operations and maintenance of the public safety regional radio system.	Oregon Revised Statutes (ORS) 403 restricts use of state 911 tax funds to 911 operations and an Intergovernmental Agreement (IGA) between participating jurisdictions limits use of those revenues to funding of the regional radio system.	Page 145

Fund Summary

Fund Matrix

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	FY20 Proposed Budget Document Reference
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 146
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 147
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 148
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 149

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	FY20 Proposed 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 General Obligation bonds remain unpaid.	Page 150
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 151

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	FY20 Proposed 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, park and open space land acquisitions, and parks and recreation capital 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. 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 152
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 153
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 154
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, the 2012 and 2017 voter-approved Street Bonds.	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 155

Fund Summary

Fund Matrix

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	FY20 Proposed 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 transfer 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 156
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 157
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 158
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 159
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 160

Fund Summary

Fund Matrix

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	FY20 Proposed 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, general facility maintenance for City buildings, 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. There are no restrictions for the Facilities Maintenance and Facilities Professional Services subfunds.	Page 161
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 to other City funds.	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 162
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 and the University of Oregon.	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/Computer Aided Dispatch (RMS/CAD) 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 163
Professional Services Fund (630)	To account for professional engineering services performed by Public Works personnel for other City funds and outside agencies.	User charges to other City funds.	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 164
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, COBRA participants and retirees.	Property and liability insurance and claims, current and previous employee benefits and medical claims, 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 165

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed 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

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.

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 excess/deficiency and available working capital.
- The difference between FY19 Adopted Budget and FY19 Budget 12/31/2018 is that the latter includes the December Supplemental Budget (SB). SBs are used to keep the budget reflective of the current service environment and to ensure that appropriations are as current as possible. The first SB generally occurs in December following completion of the previous fiscal year's audit; this explains why FY18 Actual Ending Working Capital exactly matches FY19 Budget 12/31/2018 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 FY19 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 are 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 (010) Reporting Fund

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	108,829,854	117,016,352	116,649,000	117,324,000	117,592,000	122,177,000
Licenses/Permits	8,543,746	8,842,116	8,723,816	8,793,816	8,978,575	9,000,543
Intergovernmental	5,496,396	6,925,660	5,277,000	6,124,189	6,388,511	6,145,000
Rental	438,335	333,871	376,830	376,830	321,187	375,802
Charges for Services	10,352,762	11,240,951	10,599,123	11,264,181	11,491,933	11,410,771
Fines/Forfeitures	1,934,141	1,993,900	1,894,575	1,894,575	1,664,200	1,856,500
Miscellaneous	1,224,606	2,423,344	1,721,914	1,721,914	2,325,536	2,961,414
Interfund Transfers	9,403,423	9,825,107	10,450,023	10,450,023	10,450,023	11,043,096
Total Revenues	146,223,264	158,601,301	155,692,281	157,949,528	159,211,965	164,970,126
Expenditures						
Central Services	23,846,990	25,102,483	25,897,835	33,541,686	30,092,976	27,121,970
Fire and Emerg. Med. Svcs.	28,704,010	31,789,007	30,752,064	31,246,511	31,092,511	32,834,380
Library, Rec. and Cultural Svcs.	22,053,234	23,272,464	23,447,992	24,606,999	24,171,999	24,831,770
Planning and Development	6,389,376	6,862,773	7,723,477	10,076,160	8,906,941	8,048,562
Police	51,604,501	52,917,596	55,077,020	60,331,566	57,110,566	57,368,869
Public Works	5,953,669	6,441,379	6,492,151	6,717,618	6,685,618	6,807,147
Interfund Transfers	5,580,280	6,571,055	5,865,300	7,665,300	7,365,300	4,949,300
Special Payments	340,679	345,371	700,000	700,000	700,000	700,000
Total Expenditures	144,472,740	153,302,130	155,955,839	174,885,840	166,125,911	162,661,998
Excess (deficiency) of revenues over expenditures	1,750,524	5,299,171	(263,558)	(16,936,312)	(6,913,946)	2,308,128
Beginning Working Capital (Fund Balance), July 1	53,668,202	55,418,726	50,329,927	60,717,897	60,717,897	53,803,951
Ending Working Capital (Fund Balance), June 30	55,418,726	60,717,897	50,066,369	43,781,585	53,803,951	56,112,079
Reconciliation of Total Resources and Requirements						
Resources						
Beginning Working Capital (Fund Balance)	53,668,202	55,418,726	50,329,927	60,717,897	60,717,897	53,803,951
Total Revenues	146,223,264	158,601,301	155,692,281	157,949,528	159,211,965	164,970,126
Total Resources	199,891,466	214,020,027	206,022,208	218,667,425	219,929,862	218,774,077
Requirements						
Total Expenditures	144,472,740	153,302,130	155,955,839	174,885,840	166,125,911	162,661,998
Ending Working Capital (Fund Balance)	55,418,726	60,717,897	50,066,369	43,781,585	53,803,951	56,112,079
Total Requirements	199,891,466	214,020,027	206,022,208	218,667,425	219,929,862	218,774,077
Reserves (Budgeted amounts only)						
Contingency	10,851	0	12,000	12,000	12,000	12,000
Reserve	23,590,703	19,620,730	21,078,994	17,779,585	17,779,585	28,990,079
Encumbrance Reserve	0	0	2,985,375	0	0	0
UEFB*	23,930,000	25,330,000	25,990,000	25,990,000	25,990,000	27,110,000
Total Reserves	47,531,554	44,950,730	50,066,369	43,781,585	43,781,585	56,112,079

* Unappropriated Ending Fund Balance

General Fund (011) Main Subfund

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	108,829,854	117,016,352	116,649,000	117,324,000	117,592,000	122,177,000
Licenses/Permits	8,543,746	8,842,116	8,723,816	8,793,816	8,978,575	9,000,543
Intergovernmental	5,496,396	6,925,660	5,277,000	6,124,189	6,388,511	6,145,000
Rental	438,335	333,871	376,830	376,830	321,187	375,802
Charges for Services	10,352,762	11,240,951	10,599,123	11,264,181	11,491,933	11,410,771
Fines/Forfeitures	1,934,141	1,993,900	1,894,575	1,894,575	1,664,200	1,856,500
Miscellaneous	1,224,606	2,423,344	1,721,914	1,721,914	2,325,536	2,961,414
Interfund Transfers	9,403,423	9,825,107	10,450,023	10,450,023	10,450,023	11,043,096
Total Revenues	146,223,264	158,601,301	155,692,281	157,949,528	159,211,965	164,970,126
Expenditures						
Central Services	23,846,990	25,102,483	25,897,835	33,541,686	30,092,976	27,121,970
Fire and Emerg. Med. Svcs.	28,704,010	31,789,007	30,752,064	31,246,511	31,092,511	32,834,380
Library, Rec. and Cultural Svcs.	22,053,234	23,272,464	23,447,992	24,606,999	24,171,999	24,831,770
Planning and Development	6,389,376	6,862,773	7,723,477	10,076,160	8,906,941	8,048,562
Police	51,604,501	52,917,596	55,077,020	60,331,566	57,110,566	57,368,869
Public Works	5,953,669	6,441,379	6,492,151	6,717,618	6,685,618	6,807,147
Interfund Transfers	5,580,280	6,571,055	5,865,300	7,665,300	7,365,300	4,949,300
Special Payments	340,679	345,371	700,000	700,000	700,000	700,000
Total Expenditures	144,472,740	153,302,130	155,955,839	174,885,840	166,125,911	162,661,998
Excess (deficiency) of revenues over expenditures	1,750,524	5,299,171	(263,558)	(16,936,312)	(6,913,946)	2,308,128
Beginning Working Capital (Fund Balance), July 1	53,668,202	55,418,726	50,329,927	60,717,897	60,717,897	53,803,951
Ending Working Capital (Fund Balance), June 30	55,418,726	60,717,897	50,066,369	43,781,585	53,803,951	56,112,079
Reconciliation of Total Resources and Requirements						
Resources						
Beginning Working Capital (Fund Balance)	53,668,202	55,418,726	50,329,927	60,717,897	60,717,897	53,803,951
Total Revenues	146,223,264	158,601,301	155,692,281	157,949,528	159,211,965	164,970,126
Total Resources	199,891,466	214,020,027	206,022,208	218,667,425	219,929,862	218,774,077
Requirements						
Total Expenditures	144,472,740	153,302,130	155,955,839	174,885,840	166,125,911	162,661,998
Ending Working Capital (Fund Balance)	55,418,726	60,717,897	50,066,369	43,781,585	53,803,951	56,112,079
Total Requirements	199,891,466	214,020,027	206,022,208	218,667,425	219,929,862	218,774,077
Reserves (Budgeted amounts only)						
Contingency	10,851	0	12,000	12,000	12,000	12,000
Reserve	23,590,703	19,620,730	21,078,994	17,779,585	17,779,585	28,990,079
Encumbrance Reserve	0	0	2,985,375	0	0	0
UEFB*	23,930,000	25,330,000	25,990,000	25,990,000	25,990,000	27,110,000
Total Reserves	47,531,554	44,950,730	50,066,369	43,781,585	43,781,585	56,112,079

* Unappropriated Ending Fund Balance

Community Development Fund (170)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	2,351,622	1,206,790	5,451,912	6,894,392	5,648,802	8,261,927
Charges for Services	6,230	8,050	5,000	55,000	60,900	50,500
Miscellaneous	1,268,802	860,094	709,720	709,720	591,538	765,449
Principal on Notes/Loans	1,767,252	1,339,675	2,995,600	2,995,600	926,460	2,394,000
Total Revenues	5,393,906	3,414,609	9,162,232	10,654,712	7,227,700	11,471,876
Expenditures						
Planning and Development	1,519,211	1,453,087	3,244,642	3,543,661	2,835,856	2,963,404
Capital	200,000	0	730,256	868,972	0	704,645
Debt Service	364,966	364,649	373,395	373,395	373,395	371,249
Interfund Transfers	105,000	93,000	127,000	127,000	127,000	176,000
Special Payments	2,283,165	1,516,157	8,795,847	8,407,064	4,816,721	8,909,961
Total Expenditures	4,472,342	3,426,893	13,271,140	13,320,092	8,152,972	13,125,259
Excess (deficiency) of revenues over expenditures	921,564	(12,284)	(4,108,908)	(2,665,380)	(925,272)	(1,653,383)
Beginning Working Capital (Fund Balance), July 1	3,227,236	4,148,800	5,550,480	4,136,516	4,136,516	3,211,244
Ending Working Capital (Fund Balance), June 30	4,148,800	4,136,516	1,441,572	1,471,136	3,211,244	1,557,861

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	3,227,236	4,148,800	5,550,480	4,136,516	4,136,516	3,211,244
Total Revenues	5,393,906	3,414,609	9,162,232	10,654,712	7,227,700	11,471,876
Total Resources	8,621,142	7,563,409	14,712,712	14,791,228	11,364,216	14,683,120
Requirements						
Total Expenditures	4,472,342	3,426,893	13,271,140	13,320,092	8,152,972	13,125,259
Ending Working Capital (Fund Balance)	4,148,800	4,136,516	1,441,572	1,471,136	3,211,244	1,557,861
Total Requirements	8,621,142	7,563,409	14,712,712	14,791,228	11,364,216	14,683,120

Reserves (Budgeted amounts only)

Reserve	1,121,997	1,185,147	1,191,572	1,205,861	1,205,861	1,257,861
Balance Available	325,822	606,743	250,000	265,275	265,275	300,000
Total Reserves	1,447,819	1,791,890	1,441,572	1,471,136	1,471,136	1,557,861

Construction and Rental Housing Fund (150)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Licenses/Permits	3,755,751	4,049,460	4,296,500	4,296,500	4,645,000	4,565,685
Charges for Services	4,104,021	4,355,453	5,453,250	5,453,250	5,773,084	5,489,050
Fines/Forfeitures	23,403	20,666	25,000	25,000	30,000	25,000
Interfund Loans	65,000	0	0	0	0	0
Miscellaneous	69,311	88,934	86,000	86,000	135,400	192,000
Total Revenues	8,017,486	8,514,513	9,860,750	9,860,750	10,583,484	10,271,735
Expenditures						
Fire and Emerg. Med. Svcs.	296,696	291,303	340,239	340,239	340,239	357,432
Planning and Development	6,336,755	5,800,613	7,810,918	7,865,834	6,812,592	8,569,890
Public Works	430,663	418,736	481,074	481,074	481,074	505,577
Interfund Transfers	884,000	919,000	984,000	984,000	984,000	1,024,000
Special Payments	755,104	737,411	1,050,000	1,050,000	850,000	1,020,000
Total Expenditures	8,703,218	8,167,063	10,666,231	10,721,147	9,467,905	11,476,899
Excess (deficiency) of revenues over expenditures	(685,732)	347,450	(805,481)	(860,397)	1,115,579	(1,205,164)
Beginning Working Capital (Fund Balance), July 1	5,887,886	5,202,154	5,022,572	5,549,604	5,549,604	6,665,183
Ending Working Capital (Fund Balance), June 30	5,202,154	5,549,604	4,217,091	4,689,207	6,665,183	5,460,019

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	5,887,886	5,202,154	5,022,572	5,549,604	5,549,604	6,665,183
Total Revenues	8,017,486	8,514,513	9,860,750	9,860,750	10,583,484	10,271,735
Total Resources	13,905,372	13,716,667	14,883,322	15,410,354	16,133,088	16,936,918
Requirements						
Total Expenditures	8,703,218	8,167,063	10,666,231	10,721,147	9,467,905	11,476,899
Ending Working Capital (Fund Balance)	5,202,154	5,549,604	4,217,091	4,689,207	6,665,183	5,460,019
Total Requirements	13,905,372	13,716,667	14,883,322	15,410,354	16,133,088	16,936,918

Reserves (Budgeted amounts only)

Balance Available	5,322,921	3,999,295	4,217,091	4,689,207	4,689,207	5,460,019
Total Reserves	5,322,921	3,999,295	4,217,091	4,689,207	4,689,207	5,460,019

Library Local Option Levy Fund (111)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	2,558,461	2,673,851	2,576,000	2,576,000	2,589,000	2,589,000
Miscellaneous	7,619	25,352	14,000	14,000	34,000	60,000
Total Revenues	2,566,080	2,699,203	2,590,000	2,590,000	2,623,000	2,649,000
Expenditures						
Library, Rec. and Cultural Srvcs.	1,627,640	1,923,399	2,417,582	2,407,582	2,407,582	2,467,510
Total Expenditures	1,627,640	1,923,399	2,417,582	2,407,582	2,407,582	2,467,510
Excess (deficiency) of revenues over expenditures	938,440	775,804	172,418	182,418	215,418	181,490
Beginning Working Capital (Fund Balance), July 1	0	938,440	1,169,252	1,714,244	1,714,244	1,929,662
Ending Working Capital (Fund Balance), June 30	938,440	1,714,244	1,341,670	1,896,662	1,929,662	2,111,152

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	0	938,440	1,169,252	1,714,244	1,714,244	1,929,662
Total Revenues	2,566,080	2,699,203	2,590,000	2,590,000	2,623,000	2,649,000
Total Resources	2,566,080	3,637,643	3,759,252	4,304,244	4,337,244	4,578,662
Requirements						
Total Expenditures	1,627,640	1,923,399	2,417,582	2,407,582	2,407,582	2,467,510
Ending Working Capital (Fund Balance)	938,440	1,714,244	1,341,670	1,896,662	1,929,662	2,111,152
Total Requirements	2,566,080	3,637,643	3,759,252	4,304,244	4,337,244	4,578,662

Reserves (Budgeted amounts only)

Reserve	0	0	1,341,670	1,341,670	1,341,670	2,111,152
Balance Available	0	376,372	0	554,992	554,992	0
Total Reserves	0	376,372	1,341,670	1,896,662	1,896,662	2,111,152

Parks and Rec Local Option Levy Fund (112)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	0	0	2,977,000	2,977,000	2,993,000	3,023,000
Miscellaneous	0	0	0	0	5,000	7,000
Total Revenues	0	0	2,977,000	2,977,000	2,998,000	3,030,000
Expenditures						
Central Services	0	0	0	0	0	100,000
Library, Rec. and Cultural Svcs.	0	0	0	0	0	50,000
Police	0	0	430,000	430,000	430,000	389,062
Public Works	0	0	2,000,000	2,000,000	2,000,000	2,237,786
Total Expenditures	0	0	2,430,000	2,430,000	2,430,000	2,776,848
Excess (deficiency) of revenues over expenditures	0	0	547,000	547,000	568,000	253,152
Beginning Working Capital (Fund Balance), July 1	0	0	0	0	0	568,000
Ending Working Capital (Fund Balance), June 30	0	0	547,000	547,000	568,000	821,152

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	0	0	0	0	0	568,000
Total Revenues	0	0	2,977,000	2,977,000	2,998,000	3,030,000
Total Resources	0	0	2,977,000	2,977,000	2,998,000	3,598,000
Requirements						
Total Expenditures	0	0	2,430,000	2,430,000	2,430,000	2,776,848
Ending Working Capital (Fund Balance)	0	0	547,000	547,000	568,000	821,152
Total Requirements	0	0	2,977,000	2,977,000	2,998,000	3,598,000

Reserves (Budgeted amounts only)

Balance Available	0	0	547,000	547,000	547,000	821,152
Total Reserves	0	0	547,000	547,000	547,000	821,152

Library, Parks and Recreation Fund (180)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	189,388	66,503	0	0	0	0
Rental	31,135	30,420	35,920	35,920	36,079	34,920
Charges for Services	12,772	0	25,000	25,000	19,782	25,000
Miscellaneous	685,914	636,838	453,116	453,116	514,354	590,620
Principal on Notes/Loans	60,325	4,144	7,710	7,710	5,150	5,700
Total Revenues	979,534	737,905	521,746	521,746	575,365	656,240
Expenditures						
Library, Rec. and Cultural Srvcs.	454,463	207,503	377,000	377,000	377,000	385,500
Public Works	0	0	0	0	0	0
Capital	276,204	129,695	731,036	845,568	845,568	55,918
Special Payments	60,000	0	102,844	103,545	0	108,900
Total Expenditures	790,667	337,198	1,210,880	1,326,113	1,222,568	550,318
Excess (deficiency) of revenues over expenditures	188,867	400,707	(689,134)	(804,367)	(647,203)	105,922
Beginning Working Capital (Fund Balance), July 1	4,696,687	4,885,554	4,926,621	5,286,411 *	5,286,261 *	4,639,058
Ending Working Capital (Fund Balance), June 30	4,885,554	5,286,261	4,237,487	4,482,044	4,639,058	4,744,980

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,696,687	4,885,554	4,926,621	5,286,411 *	5,286,261 *	4,639,058
Total Revenues	979,534	737,905	521,746	521,746	575,365	656,240
Total Resources	5,676,221	5,623,459	5,448,367	5,808,157	5,861,626	5,295,298
Requirements						
Total Expenditures	790,667	337,198	1,210,880	1,326,113	1,222,568	550,318
Ending Working Capital (Fund Balance)	4,885,554	5,286,261	4,237,487	4,482,044	4,639,058	4,744,980
Total Requirements	5,676,221	5,623,459	5,448,367	5,808,157	5,861,626	5,295,298

Reserves (Budgeted amounts only)

Reserve	2,753,750	3,128,606	3,153,764	3,517,000	3,517,000	3,677,149
Balance Available	963,273	1,044,269	1,083,723	965,044 *	964,894 *	1,067,831
Total Reserves	3,717,023	4,172,875	4,237,487	4,482,044	4,481,894	4,744,980

* This fund's Beginning Working Capital adjustment, adopted in the December Supplemental Budget, was incorrect. Staff will present corrected amounts in the FY19 June Supplemental Budget for adoption by City Council. The incorrect Beginning Working Capital and offsets are included in the "FY19 Budget 12/31/2018" column, and the corrected amounts appear in the "FY19 Projections" column. FY20 Proposed Budget amounts reflect the corrected FY19 amounts.

Public Safety Communications Fund (130)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	2,329,823	1,680,289	1,600,000	1,600,000	1,700,000	1,650,000
Charges for Services	220,000	111,742	107,595	107,595	107,595	121,611
Miscellaneous	17,343	27,444	13,500	13,500	35,000	55,000
Interfund Transfers	0	5,000	306,000	306,000	6,000	0
Total Revenues	2,567,166	1,824,475	2,027,095	2,027,095	1,848,595	1,826,611
Expenditures						
Police	1,797,694	1,654,517	2,219,619	2,219,619	1,757,795	2,378,521
Interfund Transfers	160,000	131,000	180,000	180,000	180,000	225,000
Total Expenditures	1,957,694	1,785,517	2,399,619	2,399,619	1,937,795	2,603,521
Excess (deficiency) of revenues over expenditures	609,472	38,958	(372,524)	(372,524)	(89,200)	(776,910)
Beginning Working Capital (Fund Balance), July 1	1,734,347	2,343,819	1,877,214	2,382,777	2,382,777	2,293,577
Ending Working Capital (Fund Balance), June 30	2,343,819	2,382,777	1,504,690	2,010,253	2,293,577	1,516,667

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,734,347	2,343,819	1,877,214	2,382,777	2,382,777	2,293,577
Total Revenues	2,567,166	1,824,475	2,027,095	2,027,095	1,848,595	1,826,611
Total Resources	4,301,513	4,168,294	3,904,309	4,409,872	4,231,372	4,120,188
Requirements						
Total Expenditures	1,957,694	1,785,517	2,399,619	2,399,619	1,937,795	2,603,521
Ending Working Capital (Fund Balance)	2,343,819	2,382,777	1,504,690	2,010,253	2,293,577	1,516,667
Total Requirements	4,301,513	4,168,294	3,904,309	4,409,872	4,231,372	4,120,188

Reserves (Budgeted amounts only)

Reserve	908,520	0	0	0	0	0
Balance Available	585,827	1,781,214	1,504,690	2,010,253	2,010,253	1,516,667
Total Reserves	1,494,347	1,781,214	1,504,690	2,010,253	2,010,253	1,516,667

Road Fund (131)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Licenses/Permits	2,029,866	1,946,191	2,058,000	2,058,000	2,343,048	2,179,000
Intergovernmental	11,086,526	11,168,446	11,973,000	12,692,057	13,214,368	12,898,000
Rental	122,717	140,601	103,000	103,000	208,878	100,000
Charges for Services	356,028	436,848	347,500	347,500	274,195	382,500
Miscellaneous	160,231	209,977	183,800	183,800	488,728	243,790
Total Revenues	13,755,367	13,902,063	14,665,300	15,384,357	16,529,217	15,803,290
Expenditures						
Public Works	11,749,456	12,020,076	14,694,473	15,215,394	15,215,394	13,960,275
Interfund Transfers	965,000	2,024,000	3,230,000	3,230,000	3,230,000	2,947,000
Total Expenditures	12,714,456	14,044,076	17,924,473	18,445,394	18,445,394	16,907,275
Excess (deficiency) of revenues over expenditures	1,040,911	(142,013)	(3,259,173)	(3,061,037)	(1,916,177)	(1,103,985)
Beginning Working Capital (Fund Balance), July 1	3,347,962	4,388,873	3,921,574	4,246,860	4,246,860	2,330,683
Ending Working Capital (Fund Balance), June 30	4,388,873	4,246,860	662,401	1,185,823	2,330,683	1,226,698

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	3,347,962	4,388,873	3,921,574	4,246,860	4,246,860	2,330,683
Total Revenues	13,755,367	13,902,063	14,665,300	15,384,357	16,529,217	15,803,290
Total Resources	17,103,329	18,290,936	18,586,874	19,631,217	20,776,077	18,133,973
Requirements						
Total Expenditures	12,714,456	14,044,076	17,924,473	18,445,394	18,445,394	16,907,275
Ending Working Capital (Fund Balance)	4,388,873	4,246,860	662,401	1,185,823	2,330,683	1,226,698
Total Requirements	17,103,329	18,290,936	18,586,874	19,631,217	20,776,077	18,133,973

Reserves (Budgeted amounts only)

Balance Available	2,912,367	1,759,412	662,401	1,185,823	1,185,823	1,226,698
Total Reserves	2,912,367	1,759,412	662,401	1,185,823	1,185,823	1,226,698

Solid Waste and Recycling Fund (155)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Licenses/Permits	956,343	986,816	983,000	983,000	1,017,316	1,041,420
Intergovernmental	21,319	54,785	0	0	14,000	0
Charges for Services	300	51	0	0	137	0
Miscellaneous	12,191	17,836	12,000	12,000	25,000	32,000
Total Revenues	990,153	1,059,488	995,000	995,000	1,056,453	1,073,420
Expenditures						
Planning and Development	850,347	1,036,529	1,111,696	1,147,169	1,066,369	1,101,866
Interfund Transfers	52,000	73,000	108,000	108,000	108,000	221,000
Total Expenditures	902,347	1,109,529	1,219,696	1,255,169	1,174,369	1,322,866
Excess (deficiency) of revenues over expenditures	87,806	(50,041)	(224,696)	(260,169)	(117,916)	(249,446)
Beginning Working Capital (Fund Balance), July 1	705,786	793,592	736,863	743,551	743,551	625,635
Ending Working Capital (Fund Balance), June 30	793,592	743,551	512,167	483,382	625,635	376,189

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	705,786	793,592	736,863	743,551	743,551	625,635
Total Revenues	990,153	1,059,488	995,000	995,000	1,056,453	1,073,420
Total Resources	1,695,939	1,853,080	1,731,863	1,738,551	1,800,004	1,699,055
Requirements						
Total Expenditures	902,347	1,109,529	1,219,696	1,255,169	1,174,369	1,322,866
Ending Working Capital (Fund Balance)	793,592	743,551	512,167	483,382	625,635	376,189
Total Requirements	1,695,939	1,853,080	1,731,863	1,738,551	1,800,004	1,699,055

Reserves (Budgeted amounts only)

Balance Available	539,436	480,178	512,167	483,382	483,382	376,189
Total Reserves	539,436	480,178	512,167	483,382	483,382	376,189

Special Assessment Management Fund (110)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Charges for Services	53,564	44,492	47,000	47,000	46,400	47,400
Miscellaneous	16,698	22,922	17,040	17,040	26,860	32,800
Interfund Transfers	0	0	30,000	30,000	30,000	30,000
Principal on Assessments	2,415	4,731	4,600	4,600	2,600	2,700
Total Revenues	72,677	72,145	98,640	98,640	105,860	112,900
Expenditures						
Central Services	89,005	98,969	104,728	104,728	104,728	109,440
Interfund Transfers	8,000	9,000	9,000	9,000	9,000	10,000
Special Payments	0	0	30,000	30,000	30,000	30,000
Total Expenditures	97,005	107,969	143,728	143,728	143,728	149,440
Excess (deficiency) of revenues over expenditures	(24,328)	(35,824)	(45,088)	(45,088)	(37,868)	(36,540)
Beginning Working Capital (Fund Balance), July 1	1,224,582	1,200,254	1,156,349	1,164,430	1,164,430	1,126,562
Ending Working Capital (Fund Balance), June 30	1,200,254	1,164,430	1,111,261	1,119,342	1,126,562	1,090,022

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,224,582	1,200,254	1,156,349	1,164,430	1,164,430	1,126,562
Total Revenues	72,677	72,145	98,640	98,640	105,860	112,900
Total Resources	1,297,259	1,272,399	1,254,989	1,263,070	1,270,290	1,239,462
Requirements						
Total Expenditures	97,005	107,969	143,728	143,728	143,728	149,440
Ending Working Capital (Fund Balance)	1,200,254	1,164,430	1,111,261	1,119,342	1,126,562	1,090,022
Total Requirements	1,297,259	1,272,399	1,254,989	1,263,070	1,270,290	1,239,462

Reserves (Budgeted amounts only)

Reserve	50,000	50,000	50,000	50,000	50,000	50,000
Balance Available	1,133,732	1,102,789	1,061,261	1,069,342	1,069,342	1,040,022
Total Reserves	1,183,732	1,152,789	1,111,261	1,119,342	1,119,342	1,090,022

Telecom Registration/Licensing Fund (135)

Special Revenue Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Licenses/Permits	2,816,729	3,006,748	2,800,000	2,800,000	2,900,000	2,900,000
Intergovernmental	0	64,584	0	1,854,522	0	0
Charges for Services	0	8,000	0	0	16,000	0
Miscellaneous	55,223	68,291	60,000	60,000	112,000	162,000
Interfund Transfers	0	400,000	0	0	0	0
Interfund Loans	0	1,200,000	0	0	0	0
Total Revenues	2,871,952	4,747,623	2,860,000	4,714,522	3,028,000	3,062,000
Expenditures						
Central Services	1,600,668	2,215,931	3,308,520	7,001,165	4,643,137	4,031,049
Capital	0	1,899,999	0	0	0	0
Debt Service	0	0	42,000	42,000	42,000	42,000
Interfund Transfers	479,000	487,000	476,000	476,000	476,000	3,000
Special Payments	0	0	120,000	120,000	120,000	120,000
Total Expenditures	2,079,668	4,602,930	3,946,520	7,639,165	5,281,137	4,196,049
Excess (deficiency) of revenues over expenditures	792,284	144,693	(1,086,520)	(2,924,643)	(2,253,137)	(1,134,049)
Beginning Working Capital (Fund Balance), July 1	5,407,072	6,199,356	4,907,171	6,344,049 *	6,344,049 *	4,090,912
Ending Working Capital (Fund Balance), June 30	6,199,356	6,344,049	3,820,651	3,419,406	4,090,912	2,956,863

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	5,407,072	6,199,356	4,907,171	6,344,049	6,344,049	4,090,912
Total Revenues	2,871,952	4,747,623	2,860,000	4,714,522	3,028,000 *	3,062,000
Total Resources	8,279,024	10,946,979	7,767,171	11,058,571	9,372,049	7,152,912
Requirements						
Total Expenditures	2,079,668	4,602,930	3,946,520	7,639,165	5,281,137	4,196,049
Ending Working Capital (Fund Balance)	6,199,356	6,344,049	3,820,651	3,419,406	4,090,912 *	2,956,863
Total Requirements	8,279,024	10,946,979	7,767,171	11,058,571	9,372,049	7,152,912

Reserves (Budgeted amounts only)

Reserve	302,847	592,847	496,847	496,847	496,847	168,847
Balance Available	2,549,160	3,062,411	3,323,804	2,922,559 *	2,922,559 *	2,788,016
Total Reserves	2,852,007	3,655,258	3,820,651	3,419,406	3,419,406	2,956,863

*This fund's Beginning Working Capital adjustment, adopted in the December Supplemental Budget, was incorrect. Staff will present corrected amounts in the FY19 June Supplemental Budget for adoption by City Council. The incorrect Beginning Working Capital and offsets are included in the "FY19 Budget 12/31/2018" column, and the corrected amounts appear in the "FY19 Projections" column. The FY20 Proposed Budget amounts reflect the corrected FY19 amounts.

General Obligation Debt Service Fund (211)

Debt Service Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	13,462,800	13,789,529	13,388,556	13,388,556	13,601,000	13,206,650
Miscellaneous	47,153	86,244	60,000	60,000	96,000	141,000
Total Revenues	13,509,953	13,875,773	13,448,556	13,448,556	13,697,000	13,347,650
Expenditures						
Debt Service	13,225,048	13,631,266	13,687,225	14,268,132	13,960,183	13,904,043
Total Expenditures	13,225,048	13,631,266	13,687,225	14,268,132	13,960,183	13,904,043
Excess (deficiency) of revenues over expenditures	284,905	244,507	(238,669)	(819,576)	(263,183)	(556,393)
Beginning Working Capital (Fund Balance), July 1	290,164	575,069	238,669	819,576	819,576	556,393
Ending Working Capital (Fund Balance), June 30	575,069	819,576	0	0	556,393	0

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	290,164	575,069	238,669	819,576	819,576	556,393
Total Revenues	13,509,953	13,875,773	13,448,556	13,448,556	13,697,000	13,347,650
Total Resources	13,800,117	14,450,842	13,687,225	14,268,132	14,516,576	13,904,043
Requirements						
Total Expenditures	13,225,048	13,631,266	13,687,225	14,268,132	13,960,183	13,904,043
Ending Working Capital (Fund Balance)	575,069	819,576	0	0	556,393	0
Total Requirements	13,800,117	14,450,842	13,687,225	14,268,132	14,516,576	13,904,043

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)

Debt Service Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Miscellaneous	11,463	8,839	28,270	28,270	11,800	28,000
Principal on Assessments	29,222	14,319	200,160	200,160	75,900	181,000
Total Revenues	40,685	23,158	228,430	228,430	87,700	209,000
Expenditures						
Debt Service	39,681	22,359	225,000	225,000	75,000	180,000
Interfund Transfers	0	0	10,000	10,000	10,000	10,000
Total Expenditures	39,681	22,359	235,000	235,000	85,000	190,000
Excess (deficiency) of revenues over expenditures	1,004	799	(6,570)	(6,570)	2,700	19,000
Beginning Working Capital (Fund Balance), July 1	73,291	74,295	68,565	75,094	75,094	77,794
Ending Working Capital (Fund Balance), June 30	74,295	75,094	61,995	68,524	77,794	96,794

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	73,291	74,295	68,565	75,094	75,094	77,794
Total Revenues	40,685	23,158	228,430	228,430	87,700	209,000
Total Resources	113,976	97,453	296,995	303,524	162,794	286,794
Requirements						
Total Expenditures	39,681	22,359	235,000	235,000	85,000	190,000
Ending Working Capital (Fund Balance)	74,295	75,094	61,995	68,524	77,794	96,794
Total Requirements	113,976	97,453	296,995	303,524	162,794	286,794

Reserves (Budgeted amounts only)

Reserve	63,891	65,645	61,995	68,524	68,524	96,794
Total Reserves	63,891	65,645	61,995	68,524	68,524	96,794

General Capital Projects Fund (310)

Capital Projects Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	0	208,456	0	0	696,327	0
Rental	20,755	8,884	10,000	10,000	0	0
Charges for Services	0	0	0	32,256	32,256	0
Miscellaneous	181,435	287,651	77,327	77,327	5,742,498	570,000
Interfund Transfers	4,659,300	4,969,759	3,809,300	4,709,300	4,709,300	3,369,300
Draws on Line of Credit	651,000	389,000	2,000,000	2,000,000	1,955,774	0
Gen. Obligation Bonds Issued	0	0	10,000,000	10,000,000	28,650,000	0
Total Revenues	5,512,490	5,863,750	15,896,627	16,828,883	41,786,155	3,939,300
Expenditures						
Library, Rec. and Cultural Svcs.	1,625	0	20,000	20,000	20,000	20,000
Capital	3,708,936	4,774,162	35,297,817	35,092,831	33,316,762	13,312,308
Debt Service	0	0	380,000	380,000	0	0
Total Expenditures	3,710,561	4,774,162	35,697,817	35,492,831	33,336,762	13,332,308
Excess (deficiency) of revenues over expenditures	1,801,929	1,089,588	(19,801,190)	(18,663,948)	8,449,393	(9,393,008)
Beginning Working Capital (Fund Balance), July 1	17,496,244	19,298,173	24,206,571	32,135,020 *	20,387,761 *	28,837,154
Ending Working Capital (Fund Balance), June 30	19,298,173	20,387,761	4,405,381	13,471,072	28,837,154	19,444,146

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	17,496,244	19,298,173	24,206,571	32,135,020 *	20,387,761 *	28,837,154
Total Revenues	5,512,490	5,863,750	15,896,627	16,828,883	41,786,155	3,939,300
Total Resources	23,008,734	25,161,923	40,103,198	48,963,903	62,173,916	32,776,454
Requirements						
Total Expenditures	3,710,561	4,774,162	35,697,817	35,492,831	33,336,762	13,332,308
Ending Working Capital (Fund Balance)	19,298,173	20,387,761	4,405,381	13,471,072	28,837,154	19,444,146
Total Requirements	23,008,734	25,161,923	40,103,198	48,963,903	62,173,916	32,776,454

Reserves (Budgeted amounts only)

Reserve	0	26,560	26,560	26,560	26,560	1,776,560
Balance Available	845,730	1,184,688	4,378,821	13,444,512 *	1,717,457 *	17,667,586
Total Reserves	845,730	1,211,248	4,405,381	13,471,072	1,744,017	19,444,146

* This fund's Beginning Working Capital adjustment, adopted in the December Supplemental Budget, was incorrect. Staff will present corrected amounts in the FY19 June Supplemental Budget for adoption by City Council. The incorrect Beginning Working Capital and offsets are included in the "FY19 Budget 12/31/2018" column, and the corrected amounts appear in the "FY19 Projections" column. The FY20 Proposed Budget amounts reflect the corrected FY19 amounts.

Special Assessments Capital Projects Fund (350) Capital Projects Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Charges for Services	85,639	44,442	0	0	86,935	0
Miscellaneous	13,056	18,073	35,300	35,300	26,985	40,194
Principal on Assessments	14,510	5,077	3,200	3,200	2,777	0
Total Revenues	113,204	67,592	38,500	38,500	116,697	40,194
Expenditures						
Interfund Transfers	0	0	20,000	20,000	20,000	20,000
Total Expenditures	0	0	20,000	20,000	20,000	20,000
Excess (deficiency) of revenues over expenditures	113,204	67,592	18,500	18,500	96,697	20,194
Beginning Working Capital (Fund Balance), July 1	1,127,242	1,240,446	1,288,386	1,308,038	1,308,038	1,404,735
Ending Working Capital (Fund Balance), June 30	1,240,446	1,308,038	1,306,886	1,326,538	1,404,735	1,424,929

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,127,242	1,240,446	1,288,386	1,308,038	1,308,038	1,404,735
Total Revenues	113,204	67,592	38,500	38,500	116,697	40,194
Total Resources	1,240,446	1,308,038	1,326,886	1,346,538	1,424,735	1,444,929
Requirements						
Total Expenditures	0	0	20,000	20,000	20,000	20,000
Ending Working Capital (Fund Balance)	1,240,446	1,308,038	1,306,886	1,326,538	1,404,735	1,424,929
Total Requirements	1,240,446	1,308,038	1,326,886	1,346,538	1,424,735	1,444,929

Reserves (Budgeted amounts only)

Balance Available	1,133,342	1,261,346	1,306,886	1,326,538	1,326,538	1,424,929
Total Reserves	1,133,342	1,261,346	1,306,886	1,326,538	1,326,538	1,424,929

Systems Development Capital Projects Fund (330) Capital Projects Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	0	0	0	0	33,587	0
Rental	166,997	107,661	97,740	97,740	65,000	60,000
Charges for Services	6,312,898	6,262,671	4,587,231	4,917,780	7,566,830	7,758,841
Miscellaneous	295,167	449,317	330,819	330,819	611,875	884,463
Total Revenues	6,775,063	6,819,649	5,015,790	5,346,339	8,277,292	8,703,304
Expenditures						
Planning and Development	90,010	119,171	166,511	166,511	166,511	181,493
Public Works	373,897	434,431	506,821	506,821	467,027	458,243
Capital	2,453,279	2,374,786	24,075,272	24,891,501	24,891,501	11,851,500
Debt Service	41,000	44,000	58,000	139,605	139,605	57,000
Total Expenditures	2,958,186	2,972,388	24,806,604	25,704,438	25,664,644	12,548,236
Excess (deficiency) of revenues over expenditures	3,816,877	3,847,261	(19,790,814)	(20,358,099)	(17,387,352)	(3,844,932)
Beginning Working Capital (Fund Balance), July 1	23,880,215	27,697,092	30,930,884	31,544,353	31,544,353	14,157,001
Ending Working Capital (Fund Balance), June 30	27,697,092	31,544,353	11,140,070	11,186,254	14,157,001	10,312,069

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	23,880,215	27,697,092	30,930,884	31,544,353	31,544,353	14,157,001
Total Revenues	6,775,063	6,819,649	5,015,790	5,346,339	8,277,292	8,703,304
Total Resources	30,655,278	34,516,741	35,946,674	36,890,692	39,821,645	22,860,305
Requirements						
Total Expenditures	2,958,186	2,972,388	24,806,604	25,704,438	25,664,644	12,548,236
Ending Working Capital (Fund Balance)	27,697,092	31,544,353	11,140,070	11,186,254	14,157,001	10,312,069
Total Requirements	30,655,278	34,516,741	35,946,674	36,890,692	39,821,645	22,860,305

Reserves (Budgeted amounts only)

Balance Available	14,847,960	14,589,623	11,140,070	11,186,254	11,186,254	10,312,069
Total Reserves	14,847,960	14,589,623	11,140,070	11,186,254	11,186,254	10,312,069

Transportation Capital Projects Fund (340)

Capital Projects Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	3,081,192	3,135,901	3,000,000	3,000,000	3,263,803	3,100,000
Intergovernmental	2,660,267	3,567,426	2,954,000	23,971,557	30,299,717	2,955,000
Rental	36,627	8,473	0	0	35,000	35,000
Charges for Services	146,897	152,948	182,000	182,000	274,688	0
Miscellaneous	33,801	47,720	7,130,000	7,130,000	78,783	116,000
Draws on Line of Credit	8,600,000	9,330,000	6,779,500	9,229,503	9,146,086	9,915,000
Interfund Transfers	30,000	1,030,000	2,140,000	2,261,250	2,261,250	1,950,000
Total Revenues	14,588,784	17,272,468	22,185,500	45,774,310	45,359,327	18,071,000
Expenditures						
Capital	14,734,142	14,040,943	50,589,857	52,778,885	52,263,516	17,955,000
Debt Service	0	0	30,000	30,000	30,000	0
Total Expenditures	14,734,142	14,040,943	50,619,857	52,808,885	52,293,516	17,955,000
Excess (deficiency) of revenues over expenditures	(145,358)	3,231,525	(28,434,357)	(7,034,575)	(6,934,189)	116,000
Beginning Working Capital (Fund Balance), July 1	5,500,311	5,354,953	29,721,202	8,586,478 *	8,586,478 *	1,655,989
Ending Working Capital (Fund Balance), June 30	5,354,953	8,586,478	1,286,845	1,551,903	1,652,289	1,771,989

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	5,500,311	5,354,953	29,721,202	8,586,478	8,586,478	1,655,989
Total Revenues	14,588,784	17,272,468	22,185,500	45,774,310	45,359,327	18,071,000
Total Resources	20,089,095	22,627,421	51,906,702	54,360,788	53,945,805	19,726,989
Requirements						
Total Expenditures	14,734,142	14,040,943	50,619,857	52,808,885	52,293,516	17,955,000
Ending Working Capital (Fund Balance)	5,354,953	8,586,478	1,286,845	1,551,903	1,652,289	1,771,989
Total Requirements	20,089,095	22,627,421	51,906,702	54,360,788	53,945,805	19,726,989

Reserves (Budgeted amounts only)

Balance Available	1,904,984	2,725,908	1,286,845	1,551,903 *	1,551,903 *	1,771,989
Total Reserves	1,904,984	2,725,908	1,286,845	1,551,903	1,551,903	1,771,989

*This fund's Beginning Working Capital adjustment, adopted in the December Supplemental Budget, was incorrect. Staff will present corrected amounts in the FY19 June Supplemental Budget for adoption by City Council. The incorrect Beginning Working Capital and offsets are included in the "FY19 Budget 12/31/2018" column, and the corrected amounts appear in the "FY19 Projections" column. The FY20 Proposed Budget amounts reflect the corrected FY19 amounts.

Ambulance Transport Fund (592)

Enterprise Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	25,000	50,000	0	1,322,708	1,322,708	0
Charges for Services	7,912,352	9,689,108	9,131,280	9,131,280	9,505,186	9,748,542
Miscellaneous	495,360	93,049	638,507	638,507	652,998	683,300
Interfund Transfers	0	1,000,000	750,000	1,150,000	1,150,000	0
Total Revenues	8,432,712	10,832,157	10,519,787	12,242,495	12,630,892	10,431,842
Expenditures						
Fire and Emerg. Med. Svcs.	8,130,258	9,809,441	9,603,371	11,326,079	10,727,178	10,467,048
Interfund Transfers	899,998	979,757	1,189,673	1,189,673	1,189,673	1,321,746
Total Expenditures	9,030,256	10,789,198	10,793,044	12,515,752	11,916,851	11,788,794
Excess (deficiency) of revenues over expenditures	(597,544)	42,959	(273,257)	(273,257)	714,041	(1,356,952)
Beginning Working Capital (Fund Balance), July 1	1,197,496	599,952	921,348	642,911	642,911	1,356,952
Ending Working Capital (Fund Balance), June 30	599,952	642,911	648,091	369,654	1,356,952	0

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,197,496	599,952	921,348	642,911	642,911	1,356,952
Total Revenues	8,432,712	10,832,157	10,519,787	12,242,495	12,630,892	10,431,842
Total Resources	9,630,208	11,432,109	11,441,135	12,885,406	13,273,803	11,788,794
Requirements						
Total Expenditures	9,030,256	10,789,198	10,793,044	12,515,752	11,916,851	11,788,794
Ending Working Capital (Fund Balance)	599,952	642,911	648,091	369,654	1,356,952	0
Total Requirements	9,630,208	11,432,109	11,441,135	12,885,406	13,273,803	11,788,794

Reserves (Budgeted amounts only)

Balance Available	0	44,651	648,091	369,654	369,654	0
Total Reserves	0	44,651	648,091	369,654	369,654	0

Municipal Airport Fund (510)

Enterprise Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Licenses/Permits	40,385	39,791	43,700	43,700	43,700	43,700
Intergovernmental	1,608,763	6,224,214	2,917,258	3,723,127	3,723,127	9,519,000
Rental	1,184,304	1,086,480	989,284	989,284	989,284	1,006,102
Charges for Services	11,691,805	14,158,246	12,803,266	19,602,646	21,809,287	14,859,082
Fines/Forfeitures	899	5,267	3,200	3,200	3,200	3,200
Miscellaneous	125,408	182,709	20,000	20,000	200,000	193,602
Total Revenues	14,651,564	21,696,707	16,776,708	24,381,957	26,768,598	25,624,686
Expenditures						
Fire and Emerg. Med. Srvcs.	864,582	907,517	1,235,585	1,235,585	1,235,585	1,291,890
Police	576,555	634,276	709,000	709,000	709,000	1,114,114
Public Works	7,499,991	8,311,188	8,822,783	8,822,783	8,822,783	9,382,612
Capital	7,608,238	7,408,207	16,417,223	15,430,097	15,430,097	11,612,500
Interfund Transfers	603,000	605,000	632,000	632,000	632,000	744,000
Total Expenditures	17,152,365	17,866,188	27,816,591	26,829,465	26,829,465	24,145,116
Excess (deficiency) of revenues over expenditures	(2,500,801)	3,830,519	(11,039,883)	(2,447,508)	(60,867)	1,479,570
Beginning Working Capital (Fund Balance), July 1	12,135,449	9,634,648	22,258,517	13,465,167	13,465,167	13,404,300
Ending Working Capital (Fund Balance), June 30	9,634,648	13,465,167	11,218,634	11,017,659	13,404,300	14,883,870
Reconciliation of Total Resources and Requirements						
Resources						
Beginning Working Capital (Fund Balance)	12,135,449	9,634,648	22,258,517	13,465,167	13,465,167	13,404,300
Total Revenues	14,651,564	21,696,707	16,776,708	24,381,957	26,768,598	25,624,686
Total Resources	26,787,013	31,331,355	39,035,225	37,847,124	40,233,765	39,028,986
Requirements						
Total Expenditures	17,152,365	17,866,188	27,816,591	26,829,465	26,829,465	24,145,116
Ending Working Capital (Fund Balance)	9,634,648	13,465,167	11,218,634	11,017,659	13,404,300	14,883,870
Total Requirements	26,787,013	31,331,355	39,035,225	37,847,124	40,233,765	39,028,986
Reserves (Budgeted amounts only)						
Reserve	781,060	139,025	3,835,436	(4,001,737) *	3,835,436 *	6,358,213
Balance Available	4,253,576	6,076,372	7,383,198	15,019,396 *	7,182,223 *	8,525,657
Total Reserves	5,034,636	6,215,397	11,218,634	11,017,659	11,017,659	14,883,870

* This fund's budgeted Reserve, adopted in the December Supplemental Budget, was incorrect. Staff will present corrected amounts in the FY19 June Supplemental Budget for adoption by City Council. The incorrect budgeted Reserve and offsets are included in the "FY19 Budget 12/31/2018" column, and the corrected amounts appear in the "FY19 Projections" column. The FY20 Proposed Budget amounts reflect the corrected FY19 amounts.

Parking Services Fund (520)

Enterprise Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Rental	570,140	535,780	520,605	520,605	551,257	638,105
Charges for Services	5,036,696	4,923,824	5,380,140	5,530,140	5,234,080	6,147,858
Fines/Forfeitures	1,220,453	1,201,943	1,351,500	1,351,500	1,224,500	1,224,500
Miscellaneous	78,532	105,695	185,000	185,000	155,000	70,000
Interfund Loans	0	0	750,000	750,000	750,000	0
Total Revenues	6,905,821	6,767,242	8,187,245	8,337,245	7,914,837	8,080,463
Expenditures						
Central Services	356,714	366,027	395,512	395,512	372,404	399,014
Planning and Development	4,623,053	5,672,073	6,293,570	6,243,844	5,746,912	5,892,226
Public Works	61,509	62,117	90,061	90,061	90,061	93,033
Capital	12,790	129,822	1,720,633	1,797,389	1,643,000	1,000,000
Debt Service	0	0	26,250	26,250	13,125	26,250
Interfund Transfers	1,064,425	1,087,350	1,119,350	1,119,350	1,119,350	1,185,350
Special Payments	0	0	0	0	0	150,000
Total Expenditures	6,118,491	7,317,389	9,645,376	9,672,406	8,984,852	8,745,873
Excess (deficiency) of revenues over expenditures	787,330	(550,147)	(1,458,131)	(1,335,161)	(1,070,015)	(665,410)
Beginning Working Capital (Fund Balance), July 1	1,930,915	2,718,245	2,616,260	2,168,098	2,168,098	1,098,083
Ending Working Capital (Fund Balance), June 30	2,718,245	2,168,098	1,158,129	832,937	1,098,083	432,673

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,930,915	2,718,245	2,616,260	2,168,098	2,168,098	1,098,083
Total Revenues	6,905,821	6,767,242	8,187,245	8,337,245	7,914,837	8,080,463
Total Resources	8,836,736	9,485,487	10,803,505	10,505,343	10,082,935	9,178,546
Requirements						
Total Expenditures	6,118,491	7,317,389	9,645,376	9,672,406	8,984,852	8,745,873
Ending Working Capital (Fund Balance)	2,718,245	2,168,098	1,158,129	832,937	1,098,083	432,673
Total Requirements	8,836,736	9,485,487	10,803,505	10,505,343	10,082,935	9,178,546

Reserves (Budgeted amounts only)

Balance Available	1,638,710	1,532,385	1,158,129	832,937	832,937	432,673
Total Reserves	1,638,710	1,532,385	1,158,129	832,937	832,937	432,673

Stormwater Utility Fund (539)

Enterprise Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Licenses/Permits	221,016	209,817	155,000	155,000	223,000	172,000
Intergovernmental	599,402	216,306	9,000	1,065,229	891,984	9,000
Rental	31,204	65,988	0	0	4,344	0
Charges for Services	17,739,207	19,773,983	19,320,239	19,320,239	20,501,369	20,303,112
Fines/Forfeitures	3,260	0	0	0	0	0
Miscellaneous	76,722	177,686	71,125	71,125	233,303	292,000
Total Revenues	18,670,811	20,443,780	19,555,364	20,611,593	21,854,000	20,776,112
Expenditures						
Public Works	13,776,144	14,138,730	16,574,573	16,958,058	16,893,382	16,674,794
Capital	1,441,107	1,750,145	8,217,835	8,015,567	9,267,544	2,915,000
Interfund Transfers	1,154,000	1,111,000	1,351,000	1,390,645	1,390,645	1,202,000
Special Payments	300	350	15,000	15,000	15,000	15,000
Total Expenditures	16,371,551	17,000,225	26,158,408	26,379,270	27,566,571	20,806,794
Excess (deficiency) of revenues over expenditures	2,299,260	3,443,555	(6,603,044)	(5,767,677)	(5,712,571)	(30,682)
Beginning Working Capital (Fund Balance), July 1	6,957,196	9,256,456	11,504,146	12,700,011	12,700,011	6,987,440
Ending Working Capital (Fund Balance), June 30	9,256,456	12,700,011	4,901,102	6,932,334	6,987,440	6,956,758

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	6,957,196	9,256,456	11,504,146	12,700,011	12,700,011	6,987,440
Total Revenues	18,670,811	20,443,780	19,555,364	20,611,593	21,854,000	20,776,112
Total Resources	25,628,007	29,700,236	31,059,510	33,311,604	34,554,011	27,763,552
Requirements						
Total Expenditures	16,371,551	17,000,225	26,158,408	26,379,270	27,566,571	20,806,794
Ending Working Capital (Fund Balance)	9,256,456	12,700,011	4,901,102	6,932,334	6,987,440	6,956,758
Total Requirements	25,628,007	29,700,236	31,059,510	33,311,604	34,554,011	27,763,552

Reserves (Budgeted amounts only)

Balance Available	3,279,033	4,701,827	4,901,102	6,932,334	6,932,334	6,956,758
Total Reserves	3,279,033	4,701,827	4,901,102	6,932,334	6,932,334	6,956,758

Wastewater Utility Fund (530)

Enterprise Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues*						
Licenses/Permits	2,502	96,577	16,000	16,000	16,000	16,000
Intergovernmental	73,073	19,191	9,000	9,000	0	0
Rental	22,004	9,804	0	0	6,132	6,132
Charges for Services	50,583,419	51,604,878	55,630,953	56,359,416	55,468,162	56,958,713
Fines/Forfeitures	8,950	3,300	5,000	5,000	5,000	5,000
Miscellaneous	90,661	101,377	62,800	62,800	109,722	154,500
Total Revenues	50,780,609	51,835,127	55,723,753	56,452,216	55,605,016	57,140,345
Expenditures						
Public Works	21,222,194	21,594,521	24,932,977	25,318,226	24,852,226	24,548,982
Capital	806,955	1,721,726	7,457,812	6,270,915	6,270,915	2,140,000
Interfund Transfers	1,718,000	1,785,000	1,865,000	1,865,000	1,865,000	1,820,000
Special Payments	25,575,411	26,177,657	27,845,000	27,845,000	26,845,000	28,636,000
Total Expenditures	49,322,559	51,278,903	62,100,789	61,299,141	59,833,141	57,144,982
Excess (deficiency) of revenues over expenditures	1,458,050	556,224	(6,377,036)	(4,846,925)	(4,228,125)	(4,637)
Beginning Working Capital (Fund Balance), July 1	4,034,259	5,492,309	6,540,622	6,048,533	6,048,533	1,820,408
Ending Working Capital (Fund Balance), June 30	5,492,309	6,048,533	163,586	1,201,608	1,820,408	1,815,771

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	4,034,259	5,492,309	6,540,622	6,048,533	6,048,533	1,820,408
Total Revenues	50,780,609	51,835,127	55,723,753	56,452,216	55,605,016	57,140,345
Total Resources	54,814,868	57,327,436	62,264,375	62,500,749	61,653,549	58,960,753
Requirements						
Total Expenditures	49,322,559	51,278,903	62,100,789	61,299,141	59,833,141	57,144,982
Ending Working Capital (Fund Balance)	5,492,309	6,048,533	163,586	1,201,608	1,820,408	1,815,771
Total Requirements	54,814,868	57,327,436	62,264,375	62,500,749	61,653,549	58,960,753

Reserves (Budgeted amounts only)

Balance Available	1,420,315	931,931	163,586	1,201,608	1,201,608	1,815,771
Total Reserves	1,420,315	931,931	163,586	1,201,608	1,201,608	1,815,771

Facilities Services Fund (615)

Internal Service Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	37,193	0	0	0	0	0
Rental	588,385	578,528	588,600	588,600	649,653	715,478
Charges for Services	9,806,973	9,929,050	10,502,397	10,502,397	10,274,985	10,668,718
Miscellaneous	55,946	89,733	32,050	32,050	63,355	132,250
Interfund Loans	0	0	0	0	0	150,000
Total Revenues	10,488,497	10,597,311	11,123,047	11,123,047	10,987,993	11,666,446
Expenditures						
Central Services	8,828,087	9,384,771	10,329,448	10,248,899	9,713,786	10,290,165
Planning and Development	260,360	340,274	518,118	483,904	449,296	502,669
Capital	520,168	174,920	752,567	750,406	750,406	351,712
Debt Service	211,730	211,165	0	0	0	0
Interfund Transfers	421,000	477,000	507,000	507,000	507,000	654,000
Special Payments	0	0	750,000	750,000	750,000	0
Total Expenditures	10,241,345	10,588,130	12,857,133	12,740,209	12,170,488	11,798,546
Excess (deficiency) of revenues over expenditures	247,152	9,181	(1,734,086)	(1,617,162)	(1,182,495)	(132,100)
Beginning Working Capital (Fund Balance), July 1	3,621,284	3,868,436	4,162,892	3,877,617	3,877,617	2,695,122
Ending Working Capital (Fund Balance), June 30	3,868,436	3,877,617	2,428,806	2,260,455	2,695,122	2,563,022

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	3,621,284	3,868,436	4,162,892	3,877,617	3,877,617	2,695,122
Total Revenues	10,488,497	10,597,311	11,123,047	11,123,047	10,987,993	11,666,446
Total Resources	14,109,781	14,465,747	15,285,939	15,000,664	14,865,610	14,361,568
Requirements						
Total Expenditures	10,241,345	10,588,130	12,857,133	12,740,209	12,170,488	11,798,546
Ending Working Capital (Fund Balance)	3,868,436	3,877,617	2,428,806	2,260,455	2,695,122	2,563,022
Total Requirements	14,109,781	14,465,747	15,285,939	15,000,664	14,865,610	14,361,568

Reserves (Budgeted amounts only)

Reserve	536,500	412,000	300,000	221,552	221,552	200,000
Balance Available	2,272,167	2,812,774	2,128,806	2,038,903	2,038,903	2,363,022
Total Reserves	2,808,667	3,224,774	2,428,806	2,260,455	2,260,455	2,563,022

Fleet Services Fund (600)

Internal Service Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	11,771	70,365	0	0	92,818	0
Rental	21,976	44,471	25,000	25,000	66,750	66,750
Charges for Services	9,505,511	9,321,067	9,674,286	9,674,286	9,723,639	10,629,181
Miscellaneous	495,839	633,046	855,000	855,000	499,939	838,845
Interfund Transfers	1,430,980	1,466,755	1,510,000	2,010,000	2,010,000	1,550,000
Interfund Loans	0	0	120,000	120,000	120,000	120,000
Total Revenues	11,466,077	11,535,704	12,184,286	12,684,286	12,513,146	13,204,776
Expenditures						
Public Works	10,608,905	10,225,848	16,401,757	17,756,757	17,613,043	12,141,592
Interfund Transfers	406,000	794,000	380,000	380,000	380,000	460,000
Special Payments	0	1,200,000	0	0	0	0
Total Expenditures	11,014,905	12,219,848	16,781,757	18,136,757	17,993,043	12,601,592
Excess (deficiency) of revenues over expenditures	451,172	(684,144)	(4,597,471)	(5,452,471)	(5,479,897)	603,184
Beginning Working Capital (Fund Balance), July 1	20,187,660	20,638,832	20,088,721	19,954,688	19,954,688	14,474,791
Ending Working Capital (Fund Balance), June 30	20,638,832	19,954,688	15,491,250	14,502,217	14,474,791	15,077,975

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	20,187,660	20,638,832	20,088,721	19,954,688	19,954,688	14,474,791
Total Revenues	11,466,077	11,535,704	12,184,286	12,684,286	12,513,146	13,204,776
Total Resources	31,653,737	32,174,536	32,273,007	32,638,974	32,467,834	27,679,567
Requirements						
Total Expenditures	11,014,905	12,219,848	16,781,757	18,136,757	17,993,043	12,601,592
Ending Working Capital (Fund Balance)	20,638,832	19,954,688	15,491,250	14,502,217	14,474,791	15,077,975
Total Requirements	31,653,737	32,174,536	32,273,007	32,638,974	32,467,834	27,679,567

Reserves (Budgeted amounts only)

Reserve	11,879,943	10,046,876	14,761,688	13,733,754	13,733,754	14,141,609
Balance Available	406,000	1,651,662	729,562	768,463	768,463	936,366
Total Reserves	12,285,943	11,698,538	15,491,250	14,502,217	14,502,217	15,077,975

Information Systems and Services Fund (610) Internal Service Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Charges for Services	9,891,725	7,069,499	7,568,501	7,568,501	7,132,966	7,774,013
Miscellaneous	147,129	137,983	5,000	5,000	134,600	171,000
Interfund Transfers	0	0	0	0	0	0
Total Revenues	10,038,855	7,207,482	7,573,501	7,573,501	7,267,566	7,945,013
Expenditures						
Central Services	8,040,246	10,445,154	13,015,741	11,590,679	10,394,226	8,072,055
Interfund Transfers	339,000	402,000	364,000	364,000	364,000	279,000
Total Expenditures	8,379,246	10,847,154	13,379,741	11,954,679	10,758,226	8,351,055
Excess (deficiency) of revenues over expenditures	1,659,609	(3,639,672)	(5,806,240)	(4,381,178)	(3,490,660)	(406,042)
Beginning Working Capital (Fund Balance), July 1	10,107,810	11,767,419	8,546,546	8,127,747	8,127,747	4,637,087
Ending Working Capital (Fund Balance), June 30	11,767,419	8,127,747	2,740,306	3,746,569	4,637,087	4,231,045

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	10,107,810	11,767,419	8,546,546	8,127,747	8,127,747	4,637,087
Total Revenues	10,038,855	7,207,482	7,573,501	7,573,501	7,267,566	7,945,013
Total Resources	20,146,665	18,974,901	16,120,047	15,701,248	15,395,313	12,582,100
Requirements						
Total Expenditures	8,379,246	10,847,154	13,379,741	11,954,679	10,758,226	8,351,055
Ending Working Capital (Fund Balance)	11,767,419	8,127,747	2,740,306	3,746,569	4,637,087	4,231,045
Total Requirements	20,146,665	18,974,901	16,120,047	15,701,248	15,395,313	12,582,100

Reserves (Budgeted amounts only)

Reserve	1,364,919	1,317,024	1,686,947	1,686,947	1,686,947	2,315,610
Balance Available	1,930,332	3,192,152	1,053,359	2,059,622	2,059,622	1,915,435
Total Reserves	3,295,251	4,509,176	2,740,306	3,746,569	3,746,569	4,231,045

Professional Services Fund (630)

Internal Service Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	6,586	(0)	0	0	0	0
Charges for Services	5,405,698	5,629,140	7,430,586	7,680,586	6,949,576	8,357,896
Miscellaneous	25,522	17,331	14,000	14,000	18,344	18,000
Total Revenues	5,437,806	5,646,470	7,444,586	7,694,586	6,967,920	8,375,896
Expenditures						
Public Works	6,028,890	5,830,764	6,747,126	6,997,126	6,997,126	7,561,931
Interfund Transfers	888,000	920,000	684,000	684,000	684,000	753,000
Total Expenditures	6,916,890	6,750,764	7,431,126	7,681,126	7,681,126	8,314,931
Excess (deficiency) of revenues over expenditures	(1,479,084)	(1,104,294)	13,460	13,460	(713,206)	60,965
Beginning Working Capital (Fund Balance), July 1	3,643,145	2,164,061	328,483	1,059,767	1,059,767	346,561
Ending Working Capital (Fund Balance), June 30	2,164,061	1,059,767	341,943	1,073,227	346,561	407,526

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	3,643,145	2,164,061	328,483	1,059,767	1,059,767	346,561
Total Revenues	5,437,806	5,646,470	7,444,586	7,694,586	6,967,920	8,375,896
Total Resources	9,080,951	7,810,531	7,773,069	8,754,353	8,027,687	8,722,457
Requirements						
Total Expenditures	6,916,890	6,750,764	7,431,126	7,681,126	7,681,126	8,314,931
Ending Working Capital (Fund Balance)	2,164,061	1,059,767	341,943	1,073,227	346,561	407,526
Total Requirements	9,080,951	7,810,531	7,773,069	8,754,353	8,027,687	8,722,457

Reserves (Budgeted amounts only)

Reserve	1,576,066	388,512	319,250	319,250	319,250	307,100
Balance Available	1,034,139	1,103,693	22,693	753,977	753,977	100,426
Total Reserves	2,610,205	1,492,205	341,943	1,073,227	1,073,227	407,526

Risk and Benefits Fund (620)

Internal Service Funds

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	223,688	257,802	220,000	220,000	220,000	235,000
Charges for Services	40,106,923	45,074,649	44,345,716	44,345,716	44,898,605	46,018,762
Miscellaneous	1,937,464	2,471,771	412,160	412,160	728,935	1,013,160
Total Revenues	42,268,075	47,804,222	44,977,876	44,977,876	45,847,540	47,266,922
Expenditures						
Central Services	34,302,574	36,207,143	39,378,122	39,337,581	36,860,261	40,096,903
Debt Service	6,364,372	6,674,372	6,999,400	6,999,400	6,996,080	7,339,400
Interfund Transfers	156,000	584,459	236,000	236,000	236,000	281,000
Total Expenditures	40,822,947	43,465,974	46,613,522	46,572,981	44,092,341	47,717,303
Excess (deficiency) of revenues over expenditures	1,445,128	4,338,248	(1,635,646)	(1,595,105)	1,755,199	(450,381)
Beginning Working Capital (Fund Balance), July 1	14,721,602	16,166,730	17,171,788	20,504,978	20,504,978	22,260,177
Ending Working Capital (Fund Balance), June 30	16,166,730	20,504,978	15,536,142	18,909,873	22,260,177	21,809,796

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	14,721,602	16,166,730	17,171,788	20,504,978	20,504,978	22,260,177
Total Revenues	42,268,075	47,804,222	44,977,876	44,977,876	45,847,540	47,266,922
Total Resources	56,989,677	63,970,952	62,149,664	65,482,854	66,352,518	69,527,099
Requirements						
Total Expenditures	40,822,947	43,465,974	46,613,522	46,572,981	44,092,341	47,717,303
Ending Working Capital (Fund Balance)	16,166,730	20,504,978	15,536,142	18,909,873	22,260,177	21,809,796
Total Requirements	56,989,677	63,970,952	62,149,664	65,482,854	66,352,518	69,527,099

Reserves (Budgeted amounts only)

Reserve	6,963,777	7,030,554	7,121,362	7,442,436	7,442,436	6,779,890
Balance Available	7,287,779	8,435,631	8,414,780	11,467,437	11,467,437	15,029,906
Total Reserves	14,251,556	15,466,185	15,536,142	18,909,873	18,909,873	21,809,796

This page intentionally left blank.

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. 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 pooled issuance which have a Moody's ratings of "Aa3". The City has held a double-A rating on its debt since 1957.

Outstanding Indebtedness

The City’s indebtedness as of July 1, 2018, is listed below:

	Interest Rates on Outstanding Bonds	Original Amount	Maturity Date	Outstanding Principal
Voter Approved G.O. Bonds:				
Parks, Athletic Fields and Open Space LOC *	variable	\$3,000,000	6/1/2019	\$0
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	2,740,000
Refunding, Series 2016 ***	2.000% to 5.000%	10,125,000	6/1/2026	<u>5,955,000</u>
				8,695,000
Self-Supporting General Fund Secured Debt:				
Improvement, Series 2011	7.050%	580,000	12/1/2026	183,334
Pension Obligation, Series 2002	6.850% to 7.410%	68,015,710	6/1/2028	<u>49,816,316</u>
				49,999,650
Notes Payable:				
HUD 108	0.280% to 3.700%	7,895,000	8/1/2030	<u>5,484,000</u>
Total Outstanding Debt as of July 1, 2018				<u>\$64,178,650</u>

* Parks, Athletic Fields and Open Space LOC, and the Street Bonds, Series 2012 LOC had a zero outstanding balance.

** 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 (POS), 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 were issued 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 general obligation 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, 2018**

	General Obligation Debt	Assessment Debt *
Real Market Value	\$26,701,028,534	\$26,701,028,534
Debt Capacity: 3% of Real Market Value	801,030,856	801,030,856
Outstanding Debt	(8,695,000)	(183,334)
Debt reserve	817,737	1,194
Net Debt Subject to 3% Limitation	<u>(7,877,263)</u>	<u>(182,140)</u>
Marginal Capacity	<u>\$793,153,593</u>	<u>\$800,848,716</u>
Statutory Debt Capacity Percent	99%	100%

* Totals may not tie due to rounding.

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, 2018

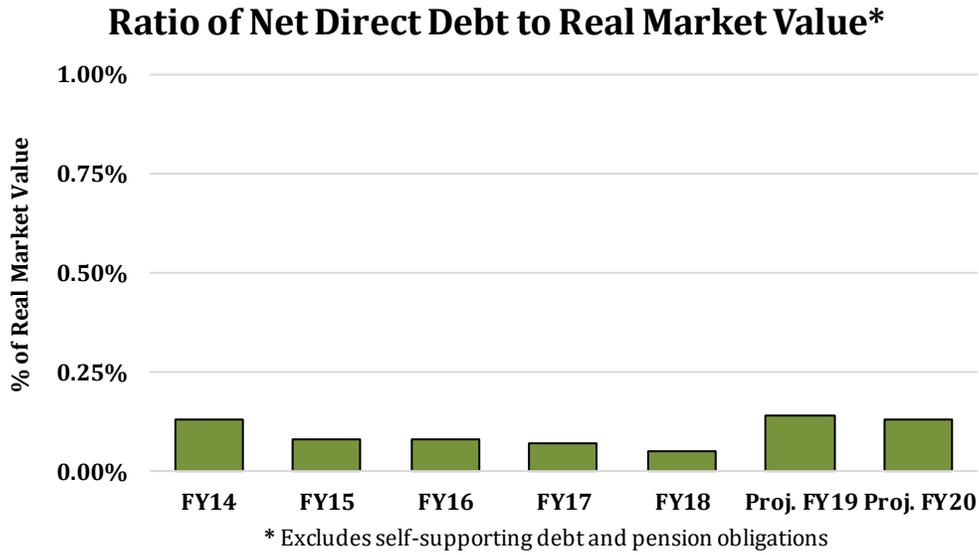
Overlapping District	Gross Property Tax Backed Debt	Percent Overlapping	Net Overlapping Property Tax Backed Debt
Lane Community College	\$51,772,932	46.73%	\$27,831,719
Lane County	35,978,634	47.46%	11,250,346
Lane Education Service District	3,081,821	47.52%	3,081,821
School District 4J (Eugene)	236,650,382	79.53%	236,650,382
School District 52 (Bethel)	39,514,899	77.02%	39,514,889
School District 69 (Junction City)	612,894	4.35%	612,894
River Road Park and Recreation District	573	0.07%	363
Total Net Direct Overlapping Debt			<u>\$318,942,414</u>

*Gross Property Tax-Backed Debt includes general obligation and limited-tax general obligation debt. Percent overlapping is the percent of district property value that overlaps with the City of Eugene. Net property overlapping tax-backed debt excludes debt that is considered self-supporting.

Source: Oregon State Treasury Debt Management Information System

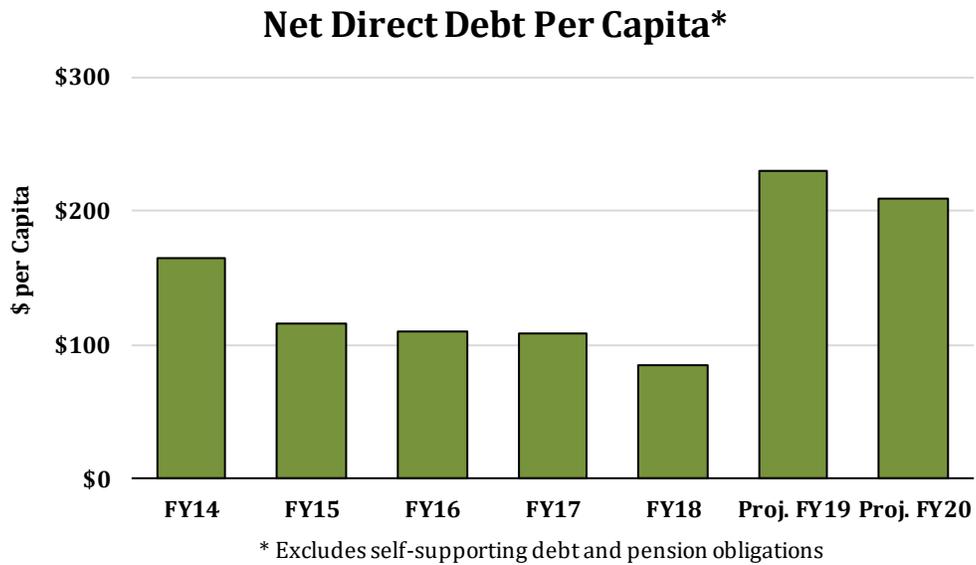
Debt to Real Market Value

The ratio of debt to real market value is projected to be 0.13% by the end of FY20. The City has an adopted policy limiting net direct debt to no more than 1.0% of real market value.



Debt Per Capita

The net direct debt per capita is projected to be \$209 by June 2020.



Debt Service Budget – All Funds

Below is a chart that sets out the budget for principal and interest on all City debt, as well as debt issuance costs.

Debt Payments	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 12/31/2018 Budget	FY20 Proposed
Community Development	\$364,339	\$364,649	\$373,395	\$373,395	\$371,249
G.O. Debt Service	13,225,048	13,631,267	13,687,225	14,268,132	13,904,043
Special Assessment Bond	39,681	22,359	225,000	225,000	180,000
Facilities Services	211,730	211,165	0	0	0
Risk and Benefits	6,364,373	6,674,373	6,999,400	6,999,400	7,339,400
Total	\$20,205,170	\$20,903,812	\$21,285,020	\$21,865,927	\$21,794,692

Interfund Loan Interest	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 12/31/2018 Budget	FY20 Proposed
Telecom Registration/Licensing *	\$0	\$0	\$42,000	\$42,000	\$42,000
Parking Services **	0	0	26,250	26,250	26,250
Total	\$0	\$0	\$68,250	\$68,250	\$68,250

Debt Issuance Costs	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 12/31/2018 Budget	FY20 Proposed
General Capital Projects ***	\$0	\$0	\$30,000	\$30,000	\$0
Transportation Capital Projects ***	0	0	380,000	380,000	0
Total	\$0	\$0	\$410,000	\$410,000	\$0

* In FY18, the Telecom Registration/Licensing Fund received a 10-year, \$1.2 million loan for replacement of Eugene Police Department radios from the Fleet Fund.

** In FY19, the Parking Services Fund received an interfund loan from the Facilities Services Fund for capital improvements.

*** The City records the annual banking fees associated with maintaining these debt instruments as operating expenditures.

The costs associated with issuing new debt are budgeted and recorded as debt issuance costs.

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 March 2019, the City had issued \$25,740,000 of debt under this authorization, leaving \$1,750,000 authorized but unissued.

In November 2012, voters approved \$43,000,000 of G.O. bonds to fix streets. As of March 2019, the City has issued \$36,909,700 of debt under this authorization, leaving \$6,090,300 remaining unissued. The City expects to issue all the remaining debt by the end of FY19.

In November 2017, voters approved \$51,200,000 of G.O. bonds to fix streets and fund bicycle and pedestrian projects. No bonds have been issued as of March 2019. The property tax levy for this authorization will begin in FY20. The City expects to issue debt to fund these projects as spending occurs in the form of a short-term line of credit repaid from the property tax levies within the same fiscal year.

In May 2018, voters approved \$39,350,000 of G.O. bonds for capital costs related to parks and recreation facilities. A first series of bonds under this authorization were issued in February 2019. This series totaled \$28,650,000, leaving \$10,700,000 authorized but unissued. The bonds were issued as 20-year bonds, with tax levies from FY19 through FY38. The remaining bonds are expected to be issued in the next two to three years.

Projected Debt Activity

The chart below sets out principal and interest payments on outstanding debt as well as projected new issuance during FY20.

FUND/BOND OR LOAN ISSUE	Outstanding Principal Balance 7/1/2019	New Issuance	Principal Payments	Interest	Outstanding Principal Balance 6/30/2020
COMMUNITY DEVELOPMENT FUND					
HUD 108 Loan	\$5,280,000	\$0	\$204,000	\$167,249	\$5,076,000
GENERAL OBLIGATION DEBT SERVICE FUND					
G.O. Street Bonds LOC 2017 *	0	9,915,000	9,915,000	50,000	0
G.O. Refunding, Series 2011	2,085,000	0	680,000	43,475	1,405,000
G.O. PROS Bonds, Series 2016	3,805,000	0	715,000	116,400	3,090,000
G.O. Parks and Rec, Series 2019A	23,620,000	0	0	861,932	23,620,000
G.O. Parks and Rec, Series 2019B	4,230,000	0	1,410,000	112,236	2,820,000
TOTAL G.O. DEBT SERVICE FUND	33,740,000	9,915,000	12,720,000	1,184,043	30,935,000
ASSESSMENT BOND FUND					
Limited Tax, Series 2011 **	135,033	0	50,000	20,000	85,033
RISK AND BENEFITS FUND					
Pension Obligations, Series 2002	48,751,424	0	3,016,500	4,322,900	45,734,924
TOTAL ALL FUNDS	\$87,906,457	\$9,915,000	\$15,990,500	\$5,694,192	\$81,830,957

* This revolving LOC facility 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.

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 FY18	Estimated Current Tax Receipts FY19	Current Levy Classification	Gross Levy FY20	Less Discounts and Delinquency	Budgeted Current Tax Receipts FY20
OPERATING LEVY					
\$101,213,613	\$102,018,000	Permanent Operating Levy	\$111,716,356	\$5,583,356	\$106,133,000
2,650,904	2,565,000	Five-Year Local Option Levy for Library Operations	2,700,000	135,000	2,565,000
0	2,993,000	Five-Year Local Option Levy for Parks and Recreation	3,150,000	157,000	2,993,000
103,864,517	107,576,000	TOTAL OPERATING LEVY	117,566,356	5,875,356	111,691,000
DEBT SERVICE LEVY					
13,546,402	13,450,000	General Obligation Bonds	13,891,211	694,561	13,196,650
\$117,410,919	\$121,026,000	GRAND TOTAL PROPERTY TAX	\$131,457,567	\$6,569,917	\$124,887,650

Source: City of Eugene Finance Division; FY19 and FY20 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 last 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
FY11	\$98,139,027	\$92,557,680	94.3%	\$2,712,680	\$95,270,360	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	104,672,605	94.4%	1,987,826	106,660,431	96.2%
FY17	115,150,057	109,248,314	94.9%	2,324,795	111,573,109	96.9%
FY18	119,437,230	117,410,919	98.3%	1,906,085	119,317,004	99.9%
FY19 Estimate	127,394,933	121,026,000	95.0%	1,775,000	122,801,000	96.4%
FY20 Budget	131,457,567	124,887,650	95.0%	1,664,000	126,551,650	96.3%

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.

Fiscal Year	Tax Rates per \$1,000 of Assessed Value ¹					Total City Tax Levy Imposed ⁶	Assessed Valuation ⁷
	Operating ²	Library ³	Parks and Rec. ⁴	Debt Service ⁵	Total City		
FY11	\$6.90	\$0.23	\$ -	\$1.20	\$8.33	\$98,139,027	\$11,613,161,618
FY12	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	6.89	-	-	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	6.87	0.19	-	0.97	8.02	115,150,057	14,078,122,403
FY18	6.87	0.18	-	0.92	7.96	119,437,230	14,701,954,910
FY19	6.86	0.17	0.20	0.90	8.13	127,394,933	15,336,266,286
FY20 Budget	6.85	0.17	0.19	0.86	8.07	131,457,567	15,950,000,000

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

(4) In May 2018, voters approved a five-year local option property tax levy for Parks and Recreation Operations and Maintenance at \$3.15 million per year, starting in FY19 and ending in FY23.

(5) In November 2008, voters approved a \$35.9 million five-year General Obligation (G.O.) bond measure for street repairs, which is reflected in the debt tax rate starting in FY10. In November 2012, voters approved another \$43 million five-year G.O. bond measure for street repairs, which is reflected in the debt tax rate starting in FY15 after the 2008 street bond taxes ended. In November 2017, voters approved a new \$51.2 million five-year G.O. bond measure for street repairs that will begin in FY20 after the 2012 street bond taxes end. Changes in debt taxes from year to year also reflect payoff of prior bond authorizations, as well as periodic refinancing of debt to achieve interest rate savings.

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

(7) Net of urban renewal incremental value.

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 the 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.

In 2017, the Agency Board selected members for the Riverfront District advisory committee, known as the River Guides. The River Guides' charter is to advise on the activities of the District. In addition to the River Guides, section 700 of the Riverfront Urban Renewal Plan requires that the Agency Board approve all projects, other than loans, in excess of \$250,000. This is in addition to the Budget Committee and Agency Board's budget review and approval process.

Agency Management

The City's Planning and Development Department manages Agency activities. Staff and some 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.

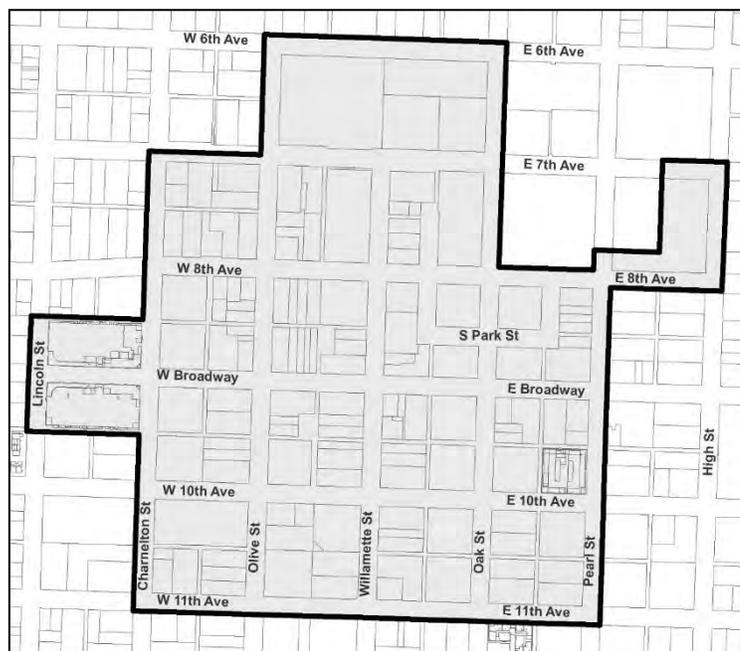
In June 1998, the City Council chose one of the options provided by Measure 50 legislation that allowed for a citywide special levy as well as dividing the taxes collected within the District. The Council limited expenditures of new funds to completing existing projects and construction of a new Downtown 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, to establish a spending limit (“maximum indebtedness”) of \$33 million, 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 increased the spending limit by \$13.6 million to fund 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

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 (for a total of 75 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 City is working in partnership with Eugene Water & Electric Board (EWEB) and Lane Council of Governments (LCOG) to construct a high-speed telecommunications network in the downtown area. Known as EUGNet, the municipally owned fiber network has created a competitive landscape for telecommunications.



The fiber network includes fiber-optic cables that connect individual buildings to a central interconnect site, the Willamette Internet Exchange (WIX). The City, EWEB, and LCOG identified a low-cost method to connect buildings by running fiberoptic cables through existing electrical conduit.

EWEB owns the fiber strands, and private Internet Service Providers (ISPs) lease the strands and provide telecommunications services to businesses inside connected buildings. LCOG owns and operates the WIX.

The WIX now offers a large-capacity backhaul connection to major peering points in Portland and San Jose, California. This expanded connection offers high-volume backhaul capacity to ISPs connected to the WIX, at a relatively low price. It has enabled local ISPs to offer faster and lower cost service to their customers beyond the downtown area.

This project is providing telecommunications infrastructure to support the needs of the growing technology sector and other businesses in the downtown area. The new infrastructure has helped existing businesses expand and has attracted new businesses to downtown. In addition, the



Fiber Lighting Ceremony: EWEB General Manager Frank Lawson and City of Eugene Mayor Lucy Vinis

fiber network’s assets have enabled other communities and organizations to access higher speed telecommunications at lower costs. For example, Eugene School District 4J has a new contract for telecommunications service that is 10 times faster and half the price of its previous contract. As of early 2019, 41 buildings are connected to EUGNet. Construction of the network is expected to be completed in 2019.

- **Farmers’ Market (not to exceed \$4.5 million¹ of tax increment funds)**

The Lane County Farmers’ Market currently operates twice a week during the spring, summer, and fall in two locations within the Park Blocks on 8th Avenue. The Farmers’ Market continues to encounter issues with these locations, such as inadequate electrical service, uneven, unpaved, and inaccessible surfaces, and lack of a permanent shelter. For the past few years, the Farmers’ Market has expressed a need and market demand for expanding its offerings and potentially operating year-round.



Lane County Farmers' Market

The Butterfly Lot was purchased in January 2019 to serve as the location of the Town Square, a project connecting the future City Hall to the Park Blocks following the City of Eugene and Lane County’s Purchase and Sale Agreement signed in 2017 to 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. This project builds on the legacy of the Park Blocks as the original ‘public square’ of Eugene, supporting mutual goals of providing a permanent location for a year-round public Farmers’ Market, and continuing the momentum of downtown revitalization. As a reminder, the Agency Board decided that Urban Renewal funds shall not be used to pay for construction of a new City Hall building on the Butterfly Lot. In coordination with the development of City Hall, improvements to the Park Blocks will make that location more attractive and functional for the Farmers’ Market and accessible, safe, and inviting for the public. Project scoping began in 2018 and will continue into 2019 along with public involvement.

- **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, as well as the long-term location for two beloved organizations, the Saturday Market and the 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.

¹ Includes \$500,000 of unspent Downtown District funds approved in the 2010 Plan amendment.

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. Project scoping began in 2018 and will continue into 2019 along with public involvement.



West Park Block

Improvements in other downtown public spaces are needed for a thriving, safe and welcoming downtown through the removal of blighted conditions, improved amenities and attractiveness of these spaces, as well as their impact on existing and desired adjacent uses. These downtown spaces 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.

- **1059 Willamette Redevelopment (not to exceed \$6 million of tax increment funds)**

The former Lane Community College (LCC) Downtown Center at 1059 Willamette 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.



Former LCC Downtown Center

Redevelopment of this large three-story structure with a full basement may include housing or activities that advance the Regional Prosperity Economic Development Plan. The City is still assessing the building and its potential uses. Next steps include hiring a consultant to perform an historic evaluation of the building. LCC and the City are collaborating to create a financially sustainable redevelopment plan.

The 2016 Plan amendment requires a community engagement and approval process for the Farmers' Market, Park Blocks and Open Spaces, and 1059 Willamette Redevelopment. 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 original district encompassed 208.75 acres adjacent to and including the University of Oregon's Riverfront Research Park.

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 by 34.5 acres, and providing other information about the impact of the amendments.

In FY18, the Agency Board amended the boundary again to add an additional 1.86 acres, bringing the total area up to approximately 245 acres. The current boundary of the district is shown in the map below. The boundary was expanded to: a) include two railroad quiet zone crossings to make them eligible for urban renewal funds (the Pearl and High street crossings), and b) make it possible to use urban renewal funds to purchase the approximate one acre of Downtown Riverfront property from EWEB that was outside of the District boundary.



Riverfront Urban Renewal District

The 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.

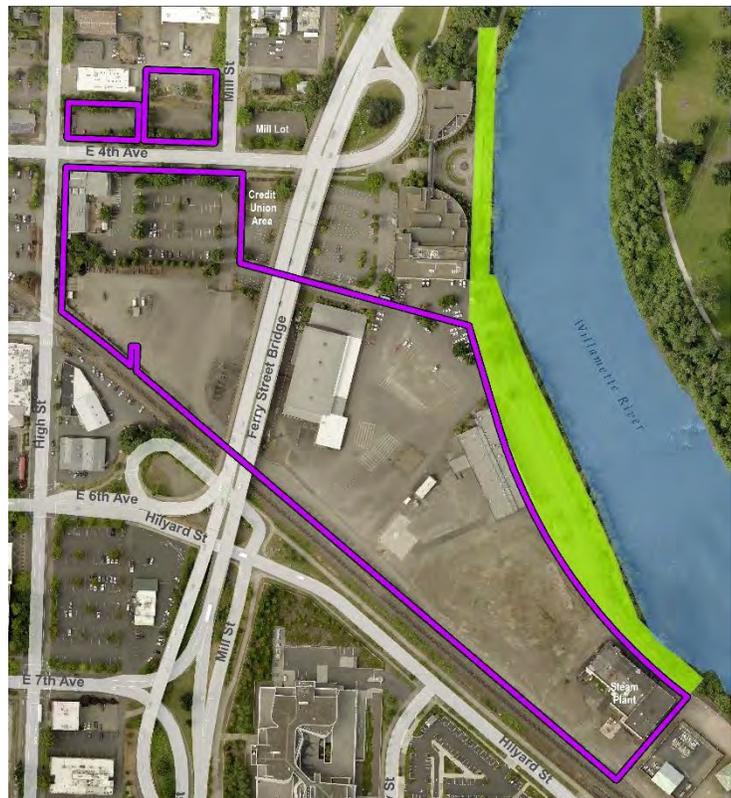
Downtown Riverfront Project

On April 17, 2018 the Agency purchased approximately 16 acres of Downtown Riverfront property from EWEB, 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, and adopted as policy and land use code in 2013. The transformation of the redevelopment site 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 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 Agency Board, approved the property purchase terms and conditions in 2016. The property was purchased for \$5.75 million, which came from the Riverfront Urban Renewal District.

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 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 provide a long-lasting legacy for the community.

On January 31, 2018, WDA presented a concept plan to the Agency Board. The public had multiple opportunities to engage, ask questions, and provide comment on the proposal with Williams/Dame & Associates (WDA) and the Downtown Riverfront including an open house, a public hearing, and River Guides review. On July 9 and July 23, 2018, the Agency Board voted to

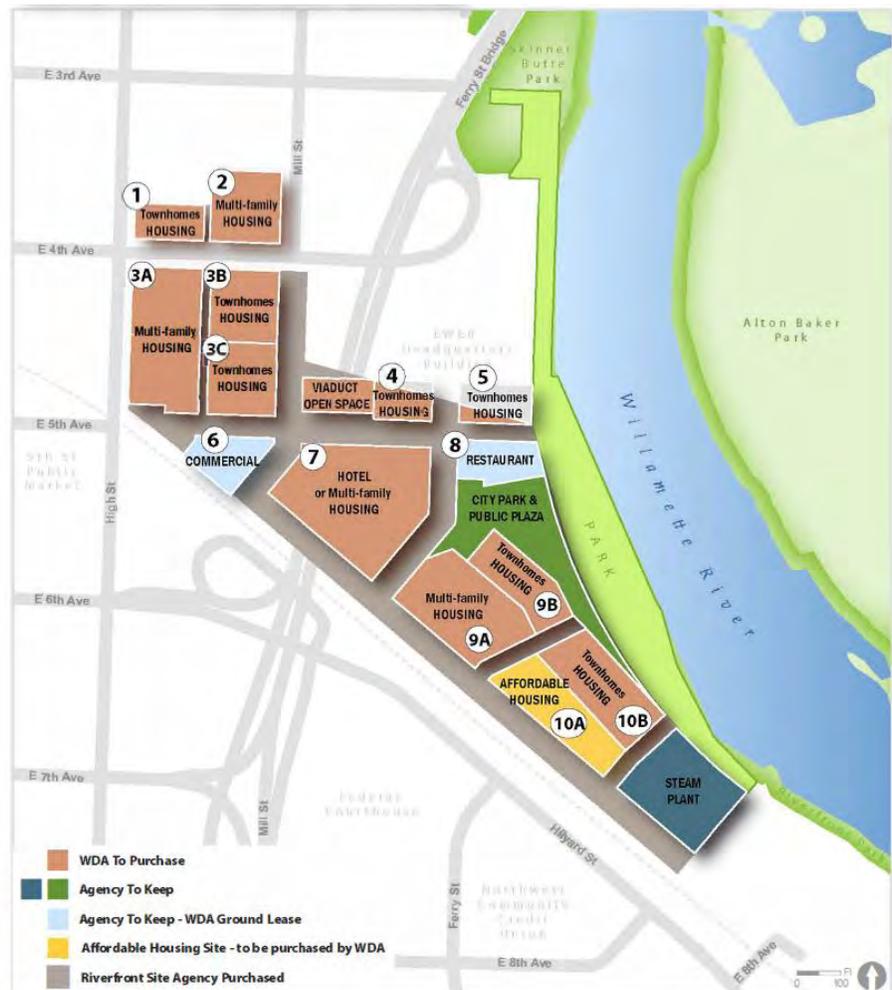


***Downtown Riverfront Redevelopment Site (outlined area)
Riverfront Park (shaded area adjacent to river)***

approve the proposed terms and concept and begin additional processes to work towards the site’s redevelopment including the sale of Parcel 10A to WDA for no fewer than 75 affordable housing units.

On January 24, 2019, the Agency signed a Disposition and Development Agreement (DDA) with WDA. Along with the DDA, the City and WDA signed a Memorandum of Understanding (MOU) to describe the actions that the City expects to take related to the riverfront property. Over the next year, the City will be working with WDA to move the concept plan forward.

The City retained Walker Macy as the design consultant for the Riverfront Park in January of 2018 and purchased the three-acre park parcel the following December. With the concept plan completed in September 2018, the Riverfront Park has moved into the design development phase of planning work and has been split into two construction phases. The first phase concentrates on riparian enhancements along the river bank; the second phase includes construction of the upland elements. It is expected that construction of the new park will be completed in 2021.



Downtown Riverfront Redevelopment Site and Riverfront Park

In April 2018, the Agency Board approved a process and criteria to select a developer for redevelopment of the Steam Plant. In August, the City invited a local team led by Mark Miksis, of deChase Miksis, and Mark Frohnmayer, of Arcimoto, to prepare a full proposal for the redevelopment of the Steam Plant. The team is in the process of assessing the building’s potential, bringing in architects, engineers and other experts and beginning to explore a financing strategy, and has recently completed public engagement.



Steam Plant

Following public engagement, the Riverfront Urban Renewal District advisory committee, River Guides, will evaluate the proposal using the Agency Board-approved criteria and make a recommendation to the Agency Director and Board. The Agency Board is scheduled to review the proposal on April 8 and will be asked to take action on whether or not to authorize the Agency Director to move forward and negotiate deal points with the team. Should the Board authorize negotiation, there would be a subsequent work session in early summer on the deal points. The project will likely have a financing gap that will require outside investment, but it is currently not known whether they will request assistance from the Agency.

The Quiet Zone received Agency Board approval for Riverfront Urban Renewal funds on February 26, 2018. The FY19 Adopted Budget has \$3.7 million of Riverfront Urban Renewal funds for the three eastern crossings. Design is underway, and all ten of the crossing improvements are scheduled for construction in 2020.

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 and Riverfront Renewal 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. Staff and some material and service costs that support Agency projects are initially incurred in the City's General Fund and then reimbursed by each district at the end of the fiscal year.

Description of Funds

Each urban renewal district has its own budget and accounts 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 and consultant costs.
- ***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 Agency'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 specific, approved capital projects in the Downtown District. The Downtown Capital Projects Fund receives funding via interfund transfer from the Downtown Debt Service Fund.

The Riverfront District operates three funds: the Riverfront General Fund, the Riverfront Capital Projects Fund, and the Riverfront Program Revenue Fund.

- ***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 consultant costs; 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 specific, approved capital projects in the Riverfront District. The Riverfront Capital Projects Fund receives funding via interfund transfer from the Riverfront General Fund.
- ***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.

This section sets out significant changes in the Urban Renewal Agency’s FY20 Proposed Budget versus the FY19 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

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 FY20 Proposed Budget includes the following significant changes, by district:

Downtown District: Budget decreased by \$1,396,153, or 15.9%, from the FY19 Adopted Budget to the FY20 Proposed Budget. Significant changes in expenditures are outlined in the table below.

Downtown District	Amount
Downtown Revitalization Loan Program	\$689,295
Capital Carryover	(\$500,000)
Interfund Transfer of Tax Increment Revenue	(\$792,724)
High-Speed Fiber	(\$855,938)

- **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.
- **Capital Carryover** – Capital carryover represents unspent budget authority for capital projects carried over from prior years. Adopted budgets include capital carryover, but proposed budgets do not. The southern half of the Butterfly Lot was purchased in FY19 to serve as the location for the Farmers’ Market using the FY19 Adopted Budget appropriation plus funds approved during the December supplemental budget.
- **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. A decrease in this interfund transfer reflects a decrease in budgeted district operating expenditures, which includes high-speed fiber implementation.
- **High-Speed Fiber** – The Downtown District FY20 Proposed Budget includes funding for expansion of the Willamette Internet Exchange (WIX) to occur in FY20. The remainder of the network is expected to be completed in FY19, which is reflected by a decrease in budgeted expenditures.

Riverfront District: Budget decreased by \$2,091,729, or 16.6%, from the FY19 Adopted Budget to the FY20 Proposed Budget. Significant changes in expenditures are outlined in the table below.

Riverfront District	Amount
Interfund Transfer of Program Revenue	\$3,203,333
Downtown Riverfront Redevelopment	\$3,000,000
Riverfront Urban Renewal Project Support *	\$320,000
Downtown Wayfinding Project	\$100,000
High-Speed Fiber	(\$200,000)
Capital Carryover	(\$1,174,067)
Interfund Transfer of Tax Increment Revenue	(\$1,200,000)
Riverfront Renewal Loan Program	(\$2,231,430)
Railroad Quiet Zone	(\$3,700,000)

* See corresponding General Fund changes in Budget Message section, Attachment C.

- **Interfund Transfer of Program Revenue** –The Riverfront Capital Projects Fund received a payment for the sale of property to the University of Oregon in FY19. This is program revenue (rather than tax increment) and, thus, will be transferred to the Riverfront Program Revenue Fund in FY20.
- **Downtown Riverfront Redevelopment** – The FY20 Proposed Budget includes capital funding to continue preliminary site infrastructure work on the Downtown Riverfront Redevelopment before bids are opened in March 2020, at which time City Council will be asked to take action on step #3 of the Local Improvement District (LID) that was initiated in July 2018.
- **Riverfront Urban Renewal Project Support** – Provides additional funding to support district projects, primarily the Downtown Riverfront Redevelopment. This includes reimbursement to the City of Eugene General Fund for personnel costs.
- **Downtown Wayfinding Project** – Provides funding to enhance Eugene’s pedestrian wayfinding program for the part of downtown that is within the Riverfront District, through signage that communicates clear and consistent information to assist the traveling public.
- **High-Speed Fiber** – The Riverfront District FY20 Proposed Budget does not include funding for high-speed fiber because the budgeted work within the Riverfront District is expected to be completed in FY19. This is reflected by a decrease in budgeted expenditures.
- **Capital Carryover** – Capital carryover represents unspent budget authority for capital projects carried over from prior years. Adopted budgets include capital carryover, but proposed budgets do not.
- **Interfund Transfer of Tax Increment Revenue** – Tax increment revenue for the Riverfront District is received in the Riverfront General Fund and some of it is then transferred to the Riverfront Capital Projects Fund to pay for eligible projects. A decrease in this interfund

transfer reflects a decrease in budgeted district capital expenditures and the use of existing tax increment funds within the Riverfront Capital Projects Fund.

- **Riverfront Renewal Loan Program** – In prior years, all available program revenue was budgeted for the loan pool. The FY20 Proposed Budget includes \$1,000,000 for the loan pool, and remaining program revenue is held in Balance Available.
- **Railroad Quiet Zone** – The FY19 Adopted Budget included capital funding for the three easternmost crossings of the railroad quiet zone. No additional Urban Renewal Agency funding is included in the FY20 Proposed Budget, but any unspent appropriation from FY19 will carry forward from year-to-year as the project progresses.

Significant Changes in Funding Sources

The FY20 Proposed Budget includes the following significant changes in funding sources:

- **Downtown Debt Service:** Decreased by \$792,724, or 26.7%, due to a decrease in the interfund transfer of tax increment revenue to the Downtown General Fund.
- **Downtown Capital Projects:** Decreased by \$500,000, or 100.0%, because adopted budgets include capital carryover, but proposed budgets do not. The southern half of the Butterfly Lot was purchased in FY19 to serve as the location for the Farmers' Market using the FY19 Adopted Budget appropriation plus funds approved during the December supplemental budget.
- **Riverfront General Fund:** Decreased by \$1,289,565, or 28.7%, primarily due to a decrease of \$1,200,000 in the interfund transfer to the Riverfront Capital Projects Fund. This fund also includes a decrease of \$200,000 for high-speed fiber and an increase of \$320,000 to support district projects.
- **Riverfront Capital Projects:** Increased by \$1,429,266, or 29.3%, primarily due to an interfund transfer of program revenue in the amount of \$3,203,333, plus capital funding of \$3,000,000 for the Downtown Riverfront Redevelopment and \$100,000 for the Downtown Wayfinding Project. These expenses are partially offset by a decrease of \$1,174,067 in capital carryover, which is included in adopted budgets, but not proposed budgets, and a decrease of \$3,700,000 for the railroad quiet zone.
- **Riverfront Program Revenue:** Decreased by \$2,231,430 or 69.1% due to a decrease in the amount of funding budgeted for the Riverfront Renewal Loan Program, which appears as "Special Payments" on the fund schedule.

Urban Renewal Agency

Proposed Budget Changes

Change by District	FY19 Adopted Budget	FY20 Proposed Budget	\$ Change	% Change
Downtown District				
Total Expenditures	\$8,803,457	\$7,407,304	(\$1,396,153)	-15.9%
Riverfront District				
Total Expenditures	\$12,599,160	\$10,507,431	(\$2,091,729)	-16.6%
Urban Renewal Agency				
TOTAL EXPENDITURES	\$21,402,617	\$17,914,735	(\$3,487,882)	-16.3%

Change by Funding Source

Downtown General	\$5,337,319	\$5,233,890	(\$103,429)	-1.9%
Downtown Debt Service	2,966,138	2,173,414	(792,724)	-26.7%
Downtown Capital Projects	500,000	0	(500,000)	-100.0%
Riverfront General	4,493,663	3,204,098	(1,289,565)	-28.7%
Riverfront Capital Projects	4,874,067	6,303,333	1,429,266	29.3%
Riverfront Program Revenue	3,231,430	1,000,000	(2,231,430)	-69.1%
TOTAL FUNDING SOURCES	\$21,402,617	\$17,914,735	(\$3,487,882)	-16.3%

Urban Renewal Agency

Downtown General Fund (817)

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Intergovernmental	0	106,774	0	0	0	0
Charges for Services	98	54,065	0	0	62,000	0
Miscellaneous	80,514	60,695	82,000	82,000	90,000	112,000
Interfund Transfers	715,181	742,716	2,966,138	3,077,248	1,602,595	2,173,414
Principal on Notes/Loans	172,558	242,181	250,000	250,000	103,000	115,000
Total Revenues	968,351	1,206,432	3,298,138	3,409,248	1,857,595	2,400,414
Expenditures						
Planning and Development	801,486	644,137	2,966,138	3,077,248	1,602,595	2,173,414
Special Payments	0	0	2,371,181	2,912,476	0	3,060,476
Total Expenditures	801,486	644,137	5,337,319	5,989,724	1,602,595	5,233,890
Excess (deficiency) of revenues over expenditures	166,865	562,295	(2,039,181)	(2,580,476)	255,000	(2,833,476)
Beginning Working Capital (Fund Balance), July 1	1,936,316	2,103,181	2,124,181	2,665,476	2,665,476	2,920,476
Ending Working Capital (Fund Balance), June 30	2,103,181	2,665,476	85,000	85,000	2,920,476	87,000

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,936,316	2,103,181	2,124,181	2,665,476	2,665,476	2,920,476
Total Revenues	968,351	1,206,432	3,298,138	3,409,248	1,857,595	2,400,414
Total Resources	2,904,667	3,309,613	5,422,319	6,074,724	4,523,071	5,320,890
Requirements						
Total Expenditures	801,486	644,137	5,337,319	5,989,724	1,602,595	5,233,890
Ending Working Capital (Fund Balance)	2,103,181	2,665,476	85,000	85,000	2,920,476	87,000
Total Requirements	2,904,667	3,309,613	5,422,319	6,074,724	4,523,071	5,320,890

Reserves (Budgeted amounts only)

Balance Available	23,390	74,000	85,000	85,000	85,000	87,000
Total Reserves	23,390	74,000	85,000	85,000	85,000	87,000

Urban Renewal Agency

Downtown Debt Service Fund (812)

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	2,169,735	2,259,639	2,256,000	2,256,000	2,508,000	2,603,000
Miscellaneous	67,830	41,933	48,000	48,000	61,000	103,000
Total Revenues	2,237,565	2,301,572	2,304,000	2,304,000	2,569,000	2,706,000
Expenditures						
Debt Service	987,544	313,496	0	0	0	0
Interfund Transfers	715,181	742,716	2,966,138	3,977,248	2,502,595	2,173,414
Total Expenditures	1,702,725	1,056,212	2,966,138	3,977,248	2,502,595	2,173,414
Excess (deficiency) of revenues over expenditures	534,840	1,245,360	(662,138)	(1,673,248)	66,405	532,586
Beginning Working Capital (Fund Balance), July 1	1,058,571	1,593,411	2,514,127	2,838,771	2,838,771	2,905,176
Ending Working Capital (Fund Balance), June 30	1,593,411	2,838,771	1,851,989	1,165,523	2,905,176	3,437,762

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	1,058,571	1,593,411	2,514,127	2,838,771	2,838,771	2,905,176
Total Revenues	2,237,565	2,301,572	2,304,000	2,304,000	2,569,000	2,706,000
Total Resources	3,296,136	3,894,983	4,818,127	5,142,771	5,407,771	5,611,176
Requirements						
Total Expenditures	1,702,725	1,056,212	2,966,138	3,977,248	2,502,595	2,173,414
Ending Working Capital (Fund Balance)	1,593,411	2,838,771	1,851,989	1,165,523	2,905,176	3,437,762
Total Requirements	3,296,136	3,894,983	4,818,127	5,142,771	5,407,771	5,611,176

Reserves (Budgeted amounts only)

Balance Available	64,970	907,507	1,851,989	1,165,523	1,165,523	3,437,762
Total Reserves	64,970	907,507	1,851,989	1,165,523	1,165,523	3,437,762

Urban Renewal Agency

Downtown Capital Projects Fund (813)

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Miscellaneous	5,124	7,264	5,000	5,000	10,000	13,000
Transfers Transfers	0	0	0	900,000	900,000	0
Total Revenues	5,124	7,264	5,000	905,000	910,000	13,000
Expenditures						
Capital	15,972	0	500,000	1,400,000	1,400,000	0
Total Expenditures	15,972	0	500,000	1,400,000	1,400,000	0
Excess (deficiency) of revenues over expenditures	(10,848)	7,264	(495,000)	(495,000)	(490,000)	13,000
Beginning Working Capital (Fund Balance), July 1	539,590	528,742	533,742	536,006	536,006	46,006
Ending Working Capital (Fund Balance), June 30	528,742	536,006	38,742	41,006	46,006	59,006

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	539,590	528,742	533,742	536,006	536,006	46,006
Total Revenues	5,124	7,264	5,000	905,000	910,000	13,000
Total Resources	544,714	536,006	538,742	1,441,006	1,446,006	59,006
Requirements						
Total Expenditures	15,972	0	500,000	1,400,000	1,400,000	0
Ending Working Capital (Fund Balance)	528,742	536,006	38,742	41,006	46,006	59,006
Total Requirements	544,714	536,006	538,742	1,441,006	1,446,006	59,006

Reserves (Budgeted amounts only)

Balance Available	21,251	33,742	38,742	41,006	41,006	59,006
Total Reserves	21,251	33,742	38,742	41,006	41,006	59,006

Urban Renewal Agency

Riverfront General Fund (821)

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Taxes	2,012,032	2,278,307	2,375,000	2,375,000	2,323,000	2,433,000
Miscellaneous	71,663	44,940	50,000	50,000	70,000	33,000
Total Revenues	2,083,694	2,323,247	2,425,000	2,425,000	2,393,000	2,466,000
Expenditures						
Planning and Development	271,351	529,378	793,663	1,113,663	774,016	704,098
Interfund Transfers	6,975,000	0	3,700,000	3,700,000	3,700,000	2,500,000
Total Expenditures	7,246,351	529,378	4,493,663	4,813,663	4,474,016	3,204,098
Excess (deficiency) of revenues over expenditures	(5,162,657)	1,793,869	(2,068,663)	(2,388,663)	(2,081,016)	(738,098)
Beginning Working Capital (Fund Balance), July 1	6,750,885	1,588,228	3,352,863	3,382,097	3,382,097	1,301,081
Ending Working Capital (Fund Balance), June 30	<u>1,588,228</u>	<u>3,382,097</u>	<u>1,284,200</u>	<u>993,434</u>	<u>1,301,081</u>	<u>562,983</u>

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	6,750,885	1,588,228	3,352,863	3,382,097	3,382,097	1,301,081
Total Revenues	2,083,694	2,323,247	2,425,000	2,425,000	2,393,000	2,466,000
Total Resources	8,834,579	3,911,475	5,777,863	5,807,097	5,775,097	3,767,081
Requirements						
Total Expenditures	7,246,351	529,378	4,493,663	4,813,663	4,474,016	3,204,098
Ending Working Capital (Fund Balance)	1,588,228	3,382,097	1,284,200	993,434	1,301,081	562,983
Total Requirements	8,834,579	3,911,475	5,777,863	5,807,097	5,775,097	3,767,081

Reserves (Budgeted amounts only)

Balance Available	922,654	3,024,465	1,284,200	993,434	993,434	562,983
Total Reserves	922,654	3,024,465	1,284,200	993,434	993,434	562,983

Urban Renewal Agency

Riverfront Capital Projects Fund (823)

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Miscellaneous	12,702	79,433	8,000	8,000	3,270,333	57,000
Interfund Transfers	6,975,000	0	3,700,000	3,700,000	3,700,000	2,500,000
Total Revenues	6,987,702	79,433	3,708,000	3,708,000	6,970,333	2,557,000
Expenditures						
Capital	42,940	6,029,854	4,874,067	4,774,413	4,774,413	3,100,000
Interfund Transfers	0	0	0	0	0	3,203,333
Total Expenditures	42,940	6,029,854	4,874,067	4,774,413	4,774,413	3,203,333
Excess (deficiency) of revenues over expenditures	6,944,762	(5,950,421)	(1,166,067)	(1,066,413)	2,195,920	(646,333)
Beginning Working Capital (Fund Balance), July 1	672,812	7,617,574	1,737,376	1,667,153	1,667,153	3,863,073
Ending Working Capital (Fund Balance), June 30	7,617,574	1,667,153	571,309	600,740	3,863,073	3,216,740

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	672,812	7,617,574	1,737,376	1,667,153	1,667,153	3,863,073
Total Revenues	6,987,702	79,433	3,708,000	3,708,000	6,970,333	2,557,000
Total Resources	7,660,514	7,697,007	5,445,376	5,375,153	8,637,486	6,420,073
Requirements						
Total Expenditures	42,940	6,029,854	4,874,067	4,774,413	4,774,413	3,203,333
Ending Working Capital (Fund Balance)	7,617,574	1,667,153	571,309	600,740	3,863,073	3,216,740
Total Requirements	7,660,514	7,697,007	5,445,376	5,375,153	8,637,486	6,420,073

Reserves (Budgeted amounts only)

Balance Available	407,607	520,309	571,309	600,740	600,740	116,740
Total Reserves	407,607	520,309	571,309	600,740	600,740	116,740

Urban Renewal Agency

Riverfront Program Revenue Fund (824)

	FY17 Actual	FY18 Actual	FY19 Adopted Budget	FY19 Budget 12/31/2018	FY19 Projections	FY20 Proposed Budget
Revenues						
Rental	66,150	66,150	0	0	0	0
Miscellaneous	29,212	42,849	48,000	48,000	57,000	81,000
Interfund Transfers	0	0	0	0	0	3,203,333
Total Revenues	95,362	108,999	48,000	48,000	57,000	3,284,333
Expenditures						
Special Payments	0	0	3,231,430	3,244,279	0	1,000,000
Total Expenditures	0	0	3,231,430	3,244,279	0	1,000,000
Excess (deficiency) of revenues over expenditures	95,362	108,999	(3,183,430)	(3,196,279)	57,000	2,284,333
Beginning Working Capital (Fund Balance), July 1	2,991,918	3,087,280	3,183,430	3,196,279	3,196,279	3,253,279
Ending Working Capital (Fund Balance), June 30	3,087,280	3,196,279	0	0	3,253,279	5,537,612

Reconciliation of Total Resources and Requirements

Resources						
Beginning Working Capital (Fund Balance)	2,991,918	3,087,280	3,183,430	3,196,279	3,196,279	3,253,279
Total Revenues	95,362	108,999	48,000	48,000	57,000	3,284,333
Total Resources	3,087,280	3,196,279	3,231,430	3,244,279	3,253,279	6,537,612
Requirements						
Total Expenditures	0	0	3,231,430	3,244,279	0	1,000,000
Ending Working Capital (Fund Balance)	3,087,280	3,196,279	0	0	3,253,279	5,537,612
Total Requirements	3,087,280	3,196,279	3,231,430	3,244,279	3,253,279	6,537,612

Reserves (Budgeted amounts only)

Reserve	2,005,000	0	0	0	0	0
Balance Available	1,918	0	0	0	0	5,537,612
Total Reserves	2,006,918	0	0	0	0	5,537,612

This page intentionally left blank.

APRIL 2019

2019 UNFUNDED NEEDS ASSESSMENT

CITY OF EUGENE



Table of Contents

<u>Section</u>	<u>Page #</u>
Purpose of the Unfunded Needs Assessment (UNA)	2
Summary of the UNA Items	3
Executive Team Prioritization	4
How an UNA Item Becomes a Funded Project	6
Potential Funding Sources	7
Debt Capacity	8
UNA Categorization	9
Appendix A – Update on 2018 Unfunded Needs Assessment items	
Appendix B – 2019 Unfunded Needs Assessment List: Areas of Focus, Services and Infrastructure	

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 unfunded service needs in their respective areas.

This assessment reflects areas of focus driven by policy-level direction from City Council goal statements, direction given at Council work sessions and other methods. Community input also drives many 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 policymakers, 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 make 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 unhoused population. While the City continues to expand and invest in programs and services to address this issue, there are substantial aspects of this service area that are addressed by regional partners such as Lane County and non-profit organizations.

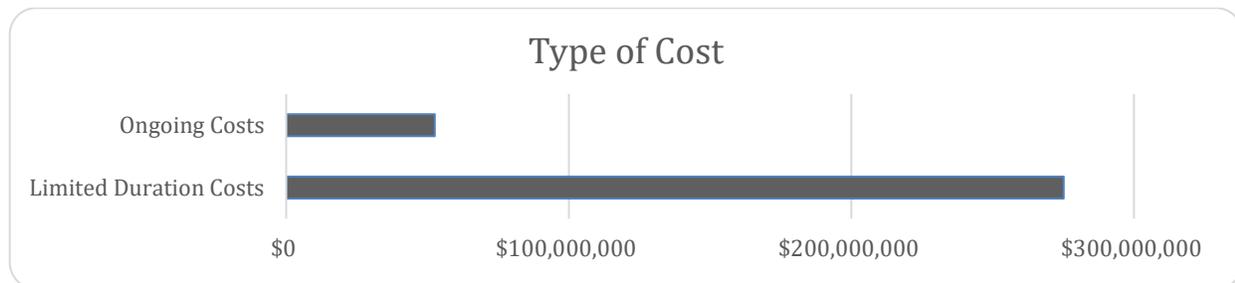
The UNA has been designed to provide stronger connections between selected projects and important policy initiatives and areas of focus as well as increased transparency, enhanced accountability and reduced complexity and redundancy.

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.

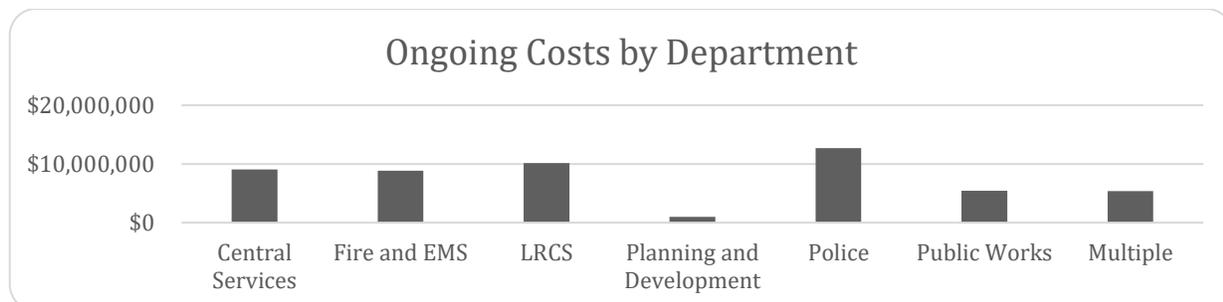
Summary of the UNA Items

The UNA consists of 150 items. These items include unfunded capital projects, as well as program operations, and operations and maintenance expenses. There is no limit on the type, dollar amount or timing of projects included. The UNA identifies 221.69 Full-time Equivalent (FTE) positions across all categories.

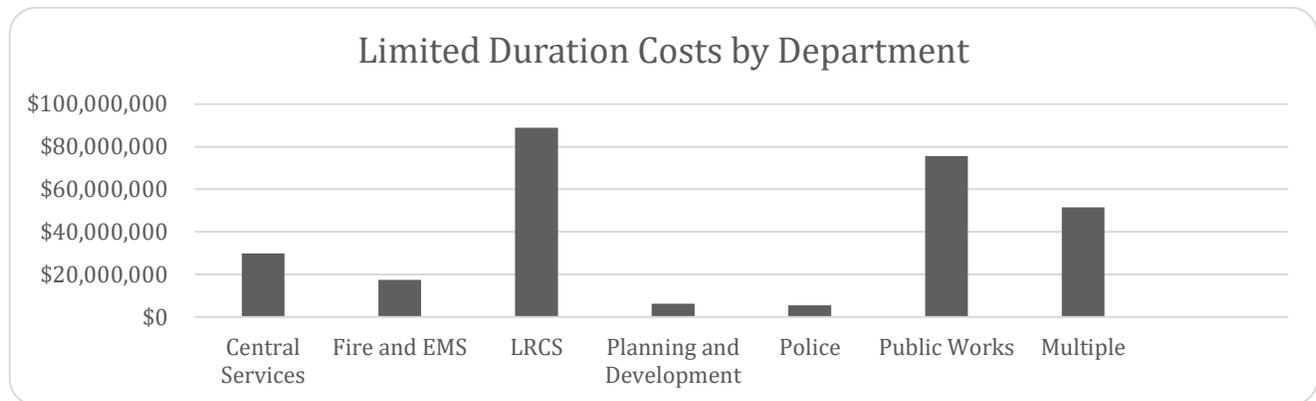
As can be seen in the chart below, both the ongoing and limited duration costs are significant. Approximately \$52.6 million of annual ongoing funding would be needed to pay for all of the items in the UNA. The limited duration or one-time costs are approximately \$275.1 million.



Ongoing costs are distributed throughout the various departments, with Police having the largest need for ongoing resources at \$12.7 million. The single largest ongoing unfunded need is for the continuation of the Parks and Recreation Operations and Maintenance levy which expires in FY24, with an estimated annual cost of \$4 million.



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 focus on parks and transportation system needs, including the Downtown Riverfront Park as well as seismic retrofitting and replacement of the fleet maintenance facility.



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 Community Safety Initiative 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 FY19, the Executive Team prioritized several UNA items as part of the Supplemental Budget that was presented to City Council in December 2018. Those included:

- Community Safety Initiative
- Downtown Operations
- Climate Recovery Ordinance Implementation
- Wastewater Equipment Replacement and Major Rehab

The FY20 Proposed Budget also includes proposed funding for the following UNA-related items:

- Airport Police Officer staffing for new service to Chicago
- Airport Worker 2
- Animal Services contract
- Assistant City Attorney
- Atrium Building analysis, contracting and support
- CAHOOTS Hours increase
- Code Compliance staff capacity
- Community events partnership
- Downtown/Riverfront pedestrian wayfinding
- Equity in Contracting program
- Fire records management system and rostering program

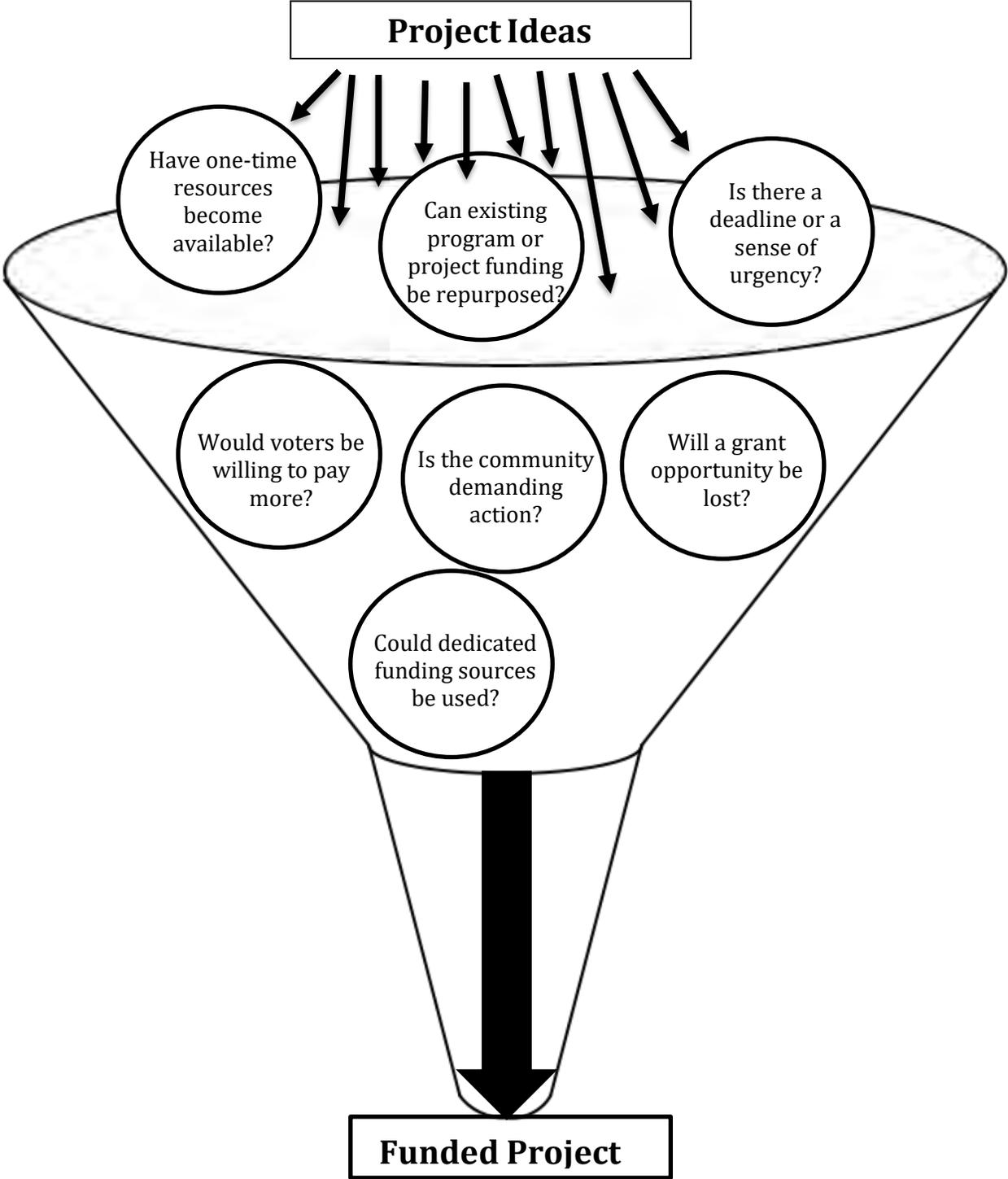
- Fuel Reduction in Wildland Urban Interface Areas
- Human Resources analyst
- Municipal Court security
- Nuisance code revisions
- Permit review manager
- Permitting systems redevelopment
- Public Works Maintenance/Parks and Open Space Senior Financial Analyst

The Executive Team will continue to balance community needs including the City Council's focus areas such as the Climate Recovery Ordinance, Housing and Homelessness, and Community Safety, among 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.

The 2019 UNA also includes a new table that provides updated information on items included in the 2018 UNA that were fully or partially funded.

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.

Potential One-Time Funding Sources

- 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)

Potential Ongoing Funding Sources

- 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 \$801 million of legal debt capacity for General Obligation bonds as of June 30, 2018. 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, 2018.

Debt Affordability Ratios	As of June 30, 2018	Policy Limit
Net direct debt as a percent of real market value	0.05%	Maximum of 1%
Percent of net direct debt retired within 10 years	60%	Minimum of 50%
Annual debt service on all General Fund-backed debt as a percent of General Fund expenditures*	0.03%	Maximum of 10%

*Excluding pension bonds

Net direct debt includes all of the City’s General Obligation bonds except 30% 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, 2018, there was \$64.2 million of total debt and \$14.2 million of net direct outstanding. This leaves about \$253 million of additional capacity for debt issuance within the policy limits. The City issued an additional \$28.6 million in bonds in February 2019 as part of the Parks and Recreation Bond approved by voters in the May 2018 election. The City has identified about \$237 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.

UNA Categorization

There are 150 items in the 2019 UNA that are arranged in the categories as listed below. In this iteration of the UNA, staff has identified a primary category for each UNA item. While an UNA item may be cross-functional, it will only be included in the primary category to simplify the presentation and provide greater transparency on the areas of focus.

Areas of Focus

Over a quarter of the items in the UNA are connected to an area of focus identified by the City Council. Areas of focus highlighted in the 2019 UNA include strategic investments in the work surrounding the Climate Recovery Ordinance (CRO), Housing and Homelessness, and the Community Safety Initiative.

Climate Recovery Ordinance (CRO): Staff have been working on CRO implementation since its adoption in 2014. Progress in 2018 includes a progress report on the Climate and Energy Action Plan (CEAP) and drafting a new Community Climate Action Plan known as CAP 2.0. The focus of the CAP 2.0 project is to continue to foster the actions of the City, as well as the community's agencies, companies and organizations in moving toward carbon neutrality, reduced fossil fuel use and adapting to climate change. If sufficient funding were identified, several UNA items would provide ways to move forward with the CRO goals. Examples include hiring staff to help manage and coordinate CRO implementation, including elements of the CAP 2.0 update and community-wide engagement in CRO implementation, and supporting community adoption of electrification of homes, adoption of electric vehicles, development of transit ridership programs, waste diversion of organics and increased recycling and reduction of greenhouse gas emissions.

Community Safety Initiative: At its work session on September 26, 2018, City Council unanimously recommended a one-time, 18-month bridge funding strategy for the Community Safety Initiative. This strategy includes the following services: Police, Fire and Emergency Medical Services, homelessness, Municipal Court and prevention. The FY18 December Supplemental budget included \$8.6 million for this purpose, with the goal of finding an ongoing source of funding to expand community safety services provided by the City. The Community Safety Revenue Team, which included some City Councilors, the Chairs of the Budget Committee and Police Commission, as well as current and former Budget Committee members, met in the winter of 2018 to recommend an ongoing funding solution to the City Manager to solve a \$15-\$20 million gap. At the time of publication of this document, City Council is engaged in conversations to determine next steps.

Housing and Homelessness: The City has made several strategic investments over the years in the areas of housing and homelessness. Affordable housing projects, neighborhood planning, growth monitoring and economic prosperity projects will maintain or expand the ability of the City to meet the needs for various housing types, for the right people, in the right places and reduce housing cost burdens while upholding Envision Eugene pillars. The focus on homelessness is to increase the number of known places to sleep or shelter, while also increasing non-shelter programs through youth homelessness programs, Human Services funding, coordination with regional and state partners, and identifying temporary shelter options.

Services and Infrastructure

The remaining UNA items are categorized in the following categories: Existing Services, Future Demands, and Infrastructure.

Existing Services: These unfunded needs support current services provided by the City and include funding gaps in existing programs, replacement of equipment and systems, and continuing current service levels. Projects include the continuation of the Parks and Recreation Operations and Maintenance levy and the Library levy after they expire (FY24 and FY21 respectively), minimum Fire staffing, 911 staffing continuity, full expansion of the Community Court program and addressing the shortfall in the General Fund Equipment Replacement program.

Future Demands: This category highlights new and emerging needs identified due to growth in service areas and changes in technology as City staff position the organization to be responsive to needs of a growing region. Projects include construction of additional fire stations, data center disaster recovery, development of new community centers and pools, and renovation and expansion of the fourth floor of the downtown library building.

Infrastructure: This grouping highlights funding needed for the preservation and maintenance of City owned infrastructure such as buildings, streets, and bridges. Projects include pavement preservation backlog, wastewater system rehabilitation, seismic assessment of City buildings and upgrades to parking garages as well as retrofitting or replacement of critical bridges and replacing the fleet facility.

2018 Unfunded Needs Assessment Update

Dept.	Category	2018 UNA #	Title of Request	Description	Ongoing Costs Funded (\$1,000s)	Ltd Duration Costs Funded (\$1,000s)	Approved Additional FTE	Status Update Details
Items Fully Funded								
PDD	CRO	8	Land Use Code Update for Housing	Funding for a land use code update for housing. This is a Council directed priority to enable the City to meet housing needs within the UGB.		\$50		This item was funded by General Fund dollars in the FY19 budget.
Fire	Existing Services	88	Equipment Replacement for SCBA and Turnouts	Self-contained breathing apparatus (SCBA) and personal protective equipment (PPE – turnouts), which are coming due for replacement. Funding is for the Fire Department match portion that is required with Equipment Replacement Fund requests.		\$163		This item was removed from UNA per and funded with department funds.
PDD	Existing Services	82	Building Permit Tracking System	The development of a system to replace the City's 20 year old permit tracking system which is critical to business operations.		\$1,400		This item is being funded through budget allocations in FY19, FY20 and FY21.
PDD	Existing Services	85	Consolidated and Fair Housing Plan Development	Assessment of the local Fair Housing and HUD Consolidated Plans which occur every five years.		\$232	1.00	This need was met as a limited duration position in the FY19 budget.
PDD	Existing Services	89	Regional Economic Prosperity Funding	Funding to directly support regional economic prosperity initiatives, partnerships, and opportunities benefitting the community.		\$100		This item was funded in the FY19 budget.
PW	Existing Services	74	GIS Planning and Maintenance	A GIS Technician position to manage, track, edit and share information about Parks and Open Space facilities and assets, and support GIS work.	\$156		1.00	This item was funded in FY19 through the 2018 Parks and Rec Operating Levy.
PW	Existing Services	76	Park Resource Development Support	A position to support ongoing efforts to obtain private funding support for the system and grant writing efforts.	\$125		1.00	This item was funded in FY19 through 2018 Parks and Rec Operating Levy.
CS	Future Demands	94	Information Technology Security Enhancements	Additional resources for IT staff are needed to enhance IT security, audit and compliance, and assist employees and departments in securing their digital assets.	\$270		2.00	1.0 FTE Application Analyst position was added in FY19 in the Information Systems and Services Fund. The Information Services Division has also leveraged existing resources within its General Fund budget to address the most immediate IT security and compliance needs.
PW	Future Demands	113	Natural Area Habitat Renovation	Restoration of high priority habitat in areas along the Ridgeline, West Eugene Wetlands, and Neighborhood Natural Areas. This is for priority one projects only.		\$495		This item was funded in FY19 through the 2018 Parks and Rec Bond Measure.

2018 Unfunded Needs Assessment Update

Dept.	Category	2018 UNA #	Title of Request	Description	Ongoing Costs Funded (\$1,000s)	Ltd Duration Costs Funded (\$1,000s)	Approved Additional FTE	Status Update Details
PW	Future Demands	105	Airport Parking Lot Structure/Garage	Design and construction of an Airport parking lot structure or parking garage.		\$3,500		This item was funded in FY19 Capital Budget through the Municipal Airport Fund.
PW	Future Demands	107	Trail System Development	Acquisition and construction of high priority trail segments to enhance the City's trail system.		\$2,500		This item was funded in FY19 through the 2018 Parks and Rec Bond Measure.
CS	Infrastructure	133	Library Staff Elevator Modernization	Modernization of elevators 1 and 2 that support the public area of the Library and the 4th Floor public access.		\$500		Funding for the Library elevator modernization has been identified within the existing General Capital Projects Fund budget.
PW	Infrastructure	122	Urban Forestry Maintenance	To bring Eugene's urban forestry practices up to industry standard while improving public safety, reduce pruning cycle for estimated 100,000 street trees from 40+ years to 10 years.	\$150			This item was funded in the FY19 Adopted Budget.
PW	Parks and Rec Funding	15	Solid Waste Collection and Equipment Improvements	Funding for staffing and to purchase two trucks to improve solid waste management in City parks, and to provide seasonal support for cleanup related to illicit activities.	\$200	\$350	1.00	This item was funded in FY19 through the 2018 Parks and Rec Operating Levy.
EPD	Public Safety/Community Justice	47	Lane Radio Interoperability Group (LRIG) and Southwest Seven Counties (SW7) Radio System Fees	For Police portion of annual fees paid to Lane County and Linn County to maintain and operate the county-wide radio systems LRIG and SW7.	\$260			This item was funded in FY19 using existing funds in the Office of the Chief budget.
CS	Public Safety/Community Justice	51	Increase in Existing Jail Beds Costs	Funding to maintain the current number of jail beds leased by the City of Eugene for municipal offenders at the Lane County Jails (15 beds) and the City of Springfield Jail (10 beds).	\$205			Funding for additional jail beds is being addressed as part of the Community Safety Initiative. With Lane County Jail not having any additional capacity for the City of Eugene municipal offenders, all of the recent additional jail beds are being leased from the City of Springfield Jail.
Items Partially Funded								
PDD	Existing Services	87	University Neighborhood Plan	A two year, Council directed neighborhood area plan review to be completed for the University area.		\$170		This item was partially funded in the FY19 budget. The remaining need is included in the 2019 Unfunded Needs Assessment.
PDD	Existing Services	90	Clear Lake Expansion Area Shovel Ready Development Plan	Wetland mitigation, stormwater, and infrastructure analysis related to the Council directed 3,000 industrial jobs in the Bethel region as part of the approved UGB expansion.		\$80		This item was partially funded in the FY19 budget. The remaining \$70,000 needed to complete the project is included in the 2019 Unfunded Needs Assessment.
CS	Future Demands	99	Service Profile Program Development and Support	An analyst position to develop, implement and maintain an updated "service profile" program to assist departments in developing meaningful service level strategies/targets and communicating information on service areas to the community.	\$120		1.00	This was achieved by filling an existing position (Management Analyst 2) position in the Budget and Analysis office, whose duties include the service profile program. This position was filled using the existing budget.

2018 Unfunded Needs Assessment Update

Dept.	Category	2018 UNA #	Title of Request	Description	Ongoing Costs Funded (\$1,000s)	Ltd Duration Costs Funded (\$1,000s)	Approved Additional FTE	Status Update Details
PW	Future Demands	114	POS Green Infrastructure Renovation	Reconstruction of Crest Drive and Courthouse Facilities.		\$400		UNA has been revised and is UNA #132 (Green Stormwater Infrastructure Renovation) in the 2019 UNA. Courthouse Facilities portion has been funded through reprioritization of existing resources.
PDD	Infrastructure	127	Parking Structure Capital Maintenance	For the \$10 million in deferred maintenance backlog identified in the 2016 Parking Structure Condition Assessment update.		\$10,000		This item was partially funded in FY19 through use of Parking Fund dollars, but remains on the 2019 Unfunded Needs Assessment to address the remaining backlog.
PW	Infrastructure	118	Pavement Preservation Backlog Funding	Addressing the backlog of the City's ongoing pavement preservation program.	\$11,600			This item remains partially funded and is included in FY20 Unfunded Needs Assessment, reduced to \$2.5k (UNA #138).

2019 Unfunded Needs Assessment

Areas of Focus

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
Climate Recovery Ordinance (CRO)							
CS	CRO	1	Climate Recovery Ordinance - City Organization Implementation	Additional staff to provide organization-wide consultation on carbon emissions, assist in meeting the requirements of the Climate Recovery Ordinance, and provide analysis on City services as they relate to CRO plans and policies.	65		0.50
CS	CRO	2	Public Buildings - Climate Recovery Initiatives	To implement the strategies for reducing greenhouse gas emissions and fossil fuel use associated with operations of City facilities maintained by the Facilities Management Division.	100	8,000	
CS	CRO	3	Climate Recovery Ordinance - Community-Wide Implementation	Funding to help the City implement the Climate Recovery Ordinance by facilitating community-wide actions and strategies identified in the Climate and Energy Action Plan.	315	2,150	0.50
PW	CRO	4	CRO Analysis for Fleet Assets	This limited duration position will support equipment research, data analysis, vehicle replacement scheduling, alternative fuels implementation & infrastructure projects (fuel and charging stations) to respond to CRO requirements and disaster recovery.		130	
PW	CRO	5	Eugene Bike Share System Expansion	Expansion of 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	

2019 Unfunded Needs Assessment

Areas of Focus

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
Community Safety							
CS	Community Safety	7	Mental Health Court Enhancements	This additional funding allows the court and its partners in the Mental Health Court program to plan and implement an additional level of diagnosis, coordinate several programs to work in conjunction with one another, and serve a larger population of those needing mental health services.	106		1.00
CS	Community Safety	8	Municipal Court Security Systems	To cover the costs of third-party contracted security staff and equipment at the Eugene Municipal Court.	115		
Multiple	Community Safety	9	Daily Trial Status Reviews at Lane County Jail	Increase City staffing to a level that enables the Lane County Jail to conduct daily Trial Status Reviews. This would allow for faster adjudication of cases and reduce the failure to appear rate, improving management of jail beds.	128		1.00
EPD	Community Safety	10	Increase EPD Data and Analysis Capacity	Increase Crime Analysis staff to the recommended minimum number of five for basic level of service.	131	10	1.00
EPD	Community Safety	11	EPD Financial Management Support	Increase staffing related to the Community Service Initiative, which is expected to increase the volume of financial support work required.	131		1.00
EPD	Community Safety	12	School Resource Officer Staffing	Increase School Resource Officer Team to provide broader coverage in schools across the city.	150		1.00
EPD	Community Safety	13	Court Liaison Support	Reestablish the Court Liaison Officer position to provide subpoena services, jail arraignments, court documents and police report processing, training, policy development and other duties.	153	10	1.00
EPD	Community Safety	14	Increased Downtown Patrol Team Supervision	Add a lieutenant to the Downtown Patrol Team to provide supervision, strategic leadership, and support to downtown stakeholders.	200	80	1.00
EPD	Community Safety	15	Improve Evidence Control Unit Capacity	Increase Evidence Control Unit Specialists to maintain proper custody of all evidence and property collected by EPD, including the expanding volume of digital evidence (Body Worn Cameras).	231		2.00

2019 Unfunded Needs Assessment

Areas of Focus

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
EPD	Community Safety	16	Patrol Officer Staffing Continuity	Annually over-hire patrol officers to retain a fully-trained staff throughout the year and adapt to a changing workforce.	290		
EPD	Community Safety	17	Increased Patrol Supervision	Increase patrol supervision by two sergeants to address span of control and best practice guidelines.	368		2.00
CS	Community Safety	18	Municipal Court Contracted Services-includes indigent defense	Funding for Municipal Court jury, interpreter and judicial services to keep pace with increased arrests and filings of misdemeanor activity.	444		
CS	Community Safety	19	Community Court Continuity	Continuation of Community Court, enabling the City to complete its obligations under the current community court grant and provide ongoing funding after the grant expires.	444		1.80
EPD	Community Safety	20	Internet Crimes Against Children	Addition of three sworn officers in the Violent Crimes Unit with the specific focus of addressing internet crimes against children.	551	30	3.00
CS	Community Safety	21	Muni Court and City Prosecutor Staffing Stabilization	This increase would allow the City Prosecutor's Office and Municipal Court to keep pace with the current level of misdemeanor filings at the Eugene Municipal Court and to address and resolve criminal cases swiftly and efficiently.	654	9	5.50
CS	Community Safety	22	Community Court Continuation (limited expansion)	Expansion of the geographic area covered by the Community Court program beyond the downtown Eugene area to include other neighborhoods based on crime research and neighborhood assessment.	662	11	3.80
CS	Community Safety	23	Increased Misdemeanor Court Capacity	This increase would allow the City Prosecutor's Office to keep pace with misdemeanor filings at the Eugene Municipal Court and to address and resolve criminal cases swiftly and efficiently. Prosecutors do not currently have the capacity to appear at all court sessions or settle cases ahead of court dates.	667	10	5.50
EPD	Community Safety	24	Increased Communications Center Capacity	Through 2022, increase Communications Center staff annually by two positions to conform to Emergency Services Consulting International (ESCI) staffing best practices guidelines.	795		6.00

2019 Unfunded Needs Assessment

Areas of Focus

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
CS	Community Safety	25	Staffing-Workload - Activate 3rd Courtroom at Muni Court (includes Court and CPO)	An increased number of patrol officers planned in the Community Safety initiative would necessitate increasing the number of staff and/or attorneys present in the court and City Prosecutor's Office (CPO).	815	18	6.80
EPD	Community Safety	26	Expand Community Service Officers (CSOs)	Expand CSO team by six officers and one non-sworn supervisor to better address community policing needs.	834		7.00
EPD	Community Safety	27	Authorized Patrol Officer Staffing	Annually increase by two patrol officers to maintain current level of service through 2022.	915		6.00
Fire	Community Safety	28	Ambulance Transport Fund Shortfall	Filling the gap in the Ambulance Transport Fund (ATF). The ATF is currently operating at an annual financial deficit, primarily due to reduced levels of reimbursement from Medicare and Medicaid and rising denial rates.	1,000		
CS	Community Safety	29	Jail Services/Mgt (includes Pretrial supervision and daily Trial Status Reviews)	Purchase five additional jail beds in Springfield to expand jail bed capacity and reduce capacity-based releases. Costs are associated with maintaining jail beds, additional transport services and EPD overtime for increased transports.	1,087	6	3.20
EPD	Community Safety	30	Neighborhood Resource Officer	Assignment of police officers to neighborhoods to work in partnership with neighbors, businesses, City services, partner agencies, institutions and the criminal justice system to find creative and tailored solutions that effectively address chronic problems and improve safety.	1,156	560	7.00
Fire	Community Safety	31	Community Response Unit	Develop a dedicated Community Response Unit (CRU) to manage low-intensity calls instead of an engine or ladder truck. The CRU can triage and connect patients to appropriate resources, level of care and transportation. This will increase the life of engine apparatus and enhance response time reliability.	1,200	150	8.00
Fire	Community Safety	32	Ambulance Medic Unit Sustainment	Continued funding for Medic 10 Advance Life Support ambulance medic unit, which was funded with one-time funds for an 18-month period. This is in response to the growing need for capacity due to the growth of an aging population. This will generate offsetting revenue in the future as call volume increases; amount is unknown.	1,200		8.00

2019 Unfunded Needs Assessment

Areas of Focus

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
EPD	Community Safety	33	Expanded Investigations Capacity	Increase Investigations staffing by adding two detectives annually over the next four years.	1,292		8.00
EPD	Community Safety	34	EPD Outreach Team (formerly CORT)	The EPD Outreach Team addresses clients who repeatedly impact the criminal justice system. In 2016 the EPD Outreach Team decreased recidivism in this clientele by 95% and assisted 25% of the clientele with transition into housing. The Outreach Team, currently funded with one-time dollars, detaches two officers for 10 hours/week to focus on clients. A dedicated team would allow for daily, full-time positive impact with clients without redirecting services from other teams.	1,293	100	9.00
EPD	Community Safety	35	Street Crimes Unit	Reestablish the Street Crimes Unit so police officers and crime prevention specialists can provide an effective approach to reducing crime by quickly responding to emerging issues.	1,775	100	11.00
PW	Community Safety	36	Airport Disaster Preparedness	Improvements such as new wells, portable generators, go bags and cots ensure the airport is quickly back to full operations in the event of a major natural disaster.		500	
Housing and Homelessness							
EPD	Housing and Homelessness	37	RV Recycle Program	There is an increasing need to recycle hazardous derelict motorhomes and trailers that are abandoned in Eugene. Limited duration funds would establish program framework and address the 51 derelict RVs currently in the City's possession, while ongoing funds will support program maintenance.	25	50	
PDD	Housing and Homelessness	38	Housing Programs and Policy Analyst	Position to advance housing initiatives, policies and directives in coordination with multiple City departments and external public, nonprofit, and private partners. Need is emerging from multiple sources including growing local need for more housing options, desire from City Council to have a role in addressing that need and increasing state requirements to address housing affordability.	135		1.00

2019 Unfunded Needs Assessment

Areas of Focus

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
CS	Housing and Homelessness	39	Homelessness Services Support	Over the past several years, the role of the City Manager's Office in coordinating homelessness-related initiatives, projects and services has evolved and substantially increased in scope, workload levels and complexity. Some of this work has been performed on a limited duration basis using operating budget savings. However, there is an ongoing need for coordination and program implementation staffing.	195		1.50
EPD	Housing and Homelessness	40	CAHOOTS Hours Increase	Over the last four years, the demand for CAHOOTS has increased by over 58%. One van operates at all hours and a second van provides seven additional hours of service. The demand for CAHOOTS is exceeding current service level, limiting its availability. This UNA will provide eleven additional hours of coverage to support two vans in service during peak hours and one van in service 24 hours a day.	281		

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
Existing Services							
PDD	Existing Services	41	Land Use Code Improvement Program	Hire consulting support for code amendments, policy, and technical analysis related to housing and Land Use code.		150	
EPD	Existing Services	42	911 Call Recording System	The current logging recorder will be reaching the end of its service life in 2020 and will no longer be supported by the manufacturer. This addresses the replacement/upgrade of the 911 center's existing call logging recorder.		160	
CS	Existing Services	43	Community Safety Innovation	Expansion of the capabilities of the current justice system, which does not have the staffing capacity to implement new programs even on a limited 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	
Multiple	Existing Services	44	Radio Engineering and Replacement	The radio system is becoming increasingly complex. The system currently uses two radio systems to support LRIG, the Southwest Seven Master Site agencies, Lane Rural Fire Agencies and multiple City Departments. Additional resources are needed for communication system components including towers, buildings, communications and support equipment.		9,000	
CS	Existing Services	45	Capital Improvement Program (CIP) Software Replacement	The existing, homegrown software used for collecting data to report in the CIP is nearing obsolescence. This project is to replace the software with a more flexible tool that can adapt to community and staff needs. Current costs are estimates, to be updated in the near future after research is complete.	15	50	
EPD	Existing Services	46	Quality Assurance for Evidence and Property Control	The Quality Assurance Manager position is required for the accreditation of the Forensic Evidence Unit and the Property Control Unit. The manager is the certification officer for all staff members as well as the sole source for auditing and compliance. This allows for funding of a full-time position, rather than the part-time position currently in place.	40		0.34
PDD	Existing Services	47	Increased Administrative Support	With the increase in overall demand on the administrative support staff of the Planning and Development Department, an additional 0.5 FTE is needed to provide effective support.	47		0.50

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PDD	Existing Services	48	Land Use Code Technical Advising	Expand Land Use Senior Planner position to full-time. This position provides technical advisory and oversight to staff that implement Eugene's land use code.	54		0.40
EPD	Existing Services	49	Animal Services Contract	Provides ongoing funding to cover contract increases for the current service level of animal sheltering and adoption services with Greenhill. This is a continuation of one-time funding in fiscal years 2017 through 2019.	90		
LRCS	Existing Services	50	Recreation Services Low-Income Participants Scholarships	Additional Recreation Services low-income scholarship funding is needed to supplement the current budget of \$50,000. This addresses an increasing number of qualifying patrons and to compensate for an increasing fee structure.	100		
PDD	Existing Services	51	Envision Eugene Data Management	Perform ongoing maintenance, management and manipulation of large, complex data sets generated by the Growth Monitoring Program and interconnected PDD systems. This position would work on Pillar 7 Metric reporting as required by Envision Eugene.	120		1.00
PDD	Existing Services	52	Community-Wide Communications Specialist	Provide needed capacity for public and City Council communication for Planning and Development, to improve outcomes on a variety of City initiatives.	120		1.00
PDD	Existing Services	53	Planning Division Administrative Support	Additional support for legally mandated administrative work: mailings, public notice, and application intake and processing to reduce errors and associated appeals and process; as well as improve efficiency and customer service.	120		1.00
Fire	Existing Services	54	Public Information and Outreach	The Fire Department requires the services of a full-time Public Information Officer in response to increased local activity, population and major events. The position would address media inquiries, news releases, information requests, and community outreach.	123		1.00
PW	Existing Services	55	Real Property Management	A position to provide more systematic and proactive management of both land and improvements due to expansion of the park system over the last two decades.	150		1.00

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
Fire	Existing Services	56	Command Training Center Capacity	The Command Training Center provides highly complex cognitive and tactical training for Fire and EMS. Full-time staffing would enhance the Center's local and regional emergency training capacity. Updating the software components will allow the center to incorporate emergency planning, law enforcement and communications elements into training.	197	50	1.00
LRCS	Existing Services	57	Recreation Inclusion Services	Provide services to support an increase in the number of patrons diagnosed with mental health disorders and disabilities.	200		
CS	Existing Services	58	Municipal Justice System Analysis Team	Ongoing enhancements to the municipal justice system require increased analytical work and coordination of the system in order to assure programmatic investments can be fully utilized and supported.	240		
EPD	Existing Services	59	Public Safety Answering Point Fund Shortfall	EPD is unable to provide call-taking services at a level consistent with industry best practices. Operational costs exceed the anticipated annual \$1.6M revenue from the State.	300		
CS	Existing Services	60	Other Specialty Courts	Funding to research and implement new specialty dockets that would be well-aligned with the needs of the local population, including young adults, addicts and veterans. Limited duration funds support research and planning; ongoing funds are approximated.	300	200	
CS	Existing Services	61	IT Support for Municipal Justice System	IT staffing resources for ongoing support and maintenance of the Public Safety and Justice information systems.	300		2.00
Fire	Existing Services	62	Special Teams Training Funding	In response to the growing need for disaster preparedness, an increase in Special Teams training would incur overtime costs. Additional training allows teams to recertify Special Teams members, perform monthly drills, stage at least one annual inter-team exercise and participate in the City's emergency planning program.	429		

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
EPD	Existing Services	63	911 Staffing Continuity	The Central Lane Communications Center has three recent reports stating the importance of employee retention for critical 911 services. Due to natural attrition and the length of time required to train staff, overhire authority is needed to retain a fully-trained staff throughout the year and adapt to a changing workforce. This funding would allow for continual overhiring ability.	523		
CS	Existing Services	64	Full Expansion of Community Court Program	Expand eligible charges to include the entire city of Eugene, enabling the program to reach a broader population.	754	5	2.10
Multiple	Existing Services	65	General Fund Equipment Replacement Shortfall	To address the unfunded portion of the City's equipment replacement costs, allowing Police, Fire, and LRCS to achieve their public safety and cultural policy objectives.	1,000		
Fire	Existing Services	66	Minimum Fire Staffing	Increase staffing levels to four firefighters per engine in response to growing demand in high-density neighborhoods, increased wildfire dangers, and industry standard minimum staffing recommendations. Enhanced emergency response will also increase the speed of hose deployment by 25%.	1,991		12.00
LRCS	Existing Services	67	Library Levy Continuation	Continue services at the level provided by the current Library Levy, which expires after FY21. Figures are adjusted to include inflation and other factors.	3,300		18.40
Multiple	Existing Services	68	Parks and Recreation Operations and Maintenance Levy Continuation	Continue services at the level provided by the current Parks and Recreation Operations and Maintenance Levy, which expires after FY24. Figures are adjusted to include inflation and other factors.	4,000		10.25
PDD	Existing Services	69	River Road / Santa Clara Neighborhood Plan	Remaining funding needed to complete River Road/Santa Clara neighborhood plan.		40	
LRCS	Existing Services	70	Special Event Support Funding	One-time pool of funds that can be used to support special event proposals that are presented to the City that help economic development and meet established goals/objectives.		50	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PDD	Existing Services	71	Clear Lake Expansion Area Finalization Request	Prepare Clear Lake industrial lands for development through infrastructure planning and permitting. Partial one-time project funding was included in FY19 Adopted Budget. This funding is required to finish the project.		80	
PW	Existing Services	72	Airport Interactive Employee Training Video Program	Produce new training videos for interactive employee training video system to reflect current standards.		80	
CS	Existing Services	73	Research Alternatives to Incarceration	Collaborate with an external partner to study and recommend robust alternatives to incarceration.		85	
EPD	Existing Services	74	Blanton Radio Link	Replace/upgrade the 911 center's radio microwave link to the Blanton repeater. This radio link is crucial to the daily operations of Fire dispatch in Eugene and, through the fire dispatch contracts, the rest of Lane County. The equipment is approaching end of life and needs to be replaced before repairs cease to be feasible.		120	
EPD	Existing Services	75	Coburg Radio Link	Replace/upgrade the 911 center's radio microwave link to the Coburg repeater. This radio link is crucial to the daily operations of Police and Fire dispatch in Eugene and, through LRIG and the fire dispatch contracts, the rest of Lane County. The equipment is approaching end of life and needs to be replaced before repairs cease to be feasible.		120	
EPD	Existing Services	76	Crestview Radio Link	Replace/upgrade the 911 center's radio microwave link to the Crestview Repeater. This equipment is utilized by Eugene Police, Eugene Springfield Fire, Eugene Public Works and Central Lane Communications Center's contracted rural fire customers. This radio link is crucial to daily operations. The equipment is approaching end of life and needs to be replaced before repairs cease to be feasible.		120	
PDD	Existing Services	77	University Neighborhood Plan	Funding to complete the University neighborhood plan. \$60,000 in funding was previously included in FY18 December Supplemental Budget and FY19 Adopted Budget.		190	
PW	Existing Services	78	Replace Airport Excavator	Replace non-working excavator with a working model.		200	
PW	Existing Services	79	Replace Airport Dump Truck	Replace 1993 dump truck and sander with newer model.		250	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PDD	Existing Services	80	Bethel Area Neighborhood Plan	Produce a neighborhood plan for the Bethel area after completion of the University neighborhood plan. Work is estimated to begin in FY21 with completion in FY22/23.		280	
PW	Existing Services	81	Replace Airport Deicing Vehicle	Replace current deicing vehicle purchased in 1991.		400	
PW	Existing Services	82	Airport Administrative Offices	In accordance with the Master Plan update, the airport's administrative offices will be relocated to inside the terminal building. This will facilitate communication and response in the event of an emergency.		500	
Fire	Existing Services	83	Basic Life Support System Unit Replacement	Basic Life Support System (BLS) Medic Units are retired ALS ambulances placed into service at the start of the BLS pilot project. Three require replacement. This request is in response to the growing need for capacity with an aging population.		600	
Fire	Existing Services	84	Fire Records Management System and Rostering Program	The current fire records management system and rostering program is outdated. The Fire and EMS merge between the Cities of Eugene and Springfield necessitates technology and records management updates.		740	
PDD	Existing Services	85	ePlan Online Land Use Permitting System	Replacement of the City's Land Use Permitting system that is no longer supported and in danger of critical failure. This project would significantly improve customer service and staff efficiency.		800	
PW	Existing Services	86	Airport Carpet Replacement	The majority of the carpet in the terminal has reached the end of its useful life. This provides the needed replacement of aged carpet in the A Gates, Concourse, and Main Lobby areas.		1,000	
PW	Existing Services	87	General Fund Fleet Replacement	To fully fund General Fund Fleet replacement.		2,800	
Future Demands							
PW	Future Demands	88	Downtown Riverfront Plaza	The plan, design, and construction of a 1-acre urban riverfront plaza on the former EWEB site on the Willamette River.		1,000	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
Multiple	Future Demands	89	Alton Baker White Water Park and Canoe Canal	Alton Baker White Water Park and Canoe Canal construction and redesign to improve natural habitat along the corridor, eliminate unhealthy environmental conditions, and enhance opportunities for whitewater kayaking in Eugene.	30	9,000	
Multiple	Future Demands	90	Animal Services Facility	Construction of a new Animal Services Facility within the city limits to replace functionally and physically obsolete First Avenue Animal Shelter facility.	40	12,000	
Multiple	Future Demands	91	Multi-Use Sports Complex - Future Phases	Future phases of the design, construction and operation of a local/regional multi-sports complex. Ongoing costs are net of expected additional revenue.	45	21,100	
CS	Future Demands	92	City Council Meeting Minutes	Funding for a minutes recording service that will provide detailed minutes of City Council meetings. Interest has increased among City Councilors in returning to written minutes that provide detailed accounts of their discussions.	60		
PDD	Future Demands	93	Economic Prosperity Analysis	Increase a part-time position to full-time to provide expanded capacity for development and economic analysis in support of economic prosperity initiatives.	60		0.50
LRCS	Future Demands	94	Washington/Jefferson Skate Park and Plaza Programming	In partnership with the Eugene Parks Foundation, 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		
LRCS	Future Demands	95	Fourth Floor Library Renovation and Expansion	The Downtown Library has seen significant growth in patrons and this may necessitate utilizing the fourth floor as public space. Request includes expanded library services and relocation of library staff to the fourth floor of the Downtown Library, as well as relocation of existing staff on the fourth floor.	100	2,000	
LRCS	Future Demands	96	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	
PDD	Future Demands	97	Economic Prosperity Strategic Reserve	Funds for small scale, strategic investments. Current funding is available through FY20.	100		

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
LRCS	Future Demands	98	Amazon Community 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	
CS	Future Demands	99	Multicultural Liaison	The Human Rights Commission workgroup Whole Eugene Community United recommend a Multicultural Liaison position to focus on developing and maintaining relationships with marginalized communities. This would provide additional capacity to the City Manager's Office Equity and Human Rights efforts in our community.	110		1.00
PDD	Future Demands	100	Additional Land Use Planning Application Support	To address the ongoing high levels and complexity of land use applications, this position would add capacity and decrease turnaround times.	120		1.00
CS	Future Demands	101	Equity in Contracting Program	This program supports City and Council goals for inclusion and diversity in public contracts while building vendor capacity. It is currently staffed with limited duration funds that expire in summer 2019.	125		1.00
CS	Future Demands	102	Organization-Wide Contracting Support	Develop and manage a public contract coordination program that will provide support to the organization for developing, managing, tracking and reporting on contracts. This position will be responsible for implementation and management of the supplier contract management system and creating a contracts training program.	125		1.00
LRCS	Future Demands	103	River House Community Center Renovation	Update and remodel the River House Community Center. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	130	2,980	
CS	Future Demands	104	Geographic Information Systems Coordination	With the increasing use of Geographic Information Systems (GIS), an organization-wide coordinator could help ensure that GIS resources are used efficiently and coordinated effectively. The GIS Coordinator would manage the daily operation of all GIS services.	130		1.00
LRCS	Future Demands	105	Sheldon Community Center Renovation	Update and remodel the Sheldon Community Center. Ongoing operational costs represent expected increases to facility maintenance and temporary employee costs.	138	6,521	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PDD	Future Demands	106	Metro/Community Long Term Planning	Urban Reserves adoption is anticipated for FY21, and then the Planning Division will embark on a new Urban Growth Boundary update. This work will be ongoing and operate on a five year cycle of assess and adopt. Staff would oversee this process and associated projects.	140		1.00
EPD	Future Demands	107	EPD Data Storage For Digital Evidence	EPD continues to expand the amount of data it generates by implementing technological programs such as Body Worn Cameras, In-Car Video, Camera Trailers, and digital Interview Room recording systems. These programs along with the large quantities of digital evidence seized in the course of normal business all require funding and storage space. Funding will cover annual cost of cloud-based data storage for digital evidence.	200		
LRCS	Future Demands	108	Youth After School Enrichment	Create funding for new after school programs in three 4J schools that are identified as low-income. Additional services will expand the reach of education, recreation, and youth development opportunities during non-school hours that complement regular academic programs.	330		3.60
CS	Future Demands	109	Data Center and Disaster Recovery	Create 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	500	2.00
Fire	Future Demands	110	Fire Protection Inspections	Increase staffing at Fire Marshal's office to meet industry best practices for ongoing community risk reduction. Staffing increase would allow for completion of required fire protection system inspections, planning and compliance across the community.	675	70	4.00
EPD	Future Demands	111	EPD Training Unit	Creation of an expanded full-time training team to stay abreast of the availability of mandatory and optional trainings, while improving efficiencies and mitigating the impact of detachments on patrol activities. Currently, ad hoc instructors are detached from regular duties to provide training. The dedicated team will allow for a reduction in overtime expenses to backfill those who are detached for instruction.	946	50	5.50

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
Fire	Future Demands	112	Fire Stations	The acquisition of land and construction of three fire stations due to growing and shifting population, University of Oregon expansion and end of station infrastructure lifecycle. Ongoing operational costs represent expected increases for staffing and facility maintenance cost.	1,991	15,817	12.00
LRCS	Future Demands	113	North Eugene Community Center and Pool	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 proposed branch library or related staff costs, which will be estimated and incorporated into later project planning phases if funding becomes available.	2,775	25,000	9.00
LRCS	Future Demands	114	Southwest Eugene Community Center and Pool	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 proposed branch library or related staff costs, which will be estimated and incorporated into later project planning phases if funding becomes available.	2,775	32,900	9.00
PDD	Future Demands	115	Online Land Use Code Publishing System	Significantly improve efficiency, accuracy and public accessibility to the City's land use code online. This is currently the standard in most communities.		50	
PDD	Future Demands	116	Urban Reserves	Funds to complete the remainder of the Urban Reserves adoption.		118	
LRCS	Future Demands	117	Hult Center Exterior Plaza and 7th Avenue Lighting Upgrade	Enhancement of the spaces around the Hult Center to make the venue site more attractive for locals and visitors. This is part of the placemaking project that was led by Project for Public Spaces.		300	
PW	Future Demands	118	Old Airport Tower and Hangar Demolition	Demolition and removal of the old tower and hangar to accommodate future concourse expansion.		500	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PW	Future Demands	119	Airport Common Use System	Computerized system to allow for efficient usage of ticket counters and gates. Improvements will allow for accommodations of increased flights without the immediate need for building expansion.		1,000	
PW	Future Demands	120	Downtown Riverfront Park	The plan, design, and construction of a 3-acre urban riverfront park on the former EWEB site on the Willamette River.		4,000	
CS	Future Demands	121	City Hall	Design and construction of a Phase One City Hall on the Butterfly lot.		16,500	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
Infrastructure							
PW	Infrastructure	122	Airport Security Improvements	Add new access control points to increase security. Add closed caption television cameras to public areas to improve security.		300	
PW	Infrastructure	123	Airport Runway Restriping	Both runways at the airport need to be restriped to meet current FAA standards. Process includes complete removal of existing paint, repaint, and fog seal.		500	
PW	Infrastructure	124	Airport LED Lighting Upgrades	Upgrade lighting throughout the Airport campus to LEDs, including the parking lot, roadways and taxiways. This project would reduce both energy consumption and electrical costs. A more thorough analysis will be completed to further scope the project.		500	
CS	Infrastructure	125	Seismic Assessment of City Buildings	Risk Management Fund covered the first phase of this project, which included public safety facilities, emergency operations facilities, community centers and pools. This funding will complete seismic assessment of all city buildings.		1,000	
EPD	Infrastructure	126	Police Special Operations Facility	To construct and operate the Police Special Operations Center to be co-located with the Emergency Operations Center (EOC). Funding for the EOC portion of this project (\$4M) has been identified in the Risk Fund.	25	4,000	
Fire	Infrastructure	127	Fire Hydrants	Annual cost to maintain and upgrade fire hydrant infrastructure. Fire has \$25K ongoing built into the department budget with an ongoing unfunded need of \$25K.	25		
PW	Infrastructure	128	Landscape Median Capital Renovation	Implement the design guidelines developed by the median capital renovation pilot program.	100		
PW	Infrastructure	129	ADA Transition Plan for Public Rights-of-Way	Projects to respond to ADA requests in the right-of-way.	100		
PW	Infrastructure	130	Support for Electrical Infrastructure at Airport	An additional Airport Electrician is needed to provide critical support and maintenance to airport infrastructure.	115		1.00
Multiple	Infrastructure	131	Downtown/Riverfront Pedestrian Wayfinding	Enhance Eugene's pedestrian wayfinding program to provide consistent and clear information to assist the traveling public.	125	450	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PW	Infrastructure	132	Green Stormwater Infrastructure Renovation	Increased funding is needed to reconstruct existing green stormwater facilities and perform ongoing maintenance of existing and proposed landscaped medians in the right-of-way. The number of green infrastructure facilities is increasing with development and City-sponsored capital improvement projects.	150	250	
PW	Infrastructure	133	Stormwater System-Wide Cleaning and Assessment	Systematic cleaning of large diameter pipe, including condition assessment, would ensure system resiliency for flood protection and emergency preparedness.	150		
PW	Infrastructure	134	Shared Use Path and Bridge Repair and Maintenance	There is currently no funding for pedestrian and bicycle bridges not in the right-of-way and there is an estimated ten million dollar maintenance and repair backlog. Repair and maintenance on these off-street shared-use paths will ensure citizens have a safe pedestrian way system.	200		
PW	Infrastructure	135	Maintenance and Repair of Sewer Service Laterals	In 2016, the City revised its policy to maintain sewer service laterals within the City's rights-of-way. This policy increased the City's pipe inventory by an estimated 43 miles. This additional inventory will require more resources to maintain, repair and replace.	475	385	3.00
CS	Infrastructure	136	Capital Preservation Shortfall	Resources needed to close the preservation and major maintenance funding shortfall for the General Fund-supported buildings. The City currently faces a backlog of deferred maintenance for buildings and structures.	750		
PW	Infrastructure	137	Wastewater System Rehabilitation	Fully fund the preservation and rehabilitation of the City's aging wastewater system and decrease inflow and infiltration. In addition to maintaining the pipe system and its capacity, reducing inflow and infiltration also improves the capacity of the wastewater treatment plant.	1,500		
PW	Infrastructure	138	Pavement Preservation Backlog Funding	Increase funding for ongoing pavement preservation program to eliminate the backlog of unfunded pavement preservation needs city-wide. This is the remainder that is unfunded after taking into account the voter-approved street bonds that will be in effect from FY20-FY24.	2,500		

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PW	Infrastructure	139	Willamette to Willamette (W2W): Hilyard Corridor	This expands the W2W project, which includes elements from the 2015 Mill Street design concepts, to create a protected bikeway on Hilyard/E. Broadway and a two-way street conversion on Hilyard. Funding would include engineering design, pavement marking, signals and signage.		100	
PW	Infrastructure	140	Sanitary and Storm System Camlock Manhole Lid Replacement	Systematically replace old camlock manhole lids with newer sliding lids. The camlock lids are heavy and difficult to lift, and have caused several employee injuries. By replacing these lids with sliding lids, the potential for injury would decrease significantly.		100	
PW	Infrastructure	141	Storm System Curb Inlet Replacement and Repairs	Replace a back-log inventory of curb inlet tops or faces that have either been damaged by large vehicular traffic or have reach their expected service life. Currently there is a back-log of 80 such structures in need of rehab or replacement. The back-log count is estimated to increase by five to ten structures annually.		105	
PW	Infrastructure	142	Redundant Fiber Loop	The connection to City's fiber network from the airport consists of a single connection. In the event of a disaster or accident, the airport's network connectivity would be cut off. A redundant fiber connection will allow for operations to continue and for telephone and computer communications to continue during an outage.		250	
PW	Infrastructure	143	Expand Airport Communication Room	The current communication room is inadequate in size to accommodate the expanded use of technology for security, closed circuit television, tenant needs, and changing passenger requirements.		250	
CS	Infrastructure	144	Downtown Initiative	Downtown activities and services delivered by Facilities (CS), EPD, LRCS, PDD and PW as part of the downtown initiative. These services are funded through the Spring of 2020.		954	
PDD	Infrastructure	145	Parking Asset Replacement Reserve	Develop a replacement funding stream for critical asset replacement.		1,000	

2019 Unfunded Needs Assessment

Services and Infrastructure

Dept.	Category	UNA #	Title of Request	Description	Ongoing Costs (\$1,000s)	Ltd. Duration Costs (\$1,000)	Additional FTE
PW	Infrastructure	146	Repair Roosevelt Yard Site	The Public Works Roosevelt Facility is an aging facility. Until recently, very little major rehabilitation or repair funds were invested into major maintenance. Buildings need to be painted, structural repairs made to preserve the life of the structure, and other major components need rehabilitation.		1,000	
LRCS	Infrastructure	147	Hult Center HVAC System Replacement	Replacement of the existing Hult Center heating, ventilation and air conditioning (HVAC) systems.		3,000	
PDD	Infrastructure	148	Parking Garage Seismic Upgrades	Upgrade three parking garages to current seismic standards.		3,600	
PW	Infrastructure	149	Replace Fleet Facility	Replacement of the City's aging fleet maintenance facility; to address seismic and safety concerns and provide for continual operation of a critical service during an emergency event.		25,000	
PW	Infrastructure	150	Critical Bridges - Seismic Retrofitting or Replacement	Fifteen City-owned and maintained highest priority bridges were analyzed for vulnerability to a seismic event. Results of the high level analysis indicate approximately \$34 million in seismic retrofit needs.		34,000	