

MINUTES
Eugene City Council
Work Session
Eugene, Oregon 97401

December 11, 2024
12:00 p.m.

Councilors Present: Emily Semple, Matt Keating, Alan Zelenka, Jennifer Yeh, Mike Clark, Greg Evans, Lyndsie Leech, and Randy Groves

Mayor Vinis opened the December 11, 2024, Eugene City Council Work Session in a virtual format.

1. WORK SESSION: Financial Condition Update

City Manager, Sarah Medary, introduced Chief Financial Officer, Twylla Miller, and provided a financial condition update in advance of the January City Council workshop on budget priorities.

Councilor Discussion:

- Mayor Vinis – noted the forecast is somber and valuable for constituents tuning in.
- Councilor Clark – asked for clarification on expenditure allocations, specifically for categories like Public Works, Eugene Police Department (EPD), and the Community Safety Initiative (CSI); asked what category the Human Services Commission is in; noted the need for a more granular, priority-based budgeting discussion to guide decisions on service levels in general fund areas.
- Councilor Semple – noted concern for the future of shelters funded by one-time dollars; asked for the plan for the shelters, particularly the Garfield shelter; noted interest in the City finding a way to maintain the critical number of beds, which have increased capacity from 500 to 1,000; noted the importance of retaining neighborhood officers and other essential services despite the challenging budget environment.
- Councilor Keating – noted concern over potential cuts to animal services and support for their continuation; noted interest in rebranding the fire service fee as a "fire and budget stabilization fee" to reflect its broader purpose; asked about potential early separation incentives for employees to reduce financial pressures of tier one rates; asked if the City is at risk of violating intergovernmental agreements with Lane County if Human Services contributions are reduced.
- Councilor Groves – noted the challenging financial outlook and the need for a prioritization discussion, regardless of whether the fire service fee is implemented; noted constraints of Oregon's taxation system and the City's revenue stream's inability to keep pace with inflation and costs; noted concerns with safe sleep sites and the potential impact of turning unhoused individuals back to the streets; noted

the importance of neighborhood services officers and improvements in responsiveness to community issues; noted support for a more granular look at the budget.

- Councilor Zelenka – noted the general fund dollars per capita is lower than it was in 2008, the full-time equivalent (FTE) per capita is the lowest it's been in 18 years, and there have been \$60 million in general fund cuts over the past 15 years; asked if the general fund is zero-sum; noted without new revenue options, prioritizing EPD and Eugene-Springfield Fire (ESF) would require cuts to other departments, such as libraries, parks, and planning; asked if the one-time funding for the Human Services Commission (HSC) was part of the budget; noted HSC, safe sleep sites, neighborhood services, and animal services are all at risk without additional funding.
- Councilor Leech – noted community feedback has suggested finding efficiency measures; stated the inability for the City to cut \$10 million without significantly impacting services; noted the importance of preventative measures, such as safe sleep sites and libraries, to avoid escalating challenges and promote future budget savings; noted interest in reviewing a higher budget proposal; noted the importance of aligning budget priorities with community values.
- Councilor Yeh – noted support for reviewing both proposed budget levels to understand the differences and implications for addressing funding gaps; noted the difficulty of prioritization but emphasized its necessity; noted a desire for transparent and open conversations with the community about how City dollars are allocated and the importance of City programs.
- Councilor Zelenka – asked if the next level of cuts will impact service to the public; noted interest in reviewing a higher budget proposal.
- Councilor Groves – noted EPD, ESF, and Central Services should be viewed separately; noted fire services has not grown in over 40 years, while the police department has also faced shortages; noted opposition to across-the-board cuts for fire services and interest in exploring alternatives, such as establishing a fire district with its own elected board.
- Councilor Clark – noted support for differentiating fire and police in budget discussions but opposed creating a special fire district; asked about the potential for statewide changes to Public Employees Retirement System (PERS) and their impact on local budgets; noted the State's funding is based on income tax and the City's is based on property tax; asked about State revenue projections versus local property tax-based projections and whether the legislature might address these differences; noted the need to consider long-term revenue and cost implications.
- Mayor Vinis – noted Council needs to consider the immediate budget decisions and longer-term projections, including potential legislative changes; noted the importance of creating a sustainable funding structure and the potential implications of failing to address current budget shortfalls; noted budget gaps are likely to increase over time as there will be an increasing demand for services as the community grows.

2. **WORK SESSION: City Manager Update**

City Manager, Sarah Medary, provided information on future agenda items and updates on City projects.

Councilor Discussion:

- Councilor Semple – noted gratitude for Council and staff.
- Mayor Vinis – noted appreciation for Council and staff; noted the learning opportunities from the Council’s questions and insights; stated appreciation for the devotion of Councilors to their work and constituents.

Mayor Vinis adjourned the meeting at 1:08 p.m.

Respectfully submitted,



Katie LaSala
City Recorder

(Recorded by Natalie Venhuda)

Link to the webcast of this City Council meeting [here](#).