

ROUGHLY EDITED TRANSCRIPT
CITY OF EUGENE
WORK SESSION
SEPTEMBER 16, 2026
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>>> THE SEPTEMBER 16, 2026 WORK GROUP MEETING, THANK YOU FOR JOINING US IN THIS HYBRID MEETING FORMAT.

THERE NO OPPORTUNITY FOR PUBLIC COMMENT, THOSE WISHING TO ACCESS THE MEETING CAN DO SO BY WATCHING THE LIVESTREAM AVAILABLE ON OUR WEBSITE, THE BROADCAST ON COMCAST CHANNEL 21

OR BY CALLING IN TO ONE OF THE PHONE NUMBERS LISTED FOR THIS MEETING ON THE PUBLIC WEBCAST AND MEETING MATERIALS WEB PAGE.

THANK YOU AGAIN FOR JOINING US.

I CALL THE SEPTEMBER 16TH, 2026 WORK SESSION OF THE EUGENE CITY COUNCIL TO ORDER.

I NOW TURN IT TO OUR CITY MANAGER TO INTRODUCE OUR TOPIC FOR TODAY.

>> THANK YOU, COUNCIL PRESIDENT.

OVER THE LAST SEVERAL MONTHS WE'VE DONE A FAIR AMOUNT OF WORK AROUND THE CITY'S FINANCIAL FUTURE, OUR SERVICES AND THE STRATEGIC DIRECTION THE COUNCIL WANTS TO ESTABLISH FOR EUGENE.

OUR TIME TODAY IS REALLY ABOUT BRINGING THOSE PIECES TOGETHER.

WE'LL BRIEFLY DISCUSS THE WOULD, WORK THAT GOT US HERE AND LOOK AT HOW THE FRAMEWORK CONNECTS ACROSS THE ORGANIZATION, SPECIFICALLY HOW THE TACTICS WERE DEVELOPING, WILL ADVANCE THE COUNCIL'S VISION FOR EUGENE.

IN SHORT, OUR GOAL IS TO CREATE A CLEAR LINE OF SIGHT BETWEEN WHERE WE WANT TO GO, THE STRATEGIES WE'VE IDENTIFIED TO GET THERE, AND THE WORK THAT MOVES US IN THAT DIRECTION.

WITH THAT, I'D LIKE TO TURN IT OVER TO NANCY HATRICK FROM RAFTELIS WHO WILL GUIDE US IN OUR PRESENTATION TODAY.

>> GOOD AFTERNOON, PRESIDENT, MEMBERS OF COUNCIL, IS THAT WORKING?

JUST CHECKING.

IT'S NICE TO BE BACK.

NICE TO SEE YOU ALL.

SO WE HAVE A LOT OF INFORMATION TO SHARE WITH YOU TODAY AND ACTUALLY YOUR CITY MANAGER AND YOUR CFO WILL BE PROVIDING MUCH OF THE PRESENTATION AND UPDATES.

I'M HERE TO HELP FACILITATE THE CONVERSATION, THE CHECK-INS TO REVIEW YOUR REACTIONS, YOUR COMMENTS TO EACH OF THE DIFFERENT ELEMENTS WE'LL BE WALKING THROUGH.

SO THE OBJECTIVES FOR OUR TIME TOGETHER ARE QUITE SIMPLE, BUT MEATY, I DO BELIEVE.

SO FIRST OF ALL, TO PROVIDE AN UPDATE ON BOTH THE SERVICE AND STRATEGIC PLAN FRAMEWORKS.

YOU HAVE SEEN IN YOUR PACKET THE WORK THAT HAS BEEN ACHIEVED AND

ACCOMPLISHED OVER THE LAST COUPLE OF MONTHS SINCE WE WERE LAST TOGETHER.

ALSO TO PREVIEW FUTURE NEEDS AND STRATEGIC LEVER OPTIONS THAT ARE AVAILABLE AS YOU START TO STEP INTO YOUR BUDGET CONVERSATIONS.

THIS IS NOT A BUDGET MEETING.

NATURALLY, THIS IS AN UPDATE ON THE FRAMEWORK AND THE TOOLS THAT ARE AVAILABLE, BUT TO HELP TO SEE THAT CONVERSATION TO FUTURE DISCUSSION AND LASTLY WRAP ONE NEXT STEPS TO BE CLEAR ABOUT WHERE ALL OF THIS TAKES US.

SO HERE IS OUR AGENDA.

OOPSIE.

WE'RE BATTLING THE REMOTE.

THERE WE GO.

AS YOU CAN SEE, THERE ARE A LOT OF TOPICS.

DON'T BE CONCERNED.

IT IS TWO HALF-HOURS BUT A LOT OF THIS INFORMATION WE'LL MOVE THROUGH RELATIVELY QUICKLY.

WE'LL DO A QUICK RECAP TO BRING US BACK TO THE CONVERSATIONS WE'VE HAD THUS FAR TO GROUND US IN THE INFORMATION.

YOU'LL HEAR AN UPDATE ON SOME OF THE FEEDBACK THAT HAS BEEN RECEIVED FROM KEY STAKEHOLDER GROUPS INCLUDING THE T.A.G. AND THE BUDGET COMMITTEE.

YOU ALSO WILL HEAR AN UPDATE ON COMMUNICATION ENGAGEMENT, WHICH WERE BOTH IDENTIFIED AS KEY AND IMPORTANT BY THIS COUNCIL FOR HOW TO MOVE FORWARD WITH THE BUDGET

PROCESS.

THEN WE WILL PIVOT INTO THE MEATY PARTS OF THE CONVERSATION, WHICH BEGIN WITH THE SERVICE FRAMEWORK UPDATE.

SO YOU'LL RECALL OUR LAST MEETING OVER OUR LAST SEVERAL MEETINGS DEVELOPING A FRAMEWORK THAT INCLUDED THE CORE SERVICES SORTING.

SO THAT WORK HAS BEEN ACCOMPLISHED BEEN YOU HAVE RECEIVED AN UPDATE ON THAT, SO WE'LL HEAR FROM THE CFO ON THAT WORK AND WE'LL GET YOUR REACTIONS AND THINK ABOUT HOW THAT FITS INTO THE BUDGET CONVERSATIONS THAT WILL FOLLOW.

THEN WE'LL SHIFT TO THE STRATEGIC GOALS ALIGNMENT.

THESE REALLY FOCUS ON THE BIG BUCKETS, THE DIRECTION YOU HAVE

PROVIDED IN TERMS OF KEY STRATEGIC PRIORITIES AND HOW THAT THEN TRANSLATES INTO TACTICS, INTO THE WORK PLAN AND THE EFFORTS OF THE ORGANIZATION.

SO YOU CAN SEE HOW THOSE PIECES FIT TOGETHER.

WE'LL ASK FOR YOUR REACTIONS, ANY AREAS OF CLARIFICATION OR INSIGHT THAT YOU WANT TO OFFER TO STAFF, WHO ARE HERE TO LISTEN TO YOUR CONVERSATION IN THAT AREA.

WE'LL CLOSE OUT WITH FUTURE CONSIDERATIONS AND STRATEGIC LEVER OPTIONS, BOTH OF WHICH WILL BE INSTRUCTIVE TO YOUR FUTURE CONVERSATIONS, AND THEN NEXT STEPS.

SO LIKE I SAID, IT'S A LOT OF TOPICS.

WE HAVE TWO AND A HALF HOURS TO MOVE OUR WAY THROUGH ALL OF THIS.

HERE IS JUST A RECAP OF THE WORK FOR THE BENEFIT OF ALL WHO MAY BE WILLING AND FOR US IN THE ROOM TO GET US BACK TO THE JOURNEY TO TODAY.

AT LEAST MY PARTICIPATION IN YOUR JOURNEY.

WE BEGAN WITH INFORMATIONAL SESSIONS IN MAY, TOOK US THROUGH JUNE THAT LED UP TO A WORKSHOP, A FINANCIAL SUSTAINABILITY WORKSHOP AND COUPLE OF FOLLOW-UP WORK SESSIONS THAT RESULTED IN THE TOOLS THAT YOU'LL BE REVIEWING AND REFLECTING ON TODAY.

SINCE THAT TIME, UPDATES HAVE BEEN PROVIDED AND FEEDBACK HAS BEEN RECEIVED FROM T.A.G. AND THE BUDGET COMMITTEE, AND THE STAFF HAS BEEN WORKING ON SORTING THE PROGRAMS AND SERVICES WITHIN THE DIFFERENT AREAS OF THE AFTER FRAMEWORK AND IDENTIFYING KEY ACTIONABLE TACTICS TO

DELIVER ON YOUR STRATEGIES THROUGH THE FOCUS AREAS.

WE'LL BE GOING THROUGH THOSE THIS AFTERNOON.

ON THE NEXT SLIDE THEY ARE NOW INFORMING ALL OF THE WORK THAT LIES BEFORE YOU.

AS A RECAP, THE SERVICES FRAMEWORK, THIS WAS DEVELOPED AS A MODEL FOR EVALUATING OPTIONS AND SERVICE LEVELS ALIGNMENT TO COUNCIL PRIORITIES, THESE SORTS OF THINGS FOR MAKING INFORMED BUDGET DECISIONS.

YOU ALSO ADOPTED A SET OF BUDGET PRINCIPLES THAT ARE GUIDED FOR THE CONVERSATION AND LASTLY THE STRATEGIC PLAN FRAMEWORK THAT PROVIDES DIRECTION ON THOSE THINGS THAT ARE OF GREAT IMPORTANCE TO THIS BODY AND INFORM THE TACTICS AND THE WORK OF THE ORGANIZATION, WHICH WILL

THEN LEAD TO BUDGET CONVERSATIONS.

WITH THAT I'LL TURN IT OVER TO THE CITY
MANAGER WHO WILL TAKE US THROUGH
EACH OF THE ELEMENTS AT A HIGH LEVEL.

>> I'D LIKE TO BRIEFLY CONNECT THE
COUNCIL THROUGH EACH OF THE
FRAMEWORKS AND HOW THEY WORK
TOGETHER AS A BUDGET DECISION-MAKING
LENS.

THE FIRST IS THE STRATEGIC PLAN
FRAMEWORK.

THESE STRATEGIC AREAS REALLY
DETERMINE WHERE WE'RE GOING.

COUNCIL'S FIVE FOCUS AREA ESTABLISH
OUTCOMES AND ISSUES THAT DESERVE
PARTICULAR ATTENTION OVER THE NEXT
TWO YEARS.

FINANCIAL STABILITY, THRIVING AND
LIVABLE COMMUNITY, HOUSING AND

HOMELESS, TRANSPORTATION AND INFRASTRUCTURE.

AT THE HIGHEST LEVEL THEY HELP US ANSWER THE QUESTION, WHAT ARE WE TRYING TO MAKE PROGRESS ON?

SO FOR EXAMPLE, IN OUR FINANCIAL SUSTAINABILITY HOURS, THE STRATEGY INCLUDE ALIGNING RESOURCES THROUGH THE SERVICE FRAMEWORK DEVELOPING A LONG-TERM FINANCIAL STABILITY PLAN AND STRENGTHENING AND DIVERSIFYING REVENUE AND THE IMPORTANT DISTINCTION IS THE FOCUS AREAS, THE BROADER OUTCOME WE'RE TRYING TO ADVANCE WHILE THE STRATEGIES DESCRIBE HOW WE'RE GOING TO MAKE PROGRESS IN THAT AREA, THIS ALSO GIVES US A WAY TO LOOK AT THE ORGANIZATION RATHER THAN THINKING ABOUT THE WORK THROUGH INDIVIDUAL DEPARTMENTS.

THERE'S ALWAYS WORK THAT DOESN'T SIT NEATLY UNDER THE FOCUS AREAS.

THE INTENTION OF THE STRATEGIC PLAN FRAMEWORK ISN'T TO CAPTURE EVERY SINGLE THING THE CITY DOES.

INSTEAD IT GIVES US A WAY TO IDENTIFY AND CONNECT THE WORK HELPING TO ADVANCE THESE LONGER-TERM AREAS.

THE SERVICE FRAMEWORK ORGANIZES THE CITY'S PROGRAMS AND SERVICES INTO FOUR CATEGORIES.

REQUIRED SERVICES, ESSENTIAL COMMUNITY AND STRATEGIC PRIORITY SERVICES.

REQUIRED SERVICES ARE THOSE THAT THE CITY MUST PROVIDE BECAUSE OF LAW, REGULATION AND THE CHARTER OR COURT ORDER.

ESSENTIAL SERVICES ARE THOSE NECESSARY TO PROTECT PUBLIC HEALTH, SAFETY, CRITICAL INFRASTRUCTURE AND

REALLY THE CONTINUITY OF GOVERNMENT.

AND STRATEGIC PRIORITY SERVICES ARE THOSE THAT DIRECTLY ADVANCE COUNCIL'S STRATEGIC FOCUS AREAS, THOSE THAT RESPOND TO EMERGING NEEDS OR OPPORTUNITIES, THEY FOSTER INNOVATION OR PROVIDE TARGETED COMMUNITY BENEFITS.

THESE ARE NOT RANKINGS.

THEY DESCRIBE THE NATURE AND ROLE OF THE SERVICE.

THE FRAMEWORK HELPS THE ORGANIZATION UNDERSTAND WHAT EACH SERVICE IS INTENDED TO ACCOMPLISH AND PROVIDES A COMMON LANGUAGE FOR EVALUATING SERVICES.

AND AT THAT BOTTOM ARE THE DECISION-MAKING LENSES, THE ONES THAT WE LOOK AT WHEN WE'RE TALKING ABOUT BUDGET, AND THAT IS HOW WE EVALUATE

TRADEOFFS.

SO WHEN RESOURCES ARE CONSTRAINED, THOSE EIGHT CONSIDERATIONS, THE COMMUNITY IMPACT, ORGANIZATIONAL IMPACT, RISK, STRATEGIC ALIGNMENT, SERVICE LEVEL, COST AND SUSTAINABILITY, ALTERNATIVE SERVICE DELIVERY, AND REVENUE/COST RECOVERY, THEY ALL HELP US ASSESS WHETHER A SERVICE SHOULD BE MAINTAINED, CHANGED, REDUCED OR POTENTIALLY DISCONTINUED.

FINALLY WE HAVE BUDGET PRINCIPLES.

THESE ARE HOW WE MAKE CHOICES.

THE TEN BUDGET PRINCIPLES ESTABLISH THE GUARDRAILS FOR BUDGET DECISIONS, DESIGNED TO PROTECT CORE AND ESSENTIAL SERVICES, MOUNTAIN RESERVES, PURSUE EFFICIENCIES, CONNECT SPENDING TO STRATEGIC GOALS, INVEST IN THE WORKFORCE AND MAKE DECISIONS WITH A LONG-TERM FINANCIAL

PERSPECTIVE.

THE BUDGET PRINCIPLES ALSO RECOGNIZE THAT FINANCIAL STABILITY ISN'T JUST ABOUT CUTTING COSTS.

IT'S ABOUT HOW WE ALIGN RESOURCES, IMPROVE HOW WE OPERATE, LOOK AT REVENUE, AND MAKE CHOICES OVER TIME.

SO WHEN YOU PUT THESE THREE THINGS TOGETHER, STRATEGIC DIRECTION, THE SERVICES THAT WE PROVIDE AND OUR FINANCIAL PRINCIPLES, WE HAVE A MUCH MORE COMPLETE WAY ABOUT THINKING ABOUT HOW THE CITY WORKS.

SO THE FRAMEWORK, IF WE GO TO THE NEXT SLIDE, THERE WE GO.

THE FRAMEWORK AND THE BUDGET PRINCIPLES WERE ALSO SHARED WITH T.A.G. AND THE BUDGET COMMITTEE ANNE, AND BOTH GROUPS EXPRESSED AN ENORMOUS AMOUNT OF APPRECIATION

FOR COUNCIL'S LEADERSHIP IN THIS AREA.

IN PARTICULAR, THEY REALLY APPRECIATED HOW THE APPROACHES WERE INTEGRATED AND HOW THEY BUILT ON EACH OTHER.

THEY APPRECIATED THE CLARET AROUND THE SERVICE CATEGORIZATION, WHAT IS A REQUIRED AND AN ESSENTIAL SERVICE AND THAT THERE WAS ROOM TO LOOK AT SERVICE LEVELS WITHIN EACH OF THOSE CATEGORIES.

THEY ALSO APPRECIATED THE REFINEMENT OF THE STRATEGIC PLAN AND THAT IT HAS CLEAR FOCUS AREAS.

THEY RECOGNIZE THAT THE PROCESS WILL BE CHALLENGING.

IT'S GOING TO REQUIRE DIFFICULT DISCUSSIONS AND MORE IMPORTANTLY, INTENTIONAL TRADEOFFS.

ADDITIONALLY, BOTH GROUPS REALLY EMPHASIZED AND THEY WERE SPEAKING IN TANDEM ABOUT THE IMPORTANCE OF COMMUNITY ENGAGEMENT AND COMMUNICATIONS AS I KNOW THIS IS IMPORTANT TO THE COUNCIL AROUND THE CITY'S BUDGET CONSTRAINTS, AND HOW THIS DECISION-MAKING APPROACH CAN REALLY HELP ALIGN RESOURCES WITH THE COUNCIL GOALS AND MORE IMPORTANTLY ENSURE THE CONTINUITY OF IMPORTANT SERVICES.

NEXT SLIDE.

HERE'S A LITTLE BIT ON COMMUNITY AND ENGAGEMENT AND THEN I'LL START TO WRAP UP.

WE'VE BEEN SHARING INFORMATION ABOUT OUR LONG RANGE FINANCIAL PLANNING PROCESS THROUGH OUR CITY NEWSROOM, "HEY EUGENE" NEWSLETTER AND SOCIAL MEDIA.

THE WORK ALSO INCLUDED THE CREATION OF A SERIES OF FIVE BUDGET EDUCATIONAL VIDEOS FEATURING MEMBERS OF THE COMMUNITY THAT WILL BE A PART OF A TARGETED COMMUNICATIONS CAMPAIGN, BEGINNING THIS MONTH.

IN ADDITION TO A BUDGET CURIOUS LANDING PAGE, WHICH IS EUGENE-ORG.GOV/BUDGETCURIOUS, FOR THOSE THAT ARE INTERESTED OR CURIOUS, NO PUN INTENDED.

FOR COMMUNITY MEMBERS THAT WOULD LIKE TO LEARN MORE.

SOCIAL MEDIA WILL CONTINUE TO BE USED TO COMMUNICATE TOPICS AND POINT BACK TO THESE RESOURCES.

OUR CAMPAIGN WILL ALSO INCLUDE NEIGHBORHOOD ENGAGEMENT OPPORTUNITIES STARTING AS EARLY AS NOVEMBER AND AFTER THE NEW YEAR,

AHEAD OF THE FORMAL BUDGET PROCESS.

WE'RE ALSO ACTIVELY PARTNERING WITH MEMBERS OF THE NEIGHBORHOOD LEADERSHIP COUNCIL TO HOST NEIGHBORHOOD BUDGET CONVERSATIONS.

NEXT I'M GOING TO TURN IT OVER TO TWYLLA MILLER, OUR CHIEF FINANCIAL OFFICER.

SHE'S GOING TO TELL YOU HOW THAT FRAMEWORK IS APPLIED TO COUNCIL POLICY FROM A STAFF PERSPECTIVE.

>> GOOD AFTERNOON.

SO I'M TWYLLA MILLER, YOUR CHIEF FINANCIAL OFFICER.

AND WE'LL START HERE BY TALKING ABOUT THIS SERVICE FRAMEWORK.

AT YOUR WORKSHOP THIS SUMMER, YOU DISCUSSED AND APPROVED THE SERVICE

FRAMEWORK TO BE USED TO CATEGORIZE SERVICES INTO FOUR TIERS WHICH I'LL REVIEW IN A MOMENT.

THIS FRAMEWORK IS USED BY STAFF TO SORT SERVICES AND PROGRAMS INTO THE TIERS AND PROVIDE A CONSISTENT APPROACH ACROSS THE ORGANIZATION.

THE SERVICE FRAMEWORK WILL BE INCORPORATED INTO THE BUDGET PROCESS AND THE PROPOSED BUDGET THAT COMES TO COUNCIL AND BUDGET COMMITTEE NEXT SPRING.

THE FRAMEWORK WILL BE A FOUNDATIONAL COMPONENT OF THE BUDGET AS YOU HAVE DISCUSSIONS AND CONSIDER OTHER POLICY AND COMMUNITY CONSIDERATIONS.

[FEEDBACK]

LET'S TRY THIS?

IS THIS BETTER?

WOW, OKAY.

SO NEXT WE'LL START TALKING ABOUT THE SERVICE FRAMEWORK.

SO THE CITY MANAGER ALREADY WENT THROUGH THESE A BIT, BUT JUST AS WE THINK ABOUT HOW WE APPLIED THESE, REQUIRED IS VERY NARROW, NARROW IN SCOPE.

SO WE'RE REALLY LOOKING AT THOSE PROGRAMS AND SERVICES THAT THE CITY MUST PROVIDE TO MEET A FEDERAL OR STATE LAW OR A CITY CHARTER SHALL.

NOT A MAY BUT A SHALL.

COURT ORDERS AND OTHER REGULATORY REQUIREMENTS.

SO THESE ARE SERVICES AND PROGRAMS THAT THE CITY CANNOT TAKE ACTION ON ITS OWN TO CHANGE THE REQUIREMENT.

ESSENTIAL ARE THE SERVICES NECESSARY
TO PROTECT THE HEALTH, SAFETY,
CRITICAL INFRASTRUCTURE AND
CONTINUITY OF GOVERNMENT
OPERATIONS.

SO THIS WOULD INCLUDE SERVICES THAT
COULD BE --

[NO AUDIO]

-- REQUIREMENT.

IS THIS WORKING?

AND NEXT THE OTHER TWO TIERS HERE,
COMMUNITY SERVICES, WHICH THE CITY
MANAGER SPOKE TO.

SO THOSE PROGRAMS AND SERVICES
BEYOND REQUIRED AND ESSENTIAL LEVELS
OF A COMMUNITY OF OUR SIZE AND
CONTRIBUTE TO THE QUALITY OF LIFE AND
VITALITY OF OUR COMMUNITY, AND

STRATEGIC PRIORITY SERVICES ARE THOSE SERVICES THAT ADVANCE COUNCIL'S STRATEGIC FOCUS AREAS AND GOALS.

THIS INITIAL SORT IS THE FIRST STEP IN A LARGER PROCESS, AND IS MEANT TO SHOW THE PRIMARY TIERS THAT A PROGRAM OR SERVICE WOULD LIVE IN.

AS PART OF OUR BUDGET DEVELOPMENT PROCESS, WE WILL REVIEW ALL SERVICES REGARDLESS OF TIER TO UNDERSTAND THE SERVICE LEVEL AND CONSIDER HOW SERVICES ARE DELIVERED.

AS WE CENTER SERVICE LEVELS, THERE MAY BE A SERVICE LEVEL REQUIRED OR A CENTRAL SERVICE LEVEL THAT MEETS A COMMUNITY NEED OR STRATEGIC PRIORITY.

AFTER THIS NEXT STEP IN THE PROCESS, WE WILL HAVE THAT ADDITIONAL INFORMATION.

WE WILL USE THE ELEMENT OF THE BUDGET DECISION LENS AS JENNY DESCRIBED TO UNDERSTAND IMPACT TO SERVICE AND THEN WE WILL INCORPORATE ALL OF THESE PIECES AS WE DEVELOP A BUDGET AND BRING IT BACK TO YOU IN THE SPRING.

SO ON PAGE 26 OF YOUR AGENDA ITEM SUMMARY, WILL YOU FIND ATTACHMENT B, WHICH IS THE PROGRAM AND SERVICE FRAMEWORK SORT.

ON THIS DOCUMENT, SERVICES ARE ORGANIZED BY DEPARTMENT AND THEN THROUGH THE PROGRAM INVENTORY.

SO THE PROGRAM INVENTORY IS OUR CURRENT ITERATION OF PROGRAMS FOR THE ORGANIZATION.

SO YOU'LL RECALL OVER THE LAST SEVERAL YEARS, WE'VE BEEN DEVELOPING A PROGRAM VIEW TO COMMUNICATE TO THE COMMUNITY HOW WE DELIVER SERVICE.

SO THIS VIEW IS ROLLED UP TO A HIGHER LEVEL THAN THE PREVIOUS VERSIONS YOU'VE SEEN, AND WE'LL USE THIS PROGRAM VIEW AS WE DEVELOP OUR BUDGET AND COMMUNICATE WITH THE COMMUNITY.

THE SUB PROGRAM AND PROGRAM COLUMN IS A WORK IN PROGRESS, AND WILL CONTINUE TO EVOLVE THROUGH FUTURE CYCLES.

THIS PROVIDES AN OVERVIEW OF THE TYPES OF SERVICE WITHIN A PROGRAM, AND IS HELPFUL TO PROVIDE ADDITIONAL INFORMATION ON SERVICES PROVIDED AND HOW THE SERVICES FIT WITHIN THE FRAMEWORK.

SO THIS GRAPHIC SHOWS THE PROGRAMS AND SERVICES PROVIDED BY CENTRAL FINANCE.

AS YOU CAN SEE WE HAVE THREE AREAS

WHERE WE HAVE A REQUIRED SERVICE.

THE FIRST IS BUDGET DEVELOPMENT.

THERE ARE OREGON STATE STATUTES AROUND THE BUDGET AND BUDGET COMMITTEE AND BEYOND THAT ADDITIONAL COMPONENTS PROVIDED FOR BUDGET MANAGEMENT BEYOND THE LEGAL REQUIREMENT THAT FALLS INTO THE CENTRAL SERVICE CATEGORY AS WE THINK ABOUT THE SERVICE DELIVERY FOR THE ORGANIZATION.

FOR FINANCIAL AUDIT AND REPORTING THERE ARE STATE REQUIREMENTS AROUND MAINTAINING FINANCIAL RECORDS AND FOR THE CITY TO PREPARE AN ANNUAL AUDIT TO BE EVALUATED BY AN EXTERNAL, INDEPENDENT AUDITOR AS WELL AS SOME FEDERAL REQUIREMENTS.

THERE ARE A RANGE OF FINANCIAL REPORTING ACTIVITIES TO SUPPORT THE ORGANIZATION THAT ARE OUTSIDE OF

LEGAL REQUIREMENTS AND WOULD FALL INTO THE ESSENTIAL CATEGORY.

AND FOR PAYROLL, THE MAJORITY OF THE SERVICES ARE REQUIRED UNDER STATE OR FEDERAL REQUIREMENTS.

THERE ARE SOME ELEMENTS IN THE PROGRAM THAT WOULD LIKELY FALL INTO THE ESSENTIAL CATEGORY.

OTHER SERVICE AREAS WITHIN FINANCE DO NOT HAVE A LEGAL REQUIREMENT.

THEY'RE IN THE ESSENTIAL CATEGORY AS YOU CAN SEE HERE AND WE'VE ALSO INDICATED WHERE THERE'S A TIE BACK TO THE STRATEGIC PRIORITY.

THIS IS HIGH LEVEL, AS YOU LOOK THROUGH THE ATTACHMENT, THERE ARE MANY PROGRAMS AND SERVICES THAT TIE BACK TO THE COUNCIL'S STRATEGIC PRIORITIES AND PLANS.

AS WE DEVELOP TACTICS AND GET
FEEDBACK FOR TODAY WE'LL BE MAKING A
CONNECTION TO THE SERVICE FRAMEWORK
AND HOW THEY RELATE TO THE TACTICS
THAT WE'LL BE MOVING FORWARD OVER
THE NEXT TWO YEARS.

AS WE WORK THROUGH BUDGET
DEVELOPMENT WE'LL BE ANALYZING THE
LEVEL OF SERVICE AND SERVICE DELIVERY
AND DO A HOLISTIC LOOK OF OUR
SERVICES AS WE PREPARE OUR BUDGET.

THE ATTACHMENT IN YOUR AIS PROVIDED
THE INITIAL STAFF SORTING FOR SERVICES
UNDER THIS METHODOLOGY FOR THE FIRST
INITIAL STEP IN THIS PROCESS.

WITH THAT, I'LL TURN THINGS BACK TO
NANCY.

>> OKAY, YOU'LL TRY TO SPEAK DEEP INTO
THE MIC SO WE CAN MAKE SURE THIS IS ALL
CAPTURED.

SO THANK YOU, TWYLLA, FOR THE
OVERVIEW.

IT GROUNDS AND GIVES YOU A GLIMPSE
INTO THE TOOL, THE INITIAL SORT AND HOW
IT WILL BE USED.

THE QUESTION ON THIS PARTICULAR ITEM
IS FIRST OF ALL FOR REACTIONS, HOW YOU
ARE OBSERVING THE TOOL, BUT ALSO IF
YOU HAVE ANY CLARIFYING QUESTIONS
ABOUT HOW IT WILL BE UTILIZED OR ANY
CONCERNS YOU'D LIKE TO SURFACE FOR
STAFF TO HEAR THIS AFTERNOON.

I KNOW THAT WE HAVE A COUPLE JOINING
US ON VIRTUALLY AS WELL.

SO MAYBE YOU START IN THE ROOM AND TO
DO KIND OF A QUICK ROUND TO HEAR YOUR
REACTIONS AND ANY CLARIFYING
REQUESTS THAT YOU MAY HAVE, IF YOU
HAVE THEM.

SO I WOULD OPEN THE TABLE TO WHOEVER

WOULD LIKE TO GET US STARTED.

>> FIRST OF ALL, THANK YOU FOR THE REMINDER THAT THIS IS A UNIDIRECTIONAL MIC AND NOT AN OMNI DIRECTIONAL.

SO IF I COME OVER HERE, NOT GOOD.

RIGHT HERE, THANK YOU.

I REALLY APPRECIATE KIND OF LAYING THE GROUND FOR WHAT'S OBVIOUSLY GOING TO BE A VERY DIFFICULT AND TRYING AND CHALLENGING BUDGET SESSION.

AND ON THE SURFACE FRAMEWORK PIECE IN PARTICULAR, I ENVISION THAT TO BE MORE OF A VENN DIAGRAM IN THE OVERLAPS AND YET, IT'S LAID OUT IN A WAY THAT ONE COULD INFER ALBEIT I BELIEVE INCORRECTLY THAT IT'S IN AN ORDER, AND I WOULD SUBMIT THAT, I HOPE THAT IT'S NOT IN A PARTICULAR ORDER, BUT IF IT IS, THAT THE STRATEGIC PRIORITY SERVICES WOULD BE HERE ON THE LIST.

I WOULD LIKE SOME CLARIFICATION ABOUT
DISPELLING THE NOTION THERE'S SOME
SORT OF ORDER HERE.

SECOND PART OF THAT QUESTION.

ON SLIDE 13, COMMUNITY SERVICES, SLIDE
14, IT'S FRAMED AS CORE COMMUNITY.

THAT'S CONFUSING.

I WANTED TO KNOW WHY THAT IS IF I'M
CONFUSED, I EXPECT SOMEONE WHO IS
BUDGET CURIOUS MIGHT ALSO BE.

I'M LOOKING FOR CONSISTENCY ON THE
COMMUNITY SERVICES PIECE.

>> I JUST WANT TO SAY THIS IS EXACTLY
THE SORT OF CLARIFYING QUESTION THAT
IS VERY HELPFUL.

THANK YOU FOR THAT.

I'LL GIVE IT BACK TO TWYLLA OR JENNY TO WEIGH IN ON THE PRIORITIZATION.

>> YES, THANK YOU, COUNCILOR.

SO THE WAY YOU'RE SEEING IT IS A SORT OF SERVICES.

THERE IS NO PRIORITIZATION.

WE START WITH THE FIRST DEPARTMENT CENTRAL SERVICES AND GOING THROUGH EACH ONE.

THERE IS NO IMPLIED ORDER OR PRIORITIZATION THROUGH THE SERVICES AS PRESENTED ON THE ATTACHMENT.

IT REALLY IS JUST GOING THROUGH EACH DEPARTMENT, THROUGH EACH OF THEIR SERVICES AND HAVING THAT FIRST INITIAL DETERMINATION OF WHAT IS THE PRIMARY SERVICE AREA, PRIMARY TIER THAT THE SERVICE WOULD FALL IN, UNTIL WE GO THROUGH THE BUDGET DECISION-MAKING

OR BUDGET METHODOLOGY PROCESS.

DOES THAT HELP?

>> IT DOES.

COULD YOU COMMENT ON THE COMMUNITY SERVICES VERSUS THE CORE COMMUNITY FRAMING, PLEASE?

>> ON THE HANDOUT YOU'RE REFERRING TO, AT THE TOP OF THE COLUMN IT SAYS "CORE COMMUNITY" AND IN THE DESCRIPTION CAN SAYS "COMMUNITY."

>> THAT'S A TYPO.

SO IT SHOULD BE -- IT SHOULDN'T -- THESE SHOULD TIE BACK TO COMMUNITY SERVICES SO WE CAN FIX THAT IN THE NEXT ONE.

THAT'S A TYPO.

>> I MIGHT POINT OUT IN THE HANDOUT

WITH THE SORT, MY OBSERVATION, THEY'RE JUST ALPHABETICAL ORDER.

THAT HELPS TO POINT IT'S NOT WEIGHTED IN ANY SORT OF WAY OR NO PREFERENCE OR PRIORITIZATION EMBEDDED IN THERE.

>> THANK YOU.

>> COUNCILOR LEECH: COUNCILOR CLARK?

>> CLARK: THANK YOU.

I APPRECIATE THE PRESENTATION SO FAR.

I WONDER A COUPLE OF THINGS.

THE CATEGORIZATION INITIALLY SEEMS TO BE, AND THIS IS FOR THE SAKE OF THOSE WHO MAY NOT HAVE BEEN INVOLVED AS MUCH IN THE PAST IN OUR BUDGET PROCESS.

THAT SEEMS SUBJECTIVE A LITTLE BIT.

MY QUESTION IS WHOM IS DOING THE CATEGORIZING?

IS THAT ULTIMATELY THE MANAGER?

IS IT WITHIN EACH DEPARTMENT?

HOW DOES CATEGORIZATION TAKE PLACE FOR EACH OF THE INDIVIDUAL SERVICE LEVELS?

>> THANK YOU, COUNCILOR.

SO THE WAY WE APPROACH THIS IS WE WORKED WITH THE EXECUTIVE TEAM AND THEIR LEADERSHIP TEAM, SO EACH DEPARTMENT TOOK AN INITIAL PASS ON SORTING.

SO ACTUALLY I'LL STEP BACK.

FINANCE, THE STRATEGIC BUDGET TEAM DID AN INITIAL SORT JUST TO START THE CONVERSATION.

WE SENT THAT OUT TO DEPARTMENTS, SO THE EXECUTIVE LEADERSHIP AND THEIR LEADERSHIP TEAMS WENT THROUGH AND MADE SOME ADJUSTMENTS, AND THEN ULTIMATELY THE CITY MANAGER AND THE ASSISTANT CITY MANAGER AND MYSELF HAD A FINAL REVIEW ON THE FINAL SORT.

SO IT WAS ACTUALLY THROUGHOUT THE ORGANIZATION WITH MULTIPLE LAYERS OF FOLKS LOOKING AT THIS.

>> CLARK: I'M ASSUMING WE'RE GOING TO GET TO THE METRICS OF PRIORITIZATION AT SOME POINT IN THIS PROCESS?

>> I WOULD SAY THAT'S PART OF THE BUDGET PROCESS.

SO THIS IS THE FIRST STEP.

WE'RE GOING TO USE ALL OF THESE FRAMEWORKS TO DEVELOP, WORK WITH THE CITY MANAGER TO DEVELOP HER PROPOSED BUDGET AND WE'LL BRING THAT

BACK.

SO THAT WILL SORT OUT THROUGH THAT
PROCESS AND WE'LL USE THE
FRAMEWORKS THAT THE COUNCIL HAS
DEVELOPED TO HAVE THOSE
CONVERSATIONS WITH COUNCIL AND
COMMUNITY.

>> CLARK: THANK YOU.

>> COUNCILOR LEECH: THANK YOU,
COUNCILOR.

COUNCILOR KASHINSKY.

>> KASHINSKY: YES, THANK YOU AND THANK
YOU FOR THE WORK ON THIS.

IT'S VERY INTERESTING TO SEE HOW
EVERYTHING KIND OF PLAYED OUT AND
THERE WERE PLACES WHERE IT WAS KIND
OF AS EXPECTED.

SO I HAD A COUPLE OF QUESTIONS ABOUT

IT.

FIRST, WHEN WE HAVE A SITUATION WHERE A SERVICE AREA SORT OF CROSSES THESE CATEGORIES AND MAYBE PART OF THOSE SERVICE AREAS ARE REQUIRED OR ESSENTIAL AND PART OF THEM ARE MORE, JUST THE LEVEL OF SERVICE THE COMMUNITY EXPECTS, IS THAT KIND OF HANDLED AS WE'RE LOOKING MORE IN-DEPTH USING THE BUDGET LENSES?

>> YES, THAT'S EXACTLY RIGHT.

SO THAT WASN'T INCORPORATED INTO THIS ROUND, BUT AS WE DEVELOP THE BUDGET, WE'LL BE USING THOSE BUDGET DECISION LENSES THROUGH THIS FRAMEWORK, SO AS WE DEVELOP THE BUDGET, THERE WILL BE AN ANALYSIS OF SERVICE LEVEL AS WE THINK ABOUT PROGRAMS AND SERVICES THROUGHOUT THE TIERS.

>> KASHINSKY: YES, BECAUSE I NOTICED SOME CATEGORIES ARE PRETTY BROAD

AND CONTAIN A LOT OF SORT OF SUB
PROJECTS OF VARIOUS KINDS, SO.

THE SECOND QUESTION I HAD WAS ABOUT
HOW SOMETHING BEING PUBLIC HEALTH OR
PUBLIC SAFETY RELATED WAS
DETERMINED.

BECAUSE THERE WERE A COUPLE OF
THINGS THAT I SAW THAT WERE LISTED AS
CORE COMMUNITY SERVICES THAT AT
LEAST FROM MY UNDERSTANDING HAVE
SIGNIFICANT PUBLIC HEALTH SAFETY
COMPONENTS TO THEM.

SO LIKE FOR EXAMPLE, EMERGENCY
MANAGEMENT SEEMS LIKE IT'S A PUBLIC
SAFETY AND HEALTH ISSUE.

ANIMAL SERVICES, THINGS LIKE THAT, THAT
IT SEEMS -- HOW DO WE KIND OF GET
THOSE QUESTIONS ANSWERED ABOUT WHY
WAS THIS NOT SEEN AS PUBLIC HEALTH OR
SAFETY RELATED?

>> IT WOULD BE HELPFUL TO UNDERSTAND WHERE THOSE QUESTIONS ARE.

AGAIN, IT WAS A RANGE OF FOLKS THAT LOOKED AT THIS THROUGH DIFFERENT LENSES.

SO WE CERTAINLY COULD PROVIDE MORE DETAIL ON THE WHY OF WHY SOMETHING ENDED UP IN A TIER.

BUT IT WOULD BE HELPFUL TO UNDERSTAND WHERE THOSE QUESTIONS ARE FOR FOLKS.

>> KASHINSKY: YES, I'LL SAY AND I CAN FOLLOW UP, BECAUSE I MADE SOME NOTES, BUT I'LL SAY THAT DEFINITELY EMERGENCY MANAGEMENT NOT BEING SEEN AS PART OF PUBLIC HEALTH AND SAFETY JUMPED OUT AT ME.

THERE ARE SOME HOMELESS SERVICES WHICH SEEMS TO HAVE A PUBLIC SAFETY COMPONENT, ANIMAL SERVICES, AND SOME

WITH THE SUSTAINABILITY, WHICH SEEMS TO HAVE MORE OF A PUBLIC HEALTH PARTICULARLY IF YOU START GETTING INTO RESILIENCY AS PART OF THAT, SO.

>> COUNCILOR LEECH: COUNCILOR ZELENKA?

>> ZELENKA: THANKS.

I LIKE THE FRAMEWORK.

THE WHOLE THING IS VERY ORGANIZED, THANK YOU, AND VERY WELL DONE IN THE RETREAT.

I LIKE THE FRAMEWORK.

BUT I THINK THE MOST IMPORTANT PART OF THE FRAMEWORK IS THAT LAST SENTENCE, OR THE SUB-SENTENCE, "THESE ARE NOT FOR RANKING.

THESE ARE MERELY FOR MAIN PURPOSES."

BECAUSE WHEN YOU LOOK AT THESE
ACROSS THE DIFFERENT CATEGORIES, YOU
CAN SEE THAT SOME OF THE COMMUNITY
SERVICES CAN BE MORE IMPORTANT AND
FUNDED AT A HIGHER LEVEL, AND ARE
MORE IMPORTANT AT A FUNDED LEVEL
THAN SOME OF THE REQUIRED OR
ESSENTIAL SERVICES, SO THAT'S WHY
THEY'RE NOT INTENDED TO BE A RANKING.

SO YOU DON'T GO ACROSS FROM LEVEL TO
RIGHT AND FUND THEM THAT WAY.

IT'S A MUCH MORE SUBJECTIVE PROCESS.

SO THAT MEANS ALL THE INFORMATION
THAT WE'RE GETTING THROUGH THE
CATEGORIZATION OF THE SERVICES IS FOR
INFORMATION FOR DELIBERATION,
DISCUSSION ABOUT HOW DO WE DO THAT.

AND SO I LIKE THAT ASPECT OF IT.

I THINK THE KEY QUESTIONS ARE REALLY
HELPFUL IN THE FRAMEWORK, BUT I'LL

LOOK AT THEM AS HELPFUL GUIDANCE ON HOW THESE ARE TO BE VIEWED AND NOT RIGID RULES.

AND THEN FOR THE FOCUS AREAS, I LIKE FINALLY GETTING BACK TO A COUNCIL SET OF FOCUS AREAS THAT WE ALL AGREED UPON, AND I GUESS WE WORDSMITH THE ITALICS PORTION OF IT, THE SUB-DESCRIPTION OF EACH ONE OF THE FOCUS AREAS, THE SUCCESS STATEMENT.

BUT WE REALLY DIDN'T GET TO THE STRATEGY PART.

MY QUESTION IS ABOUT, I'M NOT SURE WHAT WE'RE SUPPOSED TO DO WITH THE STRATEGY STATEMENTS AND WHAT WE'RE SUPPOSED TO DO WITH THEM.

ARE WE APPROVING THESE?

IS IT THE CITY MANAGER'S RESPONSIBILITY, COUNCIL'S RESPONSIBILITY?

HOW DOES THIS ALL KIND OF PLAY OUT?

MAYBE THAT'S THE SECOND HALF OF THIS
RETREAT, SO I CAN PROVIDE YOU WITH A
SEGUE.

>> PERFECT, THAT'S GOOD, BUT JUST
AS -- WE WILL MOVE INTO THAT AS A WHOLE
SEPARATE TOPIC OF CONVERSATION.

IT'S AN IMPORTANT ONE, AND HOW THE
PIECES FIT TOGETHER.

WE'LL HAVE SOME IMAGES TO REMIND US
ABOUT KIND OF THE ROLES AND HOW THE
PARTS FIT TOGETHER, WHICH IS VERY
IMPORTANT.

IN OUR LAST ENGAGEMENT, THE FOCUS
AREAS THROUGH THE STRATEGY LEVEL
WERE APPROVED BY COUNCIL.

SO THE HAND-OFF AT THAT POINT WAS TO
STAFF TO THINK ABOUT, YOU KNOW, WHAT
ARE THE TACTICS?

WHAT ARE THE THINGS THAT THE STAFF
WOULD BE WORKING ON INTERNALLY TO
OPERATIONALIZE THE DIRECTION OF
COUNCIL?

SO WE'LL COME BACK TO THAT, BUT JUST
TO KIND OF EMPHASIZE THE ROLES AND
THE POINT THAT WE LEFT OFF ON THE
CONVERSATION.

>> ZELENKA: DO YOU CONSIDER THE
SUCCESS STATEMENTS PROOF BY
COUNCIL?

THOSE ARE THE IDEAS, YES, AND PICKING
UP OFF OF WHAT ELIZA WAS TALKING
ABOUT, THE DIFFERENT SERVICES
CATEGORIZING, YOU BREAK THEM UP, WELL
IT FITS HERE AND FITS HERE AND FITS
HERE.

ARE WE ABLE TO SEE THAT CERTAIN
ASPECTS OF A SERVICE ARE GOING TO FIT
WITHIN DIFFERENT CATEGORIES, SO IT WILL

BE A LITTLE BIT NUANCED, SO IT WON'T BE JUST EACH ONE IS IN A PARTICULAR PLACE?

WHICH MAKES IT MUCH MORE SIMPLE TO DO, HUH?

>> AND WE WANTED TO START SOMEWHERE TO SAY PRIMARILY WHERE WOULD WE THINK THE SERVICES WOULD FIT WITHIN THE TIERS, UNDERSTANDING THERE'S A NUANCE WITH LEVEL OF SERVICE THAT YOU COULD CHECK MULTIPLE BOXES.

BUT AS A STARTING POINT, TO REALLY HONE IN ON THE SERVICE AND THE INTENT OF THE SERVICE TO SAY WHICH TIERS ARE THEY PRIMARILY, AND UNDERSTANDING WE'RE GOING TO HAVE ANOTHER PASS AT THIS, AND HAVE THOSE MORE NUANCED ANALYSIS AND CONVERSATIONS.

SO YES.

>> ZELENKA: WHAT'S THE NEXT STEP ON THAT PART?

WE'RE NOT TALKING ABOUT THAT TODAY.

>> THAT WILL BE PART OF BUDGET DEVELOPMENT.

WE'RE STARTING THAT PROCESS HERE THIS FALL.

THERE WILL BE AN OPPORTUNITY AND TIME FOR STAFF TO ACTUALLY HAVE THOUGHTFUL ANALYSIS AND CONVERSATIONS AS THEY APPLY THIS NEW FRAMEWORK ACROSS THE SERVICE SYSTEM.

SO THAT WILL BE DEVELOPED AND BECOME PART OF YOUR PROPOSED BUDGET NEXT SPRING.

>> ZELENKA: LAST QUESTION, WHAT IS THE

ROLE OF THE BUDGET COMMITTEE IN ALL
OF THIS?

I'VE DONE THE BUDGET COMMITTEE FOR
TEN YEARS BEFORE I GOT ON COUNCIL FOR
20.

YOU WANT TO HAVE THAT BE A VALUABLE
USE OF YOUR TIME, SO HAVING SOME
SIGNIFICANT SENSE OF HOW DOES THE
BUDGET COMMITTEE FIT INTO ALL OF THIS
STUFF?

>> SO WE WILL BE ENGAGING WITH THE
BUDGET COMMITTEE THIS FALL, PRIMARILY
TO TALK ABOUT FINANCIAL POLICIES AND
THEN GIVE YOU ALL AN UPDATE ON BUDGET
METHODOLOGY.

SO WE'LL TALK ABOUT THAT A LITTLE --

[PHONE RINGING]

>> ZELENKA: HE AGREED WITH YOU.

>> AND WE'RE BRINGING THEM ALONG IN THIS PROCESS.

SO WE MET WITH THE COMMUNITY MEMBERS EARLY TO TALK ABOUT THE FRAMEWORKS.

THIS WILL REALLY BE EMBEDDED IN THE PROPOSED BUDGET AND THE BUDGET PROCESS THAT COMES BACK TO COUNCIL AND THE BUDGET COMMITTEE THIS SPRING.

SO THIS REALLY WILL BE WOVEN THROUGHOUT THE BUDGET DOCUMENT, HOW THINGS ARE PRESENTED, HOW WE TALK ABOUT TRADEOFFS, ALL OF THOSE PIECES.

SO WE'LL MAKE SURE THAT WE BRING THEM ALONG, ALONG THE WAY SO THEY CAN PARTICIPATE IN THE CONVERSATIONS WITH YOU AT THE TABLE.

>> ZELENKA: I DID ACTUALLY HAVE ONE MORE QUESTION, MORE LIKE A STATEMENT.

SO WHEN WE WERE DOING THIS BACK IN THE DAY, WE DID IT SERVICE LEVEL BUDGETS AND WE SHIFTED FROM DEPARTMENTAL BUDGET, THE SERVICE BUDGET AND KIND OF MIGRATED THAT FORWARD AND THEN IT KIND OF MIGRATED BACK.

BUT THEN WE ALSO -- AND SO I THINK WE'RE SHIFTING BACK.

SO THIS IS TIDAL SHIFT THAT'S HAPPENING WITH REGARD TO HOW WE PERCEIVE OUR SERVICES.

THE OTHER PART OF IT WAS THE TRIPLE BOTTOM LINE ANALYSIS THAT WAS EMBEDDED FOR A WHILE IN OUR AISS ABOUT ECONOMIC ENVIRONMENT AND EQUITY, THE THREE PS, OR PEOPLE, PLAN AND PROSPERITY, IF YOU WILL.

AND WE THINK WE'VE GOTTEN AWAY FROM THAT.

THAT'S NOT SO MUCH EN VOGUE.

I KIND OF SEE IT IN HERE AND I DON'T.

IN SOME WAYS, IT'S EMBEDDED IN SOME OF THE FOCUS AREAS, AND IN THE -- HOW DO YOU GUYS THINK ABOUT THAT?

>> I WOULD AGREE IT'S IN THE FOCUS AREAS AND I ALSO THINK THROUGH ELEMENTS OF THE BUDGET DECISION LENS THAT WILL BE APPLIED ALSO.

SO WHEN YOU THINK ABOUT THOSE PIECES, THERE'S A VARIETY, THERE ARE ELEMENTS OF THE TRIPLE BOTTOM LINE IN THOSE DIFFERENT AREAS AS WE THINK ABOUT IMPACT TO THE COMMUNITY AND ORGANIZATION AND SUSTAINABILITY AND SOME OF THOSE PIECES.

SO I WOULD SAY IN THIS PROCESS, THAT'S HOW I WOULD SEE SOME OF THOSE ELEMENTS COMING THROUGH IN OUR

ANALYSIS AND WHEN WE SHARE THINGS
BACK WITH COUNCIL.

>> ZELENKA: GREAT, THANKS.

I'M DONE.

CAN I GO NOW?

[LAUGHTER]

>> COUNCILOR LEECH: THANK YOU,
COUNCILOR.

I'M GOING TO PUT MYSELF IN THE QUEUE
BEFORE MOVING ON.

MY QUESTION IS FOR TWYLLA.

AS WE'VE CREATED ALL OF THESE
MECHANISMS, PRINCIPLES, FRAMEWORKS,
OBVIOUSLY WE'RE NOT DONE AND I REALLY
APPRECIATE THE WORK THAT'S HAPPENED
SO FAR.

YOU'VE GONE THROUGH MANY BUDGETING PROCESSES FOR THE CITY OF EUGENE, AND I'M SURE YOU HAVE YOUR OWN, YOU KNOW, SETS OF THINGS THAT YOU GO THROUGH TO GET THAT.

HOW DO YOU REALLY SEE THIS CHANGING YOUR PROCESS AS YOU BUILD THE BUDGET?

HOW DO YOU SEE -- I'M SURE AS YOU'RE GOING THROUGH THIS, THE WHEELS ARE TURNING AND YOU'RE ALREADY STARTING TO MAKE THOSE MENTAL SHIFTS.

HOW DO YOU SEE THAT CHANGING FOR YOU IN REAL TIME AND DO YOU THINK THAT AT THE END OF THIS, THE PRODUCT THAT WE HAVE IS GOING TO BE DIFFERENT OR BETTER OR I JUST WANT YOUR THOUGHTS.

>> THANK YOU FOR THE QUESTION.

YES, I THINK THE OUTCOME WILL BE DIFFERENT AND BETTER.

I SAY THAT BECAUSE WE'VE USED A VERY TRADITIONAL KIND OF INCREMENTAL APPROACH WHERE EVERYTHING ROLLS FORWARD.

WE HAVEN'T HAD THE CONNECTION TO THE FOCUS AREAS AND THE STRATEGIC PLAN.

WE HAVEN'T BEEN ABLE TO ARTICULATE OUR SERVICES THROUGH A FRAMEWORK LIKE THIS, WHERE WE CAN ACTUALLY SAY WHAT'S REQUIRED AND ESSENTIAL, WHAT ARE THE THINGS WE DO THAT BENEFIT THE COMMUNITY, THE VITALITY OF THE COMMUNITY?

SO I DO THINK THAT THIS IS A VERY GOOD DIRECTION TO GO IN.

THE TEAM IS WORKING REALLY HARD, BECAUSE THIS IS A BIG CHANGE, AND SO THE TEAM IS WORKING HARD ON UNDERSTANDING, YOU KNOW, NOT ONLY THESE FIRST STEPS THAT WE'VE TAKEN,

BUT ALSO THINKING ABOUT HOW WE BUDGET AND NOT ROLL FORWARD, YOU KNOW, WITH A SERVICE LEVEL BUDGET AND APPLY THESE FRAMEWORKS AND PRINCIPLES TO THAT PROCESS.

SO I THINK IT WILL LOOK DIFFERENT.

THE OTHER THING I THINK ABOUT IS IT GIVES US A COMMON LANGUAGE AND HELPS US ALSO MAYBE TALK ABOUT TRADEOFFS IN A DIFFERENT WAY THAN WE'VE BEEN ABLE TO IN THE PAST.

SO I THINK THERE WILL BE MORE CLARITY ABOUT TRADEOFFS AND WHY THINGS ARE BEING PROPOSED MAYBE THAN WE'VE BEEN ABLE TO PROVIDE COUNCIL AND THE BUDGET COMMITTEE IN THE PAST.

SO FOR ALL OF THOSE REASONS, YES, I THINK THIS IS AN EXCELLENT DIRECTION TO HEAD IN.

>> LEECH: THANK YOU.

I'M LIKELY TO CONTINUE CHECKING WITH YOU ON THIS PROCESS.

I THINK I'M A BIG FAN OF THE WORK THAT WE'VE DONE SO FAR.

I THINK THAT COMMON LANGUAGE AND THE WAYS THAT WE CAN STRUCTURE THIS IS REALLY IMPORTANT.

SO I APPRECIATE YOU AND ALL OF THE STAFF THAT ARE WORKING EXTREMELY HARD ON ALL OF THESE.

I'M LOOKING FORWARD TO SEEING HOW THE NEXT STEP HAPPENS, QUESTIONS ABOUT HOW THIS WILL BE APPLIED.

YES, I HAVE A LOT OF QUESTIONS BUT I THINK THOSE WILL CONTINUE TO UNRAVEL AS WE MOVE FORWARD.

SO THANK YOU.

AND WITH THAT, I'LL TURN IT TO COUNCILOR
YEH.

>> YEH: THANK YOU.

SO MY QUESTIONS WERE ALREADY ASKED
SO I'LL JUST SHARE, I HAVE BEEN VERY
HOPEFUL ABOUT THIS PROCESS, BUT YOU
KNOW, YOU ALWAYS WORRY ABOUT WHAT'S
GOING TO COME NEXT.

I REALLY LIKED THIS.

I REALLY APPRECIATE HOW IT GIVES US A
WAY TO EXPLAIN THE WHY FOR
EVERYTHING.

THAT'S HOW I KIND OF LOOK AT THIS, WE'RE
ANSWERING THE QUESTION OF WHY DO WE
DO THESE THINGS, RIGHT?

AND THIS IS A FAIRLY SIMPLE WAY THAT I
THINK THE AVERAGE PERSON COULD LOOK
AT THIS AND UNDERSTAND THAT.

YOU COULD STILL DIG DEEP AND GET MORE INFORMATION, BUT IT GIVES YOU A GENERAL SENSE OF WHY DOES THE CITY DO WHAT IT DOES?

I THINK THAT CAN BE REALLY VALUABLE FOR US BUT ALSO FOR THE COMMUNITY.

I DO THINK USING THE WORD "TIER" IS NOT THE BEST, BECAUSE I THINK "TIER" IMPLIES THAT THINGS ARE RANKED.

SO I THINK MAYBE CATEGORY OR SOME OTHER WORD.

BECAUSE I DO THINK MAKING SURE THE COMMUNITY IS AWARE THAT THESE ARE NOT RANKED IS AN IMPORTANT FIRST STEP IN THEM BUYING INTO THIS PROCESS AND NOT ARGUING ABOUT THINGS THAT LIKE FOCUSING ON WHAT REALLY MATTERS AND GETTING THE INFORMATION FROM THEM THAT MATTERS, RATHER THAN ARGUING ABOUT WHAT CATEGORY THINGS ARE IN, BECAUSE THEY'RE WORRIED THAT IT'S

SOME KIND OF RANKING.

SO YEAH, THAT WOULD BE MY ONLY
FEEDBACK FOR THE FUTURE.

BUT I'M REALLY EXCITED ABOUT THE NEXT
STEPS, BECAUSE I DO THINK THIS IS GOING
TO BE A BETTER PROCESS FOR US.

I REALLY THINK THIS IS GOING TO WORK.

SO IT'S GOOD TO BE AT THIS STAGE TO SEE
THAT.

SO THANK YOU.

>> LEECH: COUNCILOR GROVES?

>> GROVES: THANK YOU COUNCIL
PRESIDENT, THANK YOU FOR THE HOURS
YOU'VE PUT INTO THAT.

I'M COMFORTABLE BUT I'M AN OUTCOMES
PERSON.

I'M EAGER TO START WALKING THROUGH AN ISSUE THROUGH THE PROCESS, AND THAT WILL HELP ME BETTER DETERMINE FROM MY PERSPECTIVE WHETHER IT'S WORKING WELL OR NEEDS IMPROVEMENT OR WHATEVER THAT IS.

BUT I NEED TO SEE THE ACTUAL BEFORE I'M FULLY COMFORTABLE WITH IT.

COUNCILOR ZELENKA ASKED A LOT OF THE QUESTIONS I WAS THINKING ABOUT, SO THAT'S GOOD.

APPRECIATE THOSE RESPONSES.

AND I LIKED HEARING HOW YOU FEEL ABOUT IT, TWYLLA.

I'M CURIOUS, ARE YOUR TEAM, THE BUDGETEERS EMBRACING THIS DIRECTION OR HAVE CONCERNS TO HELP US UNDERSTAND WHAT THOSE ARE?

>> I WOULD SAY THE BUDGETEERS ARE

EXCITED ABOUT THIS, AND I ACTUALLY GET TO CALL THEM THE BUDGETEERS, I DO CALL THEM THAT SOMETIMES.

WE'VE DONE THAT MANY YEARS AND HAVING A DIFFERENT OUTCOME AND HAVING A DIFFERENT ANALYSIS OF THE SERVICES WE PROVIDE AND THE WAY TO TALK ABOUT IT.

GENERALLY YES, ANYTHING NEW IN AN ORGANIZATION IS ALWAYS CHANGE.

WEB WE TALKED WITH THE DIVISION MANAGERS AND OTHERS ACROSS THE ORGANIZATION, THERE'S A DESIRE TO DO SOMETHING DIFFERENT THAN WE'VE DONE THE LAST FEW CYCLES AND THEY CAN SEE THE VALUE IN THIS.

>> GROVES: THANK YOU FOR SHARING THAT.

I AGREE WITH YOU.

I THINK WE'RE BEYOND TIME OF TRYING
SOMETHING DIFFERENT.

WE KEEP GOING AT THE BUDGET THE SAME
WAY WITH THE SAME OUTCOMES AND WE
ALWAYS START THE NEXT YEAR THINKING
IT'S DIFFERENT AND IT'S NOT.

I THINK THAT'S THE ONLY WAY WE'LL GET
TO WHERE WE NEED TO BE IS TO TRY
SOMETHING AND IF FOR SOME REASON, IT
DOESN'T WORK, I THINK WE NEED TO TRY
SOMETHING ELSE.

BUT WE'VE GOT TO FIND A PATH FORWARD.

I'M ALSO REALLY GRATEFUL TO HEAR AT
LEAST THE COLLEAGUES THAT HAVE
SPOKEN SO FAR THAT THIS SIDE OF THING
IS EMBRACING IT AS WELL, BECAUSE YOU
KNOW, IF WE'RE NOT ALL ON BOARD AND
COMMITTED, IT'S NOT GOING TO HAVE THE
SAME LEVEL OF SUCCESS AS IT WOULD IF
WE WERE ALL IN THE SAME AT LEAST
EMBRACING THE PROCESS AND WILLING TO

GIVE AN HONEST TRY.

WITH THAT, THANK YOU AND I LOOK
FORWARD TO HEARING FROM THE REST OF
YOU.

>> LEECH: THANK YOU.

MAYOR, WOULD YOU LIKE TO SPEAK?

>> MAYOR KNUDSON: THANK YOU, COUNCIL
PRESIDENT.

GOOD AFTERNOON, EVERYONE.

JUST A COUPLE OF OBSERVATIONS AT THIS
POINT, REACTIONS AND REFLECTIONS
STAGE OF THE PRESENTATION.

FIRST, WANT TO SAY THAT THIS
CONVERSATION AND THE MATERIALS THAT
CAME OUT WITH THIS PACKET, WITH THIS
AIS AND THE WORK THAT THE COUNCIL DID
IN JULY, I THINK IT'S A REALLY GREAT
EXAMPLE OF CONTINUOUS IMPROVEMENT

BEING A VALUE THAT IS HELD WITHIN OUR CITY ORGANIZATION BY OUR SERVING ELECTED OFFICIALS.

I THINK TWYLLA, HEARING YOU DESCRIBE YOUR CONFIDENCE AND THE CONFIDENCE OF OUR TEAM IN THIS APPROACH TO ALLOW US TO DO SOMETHING DIFFERENT AND SOMETHING BETTER IS FANTASTIC, BUT I THINK JUST THE FACT THAT WE ARE IN THE MIDST OF DOING THIS WORK ASKS A GREAT SIGN AND I EXPRESS MY APPRECIATION TO CITY MANAGER HARUYAMA AND HER STAFF WORKING ON THIS.

BECAUSE IT TAKES A LOT OF ENERGY TO DO THINGS DIFFERENT.

AND THIS IS IMPORTANT TO OUR SUCCESS IN THE FUTURE AS A COMMUNITY.

I ALSO JUST WANT TO HIGHLIGHT THAT I REALLY APPRECIATE THE WAY IN WHICH WE'RE CLEARLY COMMUNICATING THAT THIS IS THE BEGINNING OF CREATING THE

LANGUAGE THAT WILL ALLOW US TO HAVE A BETTER CONVERSATION ABOUT OUR COMMUNITY'S INVESTMENTS, AND THAT THAT WILL BE A HOLISTIC LOOK AT OUR SERVICES AND THAT THIS WORK WILL CONTINUE TO DEVELOP IN WAYS THAT REFLECT THE COMPLEXITY AND THE STRATEGIC GOALS AND THE NEEDS OF OUR COMMUNITY OVER THE COMING MONTHS.

AND I KNOW THAT THIS WORK IS GOING TO BE CHALLENGING.

THIS IS GOING TO BE A CHALLENGING BUDGET CYCLE AND CHALLENGING CONTEXT IN OUR COMMUNITY, AND THE WAY IN WHICH WE'RE PREPARING FOR THAT WORK I THINK IS IMPORTANT AND ADMIRABLE.

WE'RE DOING I THINK WITH THIS STEP A REALLY GOOD JOB OF, AGAIN, EMBODYING AND WALKING THE TALK OF THE FIRST PRINCIPLE LISTED IN THE ADOPTED BUDGET PRINCIPLES.

IT'S NOT THE FIRST PRINCIPLE BUT IT'S JUST
ENUMERATED AS NUMBER ONE TO
PROMOTE TRANSPARENCY AND SHARED
UNDERSTANDING, AND I REALLY DO FEEL IN
THIS CONVERSATION IN THE WAY WE'RE
APPROACHING THE WORK THAT WE ARE
DOING THAT IN OUR PROCESS, WHICH
GIVES US THE BEST CHANCE POSSIBLE OF
ACCOMPLISHING THAT IN THE OUTCOMES.

THANK YOU.

>> LEECH: THANK YOU, MAYOR.

I AM ABOUT TO OPEN A SECOND ROUND,
BUT I WANT TO REMIND EVERYONE, WE
HAVE TWO MORE ROUNDS OF DISCUSSION
AFTER TWO MORE PRESENTATIONS.

SO IF YOU CAN HAVE A SPECIFIC QUESTION
FOR THIS, PLEASE FEEL FREE TO ASK, BUT
KEEP IN MIND OUR TIME.

AND WITH THAT, COUNCILOR KEATING FOR

A SECOND.

>> KEATING: THANK YOU, COUNCIL
PRESIDENT.

A LIGHTNING ROUND SECOND ROUND THEN.

I WANT TO JUST REITERATE AND AMPLIFY
AND SAY I STAND SOLIDLY IN COUNCILOR
KASHINSKY'S CAMP IN THE OBSERVATIONS
COUNCILOR KASHINSKY MADE.

I DIDN'T WANT YOU TO BE ON AN ISLAND OF
ONE.

I WANTED TO MAKE IT REALLY CLEAR THAT
COUNCILOR KASHINSKY'S OBSERVATIONS
ARE SHARED BY ME WHOLEHEARTEDLY.

AND BECAUSE YOU BROUGHT UP ANIMAL
SERVICES IN PARTICULAR, COUNCILOR, IT
MADE ME THINK OF OUR CONTRACTED
OBLIGATIONS WITH PROVIDERS WHO MIGHT
NOT BE NECESSARILY A PROGRAM OR
SERVICE WITHIN THE MUNICIPAL

APPARATUS, BUT MIGHT BE A CONTRACTED PARTNER.

WHEN WE SOLICIT FEEDBACK FROM PROGRAMS AND SERVICES, WHAT IS OUR ENGAGEMENT LIKE WITH OUR CONTRACTED PARTNERS WHO ARE DOING SOME VITAL CORE SERVICES FOR OUR COMMUNITY AS WELL?

PART ONE.

PART TWO, WHAT, IF ANY, FEEDBACK ARE WE SOLICITING FROM OUR INTERGOVERNMENTAL PARTNERS OR WHAT WE AS A MUNICIPALITY GET OUT OF OUR RELATIONSHIPS OR PARTNERSHIPS WITH INTERGOVERNMENTAL ENTITIES SUCH AS THE LEAGUE OF CITIES, THE NATIONAL LEAGUE OF CITIES, THE UNITED FRONT PARTNERSHIP, THE LANE REGIONAL AIR PROTECTION AGENCY, HUMAN SERVICES, LCOG, ET CETERA?

ARE THOSE PARTNERSHIPS AND/OR ARE

OUR PARTNERSHIPS WITH OUR
CONTRACTED PARTNERS, OUR
RELATIONSHIPS WITH OUR CONTRACTED
PARTNERS PART OF THIS OVERALL DEEP
DIVE SERVICE FRAMEWORK AS WELL?

>> SO THIS INITIAL PROCESS HAS REALLY
JUST BEEN TO SORT THE SERVICES AND
NOT HAVE BROADER CONVERSATIONS.

SO IT'S REALLY JUST THE START OF THE
PROCESS.

I WOULD SAY A COUPLE THINGS.

YOU KNOW, MANAGERS AND STAFF ARE
ALWAYS WORKING WITH OUR PARTNERS,
WHETHER IT'S A CONTRACT PARTNER IN
ANOTHER JURISDICTION, SO WE HAVE
THOSE CONVERSATIONS FREQUENTLY.

WE WILL START THE BUDGET PROCESS AND
THERE WILL BE A RANGE OF
CONVERSATIONS INTERNALLY, AND THEN
DEPENDING ON, YOU KNOW, THERE WILL BE

A RANGE OF CONVERSATIONS OVER TIME, AND THEN AT CERTAIN POINTS IN THE PROCESS, WE DO REACH OUT AND HAVE CONVERSATIONS WITH OUR PARTNERS, BUT THIS FIRST PART OF THE PROCESS IS WE THINK ABOUT NOW INTO KIND OF THIS FALL IS REALLY AN INTERNAL PROCESS, TO EVALUATE AND THINK ABOUT A RANGE OF SERVICE DELIVERY.

I DON'T KNOW IF CITY MANAGER WANTS TO ADD ANYTHING.

>> I WILL ADD THAT CONVERSATIONS WITH OUR INTERGOVERNMENTAL PARTNERS HAS ALREADY OCCURRED AND ONGOING WITH RESPECT TO THE FRAMEWORK THAT YOU'VE ADOPTED AND THE WORK THAT YOU'VE DONE OVER THE PAST THREE MONTHS.

IT'S ALSO HAPPENING WITH OUR BUSINESS PARTNERS AS WELL BEYOND THE T.A.G.

SO I'VE ALSO HAD A TOE IN THE WATER

WITH NEIGHBORHOOD GROUPS AS WELL.

SO ANY TIME I GET AN OPPORTUNITY TO
SPEAK ABOUT THE WHY IN WHICH WE'RE
DOING THIS AND HOW WE'RE
CATEGORIZING SERVICES AND HOW THAT
HELPS US UNDERSTAND OUR STRATEGIC
FOCUS, I'M TAKING THAT STEP, AND THAT
WILL CONTINUE TO RAMP UP.

YOU'LL SEE IN LATE FALL AND MOVING INTO
THE NEW YEAR.

BUT JUST KNOW THE CONVERSATIONS ARE
UNDER WAY.

AND I THINK LIKE MANY OF YOU HAVE
SPOKEN TODAY, IT'S BASICALLY BEING
RECEIVED VERY WELL AND PEOPLE ARE
FINDING IT VERY LOGICAL.

AND I THINK TO COUNCILOR YEH'S POINT
ABOUT UNDERSTANDING KIND OF WHY WE
DO WHAT WE DO, THAT'S STARTING TO KIND
OF COME TO THE SURFACE, WHERE IT'S

RAISING QUESTIONS FOR RESIDENTS AND
THEY'RE BEGINNING TO UNDERSTAND HOW
WE DO OUR WORK AND WHAT WE'RE
TRYING TO SHIFT TOWARDS.

SO I THINK THAT THOSE CONVERSATIONS
WILL CONTINUE, BUT FOR ME, PERSONALLY,
THEY'VE ALREADY BEEN UNDER WAY FOR
SOME TIME.

>> LEECH: THANK YOU, COUNCILOR.

COUNCILOR ZELENKA?

>> ZELENKA: CAN YOU GO TO SLIDE 13?

TO RANDY'S POINT, THE NATURE AND THE
STRUCTURE OF THE BUDGETING SYSTEM
OR PROCESS DOES NOT EASILY LEAD TO
DOING THINGS DIFFERENTLY, HAVING GONE
THROUGH 30 OF THESE.

THERE'S REQUIRED SERVICES.

THERE'S DEDICATED FUNDS THAT CAN'T BE

USED OVER HERE AND OVER THERE.

WE'RE ALREADY PROVIDING ALL OF THESE SERVICES.

SO WE GET THIS VERY SILOED PICTURE OF THE BUDGET.

THERE'S NOT MUCH LEFT IN THAT CATEGORY OF DISCRETIONARY FUNDING TO DO THINGS DIFFERENTLY WITH, WITH THE EXCEPTION OF INFUSION OF STATE OR FEDERAL DOLLARS, WE DON'T REALLY GET TO SEE THAT VERY MUCH, AND IF YOU LOOK BACK, 16 OF THE 18 LAST BUDGETS HAVE BEEN CUT BUDGETS, NOT ADD BUDGETS.

AND THEN BUILT IN CONSTITUENCIES AND THE INERTIA AND THE REASON WHY THEY PROVIDE THE SERVICES, I KIND OF LOOK AT THIS MORE AS A DIFFERENT WAY OF LABELING THE SERVICES AND COMMUNICATING ABOUT THE SERVICES.

WHICH ADDS A GREAT DEAL OF CLARITY

AND UNDERSTANDING TO HOW THE BUDGET WORKS.

I'M SKEPTICAL WHETHER THIS WILL RESULT IN WHOLESALE CHANGE OF HOW WE ARE DOING BUSINESS.

HOPEFULLY WHAT WE END UP WITH IS, YES, AFTER WE'VE GOT THIS CLEAR UNDERSTANDING AND DIFFERENT CATEGORIZATION OF IT, THE SERVICES THAT WE'RE FINDING ARE THE RIGHTS TO THE SERVICES THAT GET A LOT OF BANG FOR THEIR BUCK FOR THE CITY OF EUGENE.

SOME OF THE SERVICES ARE JUST FABULOUS, SPECTACULAR SERVICES THAT WE GET A LOT MORE OUR TAX DOLLARS, AND HOPEFULLY IF THAT'S ONE OF THE MESSAGES THAT COMES OUT OF THIS PROCESS, THAT WILL BE A REAL WIN FOR THE CITY.

OH, ON 13, THE BOTTOM ROW THERE.

YOU MAY HAVE TALKED A LITTLE BIT ABOUT THIS, BUT BUDGET DECISION LENSES.

IS THAT TO DO THE CATEGORIZATION, AND HOW DO YOU USE THAT?

WHAT DO ALL OF THOSE MEAN?

DON'T GO THROUGH EACH ONE OF THEM, PLEASE.

>> THESE ARE THE LENSES THAT, AS WE DEVELOP BUDGET STRATEGIES AND OPTIONS WE'LL BE LOOKING AT EACH OF THESE CATEGORIES.

SO WHAT IS THE IMPACT EITHER ON THE COMMUNITY OR TO THE ORGANIZATION, IF IT'S -- OR BOTH.

YOU KNOW WHAT, IS THE RISK OF CHANGING A SERVICE DELIVERY, YOU KNOW, ALTERNATE SERVICE DELIVERY MODELS, ALL OF THOSE PIECES, YOU KNOW, CAN WE PARTNER DIFFERENTLY?

CAN WE USE TECHNOLOGY DIFFERENTLY?

ARE THERE A RANGE OF THINGS WE COULD DO DIFFERENTLY TO PROVIDE SERVICE IN A DIFFERENT WAY OR DIFFERENT LEVEL?

SO EACH OF THOSE, HOW DO THINGS ALIGN WITH YOUR STRATEGIC PLAN AND THE FOCUS AREAS AND THE TACTICS THAT STAFF ARE GOING TO BE MOVING FORWARD FOR THE NEXT TWO YEARS.

SO THEY'LL BE PART OF THE EVALUATION PROCESS, DEPARTMENTS AND PROGRAMS ARE PUTTING THEIR BUDGETS TOGETHER.

>> ZELENIKA: SO MORE ALONG THE LINES OF IF WE'RE GOING TO DO SOMETHING DIFFERENT, HOW DO WE -- HOW DOES IT IMPACT THESE THINGS OR WHAT ARE THESE THINGS ARE THINGS TO CONSIDER IN MAKING A DIFFERENT PROPOSAL AS OPPOSED TO CATEGORIZING THEM INTO THESE CATEGORIES.

>> THE CATEGORIZATION PROCESS, THE INITIAL SORT THAT YOU'RE LOOKING AT COMBINED WITH THE BUDGET LENS REVIEW, WHICH WOULD BE NEXT THIS THAT PROCESS REALLY IS ABOUT THE DISCIPLINE OF PUTTING FRESH EYES ON EACH OF THE SERVICES AND PROGRAMS THAT ARE BEING DELIVERED.

AND SO THIS GIVES A FRAMEWORK AND THE TOOLS TO THINK THOSE THINGS THROUGH.

TO YOUR POINT, YOU'RE RIGHT.

SOME THINGS ARE HARD TO CHANGE AND IT'S HARD BECAUSE YOU'RE LOCKED IN FOR, YOU KNOW, REQUIREMENTS OR OTHERS.

THE DISCIPLINE OF SPENDING TIME USING THE TOOLS IN A WAY THAT OPENS UP THE CONVERSATION ALLOWS FOR A DIFFERENT DIALOGUE POTENTIALLY.

>> ZELENKA: THANKS.

>> LEECH: COUNCILOR KASHINSKY?

>> KASHINSKY: YES, THANK YOU.

SO I THINK THERE WERE A COUPLE OF COMMENTS ABOUT MAKING SURE THAT THIS ISN'T VIEWED, THE CATEGORIZATION ISN'T VIEWED AS A PRIORITIZATION OR A RANKING.

AND I THINK ONE OF THE THINGS TO SORT OF KEEP IN MIND AND BE TRANSPARENT ABOUT IS THAT WHEN YOU LABEL SOMETHING AS AN ESSENTIAL SERVICE OR A REQUIRED SERVICE, PEOPLE ARE GOING TO IMMEDIATELY START PUTTING THEIR OWN PRIORITIZATION, WHEN YOU SAY THIS IS A SAFETY OR HEALTH RELATED SERVICE VERSUS A COMMUNITY SERVICE, PEOPLE ARE GOING TO IMMEDIATELY START PUTTING THEIR OWN PRIORITIZATION OF, WELL, OF COURSE WE'RE GOING TO PRIORITIZE SAFETY OVER THESE OTHER

THINGS.

AND SO I THINK HOW I THINK WE NEED TO
SORT OF KEEP REPEATING, HEY, HOW WE
ARE GOING TO BE DOING THE
PRIORITIZATION, BECAUSE MY
UNDERSTANDING, AND CORRECT ME IF I'M
WRONG, AND I THINK YOU TOUCHED ON IT A
LITTLE BIT JUST NOW, BASED ON THE LAST
QUESTION, IS THAT THESE BUDGET
DECISION LENSES ARE REALLY WHERE
THAT PRIORITIZATION IS GOING TO HAPPEN,
AND AS YOU GO THROUGH THAT, YOU MAY
HAVE SOMETHING THAT'S CATEGORIZED AS
ESSENTIAL THAT WE'RE ACTUALLY LIKE, IT'S
ESSENTIAL, BUT IT HAS VERY LITTLE
IMPACT.

IT IMPACTS OUR SAFETY BUT ONLY A TINY
BIT.

IS THAT REALLY WHERE THAT
PRIORITIZATION IS GOING TO COME IN?

>> YES, I'M REALLY GLAD YOU BROUGHT

THIS UP.

IT ALSO CAME UP IN OUR BUDGET COMMITTEE OVERVIEW CONVERSATION, AND WHAT'S REALLY IMPORTANT IS THAT, JUST BECAUSE SOMETHING IS REQUIRED OR ESSENTIAL DOESN'T MEAN THAT THAT SERVICE CAN'T BE DONE DIFFERENTLY TO CREATE CAPACITY SO THAT WE ARE NOT HAVING TO CUT OR REDUCE ANOTHER PROGRAM.

AND SO THERE IS THIS SYMBIOTIC RELATIONSHIP THAT NEEDS TO BE TAKEN IN CONSIDERATION.

THAT'S WHY THE LENSES ARE SO IMPORTANT AND THAT HELPS KIND OF DEBUNK THAT YOU'RE UP HERE IF YOU'RE ACQUIRED OR HERE IN ESSENTIAL, BECAUSE YES, WE HAVE TO DO THOSE BUT WE CAN DO THOSE DIFFERENTLY, EITHER SAVE COSTS OR TO BE ABLE TO BUILD CAPACITY, SO THAT WE CAN SALVAGE AND ELEVATE SOME OTHER EQUALLY

IMPORTANT PROGRAMS.

>> KASHINSKY: THANK YOU.

>> LEECH: TURN IT BACK TO OUR PRESENTERS FOR THE NEXT SECTION.

>> PERFECT, THANK YOU.

WE ARE GOING TO MOVE INTO THE DISCUSSION AROUND THE STRATEGIC FRAMEWORK, THE STRATEGIES DEVELOPED PREVIOUSLY, WHICH IS OF COURSE AN IMPORTANT LENS THAT IS BEING APPLIED TO DECISIONS COMING FORWARD.

AND SO AT THE LAST MEETING OF THIS BODY, THESE WERE FORMALIZED, AND HANDED OFF TO STAFF TO THINK THROUGH AND TO IDENTIFY WHAT ARE THE ACTIONS, WHAT ARE THE TACTICS TO WORK ON.

I'LL GIVE IT BACK TO THE CITY MANAGER TO WALK THROUGH AND INTRODUCE THOSE ELEMENTS.

>> THANK YOU, NANCY.

WHAT I'D LIKE TO DO IS SPEND A BRIEF
MOMENT BACK ON THE FIVE FOCUS AREAS,
AND JUST REMIND YOU THAT THIS IS
TELLING US WHERE WE'RE GOING, WHERE
WE WANT TO MAKE PROGRESS, AND THAT
THE STRATEGIES ARE HOW WE INTEND TO
MOVE IN THAT DIRECTION.

IF WE MOVE TO THE SEX SLIDE, YOU CAN
KIND OF SEE THIS AS A VERY HIGH LEVEL, IF
WE CAN GET TO THE NEXT SLIDE, THERE WE
GO, A LITTLE DELAY THERE, ON DELIVERING
THE COUNCIL GOALS.

SO WHAT BRINGS THE FRAMEWORK
TOGETHER AND DELIVERS
COUNCIL-DIRECTED GOALS ARE THE
TACTICS.

AND YOU CAN SEE THAT THE STRATEGIC
FOCUS AREA AND THE STRATEGY ARE
REALLY THE COUNCIL-DIRECTED BODY OF

WORK THAT WE'VE DONE TOGETHER.

AND NOW STAFF HAS TAKEN THE TIME TO PUT SOME TACTICS TOGETHER THAT WE WILL GO OVER WITH YOU, AND ALSO YOU HAVE IT LISTED IN ATTACHMENT C.

THIS IS THE WORK THAT'S LED BY STAFF TO PUT STRATEGY IN ACTION.

SO THE SLIDE I'D LIKE TO SPEND A LITTLE BIT MORE TIME ON IS THE NEXT SLIDE, AND REALLY TALKING ABOUT HOW THE STRATEGY LEADS TO RESULTS.

AND TO DO THAT, WE'RE GOING TO START WITH A COUNCIL DIRECTION AND THE STRATEGIC FOCUS AREAS.

THIS IS A BROAD PRIORITY THAT WE'RE TRYING TO ADVANCE.

AND FROM THERE, WE'LL DEFINE THE STRATEGY WHICH AGAIN IS THE APPROACH THAT WE TAKE TO MAKE PROGRESS IN

THAT FOCUSED AREA, AND THEN WE IDENTIFY THE TACTIC OR THE SPECIFIC WORK THAT STAFF UNDERTAKES TO IMPLEMENT THE STRATEGY.

SO THESE THREE ELEMENTS WORK TOGETHER, AND THEY ACCOMPLISH TWO IMPORTANT THINGS THAT I WANTED TO HIGHLIGHT FOR YOU.

ONE, THEY LEAD TO RESULTS THAT CAN BE EVALUATED, MEASURED AND REFINED EACH YEAR, AND THEY ALSO HELP SHAPE AND INFORM THE BUDGET DEVELOPMENT PROCESS, WHICH ENSURES THAT THE RESOURCES ARE ALIGNING WITH COUNCIL DIRECTION, WHICH IS WHAT YOU SET FORTH IN IDENTIFYING THOSE FIVE STRATEGIC GOAL AREAS AND THE STRATEGIES THAT ROLL UP INTO THAT.

THIS SLIDE SHOWS A SMALL SELECTION OF STRATEGIES AND TACTICS.

AS I MENTIONED AIS HAS A FULL SET OF

TACTICS.

I'D LIKE TO AT A HIGH LEVEL GO THROUGH EACH OF THE FIVE FOCUS AREAS AND KIND OF WALK YOU THROUGH WHAT THAT TACTIC IS AND WHAT THOSE POTENTIAL RESULTS COULD LOOK LIKE.

THAT'S THE NEXT STEP IN TERMS OF DEVELOPING METRICS AND MEASURING THE OUTCOMES OF THE TACTICS THAT WE'RE RECOMMENDING.

STRATEGY IS TO BUILD A LONG-TERM STRATEGY PLAN AND BRINGING THAT TO COUNCIL.

THE RESULTS ARE CLEAR LONG RANGE FINANCIAL FORECAST AND DECISION-MAKING TOOLS.

YOU ACTUALLY HAVE SOME OF THOSE BEFORE YOU TODAY THAT YOU'VE HELPED INFORM, BETTER ALIGNMENT BETWEEN ONGOING REVENUES AND EXPENSES AND

EARLIER IDENTIFICATION OF STRUCTURAL CHALLENGES AND POLICY OPTIONS.

SO THAT'S AN EXAMPLE OF FISCAL STABILITY.

MOVING INTO COMMUNITY SAFETY, OF COURSE THE STRATEGY HERE IS TIMELY EFFECTIVE EMERGENCY RESPONSE.

THE TACTIC IS TO COMPLETE A RENEWED STANDARD OF COVERAGE PLAN, SO WHAT DOES THAT MEAN?

DATA-DRIVEN RECOMMENDATIONS FOR STATION LOCATIONS, STAFFING LEVELS AND RESPONSE PATTERNS, IMPROVED RELIABILITY AND CONSISTENCY OF FIRE AND MEDICAL RESPONSE, AND IDENTIFICATION OF GAPS AND TARGETED INVESTMENTS TO IMPROVE OUTCOMES.

THESE ARE JUST A FEW OF MANY OF POTENTIAL RESULTS OF THAT PARTICULAR TACTIC.

THRIVING IN LIVABLE COMMUNITY, AGAIN, SUSTAIN LIBRARY PARKS AND CULTURAL PROGRAMMING, AND THIS TACTIC IS TO EVALUATE THE LONG-TERM FUNDING MECHANISM.

SO WHAT DOES THAT LOOK LIKE IS A POTENTIAL RESULT, MORE STABLE FUNDING TO PROTECT ESSENTIAL SERVICES, REDUCE VOLATILITY AND SERVICE LEVELS DURING ECONOMIC DOWNTURNS, CLEAR PATHS FOR MAINTAINING OR EXPANDING COMMUNITY PROGRAMMING.

HOUSING AND HOMELESSNESS, SO HERE WE'VE GOT TO INCREASE AND ACCELERATE THE PRODUCTION OF DIVERSE HOUSING TYPES AND DO THAT BY DEVELOPING A NEW HOUSING ACTION PLAN AND PUT INTO MOTION THAT SPECIFIC STRATEGIES FOR EXPANDING HOUSING SUPPLY AND REDUCING PRODUCTION BARRIERS TARGETS AND TIMELINES FOR DELIVERING

HOUSING OPTIONS AND BETTER
CONVERSATION ACROSS PARTNERSHIPS
AND ORGANIZATIONS.

MOVING INTO TRANSPORTATION AND
INFRASTRUCTURE, AGAIN THIS IS
ADVANCING TRANSPORTATION SAFETY AND
THEN THE TACTIC IS EXPLORING
DATA-DRIVEN TRAFFIC ENFORCEMENT.

THINK ABOUT OUR AUTOMATED RED LIGHT
AND SPEED ENFORCEMENT AS AN
EXAMPLE.

SO POTENTIAL RESULTS AROUND THAT
REDUCE SERIOUS AND FATAL CRASHES AT
HIGH-RISK INTERSECTIONS, MORE
CONSISTENT ENFORCEMENT, BETTER USE
OF DATA TO INFORM FUTURE SAFETY
INVESTMENTS.

WHILE THOSE AREN'T SPELLED OUT FOR
YOU, BECAUSE THAT'S THE NEXT STEP, IS
TO DEVELOP SOME OF THOSE METRICS.

I WANTED TO MAKE SURE THAT YOU COULD VISUALIZE WHAT THOSE RESULTS LOOKED LIKE AND HOW THEY'RE ATTACHED TO THE TACTICS.

SO THAT WAS KIND OF VERY HIGH LEVEL.

I KNOW YOU MAY HAVE SOME QUESTIONS, BUT I'LL TURN IT OVER TO NANCY.

>> THAT'S A LOT, AND THERE'S A LOT IN THAT DOCUMENT IN PARTICULAR TO DIGEST, AND WHAT WE DON'T WANT TO DO TODAY IS TO GO THROUGH THE DETAIL OF ALL THAT, BUT TO KIND OF ZOOM OUT.

IF THERE ARE CLARIFYING QUESTIONS, IF THERE ARE REACTIONS, EITHER TO HOW THE PARTS AND PIECES FIT TOGETHER OR ANY OF THE CONTENT THAT HAS BEEN PROVIDED IN YOUR PACKET, THAT YOU'RE UNCLEAR ABOUT, WHAT DOES THAT LOOK LIKE, WHAT DOES THAT MEAN, THAT WOULD BE INSTRUCTIVE FOR STAFF TO HEAR IN THE CONVERSATIONS.

AND SO ON THE NEXT, HERE WE GO.

ON THIS NEXT SLIDE, FOR PURPOSES OF CONVERSATION, WE HAVE KIND OF TWO PROMPTS WE CAN USE AS OUR GUIDE.

FIRST OF ALL, DO YOU HAVE QUESTIONS ABOUT HOW THE TACTICS, WHICH AGAIN ARE THE ACTIONABLE EFFORTS THAT WOULD BE DELIVERED BY STAFF AND BUDGETED IN THE UPCOMING BUDGET CYCLE, HOW THEY ADVANCE THE FOCUS AREAS AND THE STRATEGIES YOU ALL CAME UP WITH WHEN WE WERE TOGETHER.

SO KIND OF THE FRAMEWORK QUESTIONS, BUT THEN IF YOU HAVE ANY CLARIFYING QUESTIONS AROUND SPECIFIC TACTICS THAT YOU REVIEWED AS YOU WERE PREPARING FOR OUR TIME TOGETHER TODAY, THAT WOULD BE HELPFUL TO GET INTO THE ROOM AS WELL, SO THERE'S OPPORTUNITY TO CLARIFY THOSE THINGS.

>> I ALSO HAVE PHONE A FRIEND BACK
THERE IF CASE YOU HAVE DETAILED
QUESTIONS.

>> SO WE WANT TO BE -- BEFORE WE OPEN
IT UP ENTIRELY, I WANT TO BE ATTENTIVE
TO THE FACT WE HAVE A FULL 'NOTHER
SECTION I WANT TO PREVIEW FOR.

WE WANT TO ALLOCATE SUFFICIENT TIME
FOR THAT, SO WE'LL MONITOR OUR TIME
WITH THE ABILITY TO STILL OF COURSE
PROVIDE YOUR FEEDBACK AND COMMENTS.

>> LEECH: THANK YOU.

I'M GOING TO JUST MAKE A QUICK
COMMENT, BECAUSE I DON'T HAVE A
PARTICULAR QUESTION AT THIS TIME, BUT
JUST THAT IT'S REALLY REFRESHING.

SOMETIMES I GET A LITTLE, A LOT OF
QUESTION MARKS IN MY HEAD BECAUSE I'M
FROM A NON-PROFIT BACKGROUND.

THE WAY THIS IS STRUCTURED IS HOW I'VE ALWAYS OPERATED.

THERE'S A PLAN AND GOALS AND TACTICS AND EXPECTED RESULTS AND METRICS AND NOT THAT WE'VE NOT HAD THOSE, BUT IT'S NOT ALWAYS AS CLEARLY OUTLINED AS THIS AND TIED TO BUDGET AND I JUST REALLY, REALLY APPRECIATE SEEING IT LIKE THIS.

SO THANK YOU FOR THIS WORK, AND I ASSUME THAT WE WILL BE ABLE TO DIVE INTO THE SPECIFICS OF THOSE AT A LATER TIME.

BUT THE WAY THAT IT'S STRUCTURED, THANK YOU.

AND COUNCILOR ZELENKA?

>> ZELENKA: WE ACTUALLY DO HAVE THOSE AND HAD VARIOUS ITERATIONS OF THOSE OVER THE YEARS.

BUT THEN THEY GET STALE.

AND THEN WE DO IT AGAIN IN A DIFFERENT WAY AND THAT'S WHAT THIS IS.

I READ THROUGH THIS ESPECIALLY ATTACHMENT C, THE TACTICS, AND I KIND OF WENT THROUGH THEM PRETTY QUICKLY WHEN I WAS PREPARING FOR THIS.

SO I DIDN'T DO THAT IN THE CONTEXT OF ASKING QUESTIONS OR BEING ABLE TO COMMENT ON THEM.

SO WHAT'S THE PROCESS FOR AFTER THIS RETREAT OR AFTER THIS WORK SESSION TO ASK QUESTIONS ABOUT THAT AND HOW DOES THAT GET FILTERED BACK INTO THE PROCESS AND HOW DO WE END UP WITH A FINAL PRODUCT?

>> YES, YOU'LL CERTAINLY HAVE AN OPPORTUNITY TODAY TO PROVIDE FEEDBACK ON THE TACTICS THAT WE'VE PUT TOGETHER.

I THINK IT'S IMPORTANT, TOO, TO UNDERSTAND THAT THE TACTICS AS WE LEARN THROUGH THIS PROCESS WILL BE REFINED AND CAN CHANGE.

AND ALSO, THE BUDGET OUTCOMES AND THE CONVERSATION THAT YOU HAVE DURING BUDGET CAN ALSO FURTHER INFORM THOSE TACTICS BASED ON WHAT YOU'RE DETERMINING IS IMPORTANT TO PUT RESOURCES TOWARDS.

WE HAVE PLENTY OF TOUCHES THROUGH THE BUDGET PROCESS, AND YOU'LL BE ABLE TO PUT YOUR FINGERTIPS ON THIS.

RIGHT NOW TODAY, IF THERE ARE THINGS THAT ARE STANDING OUT TO YOU WHERE I'M NOT UNDERSTANDING WHY THIS IS HERE OR WHAT DID YOU MEAN BY THIS, THIS IS A TIME TO KIND OF ASK SO THAT WE CAN EXPLAIN AND IF THERE'S SOMETHING THAT WE MISSED, WE OBVIOUSLY WANT TO HEAR THAT, SO THAT WE CAN MAKE THOSE

ADJUSTMENTS AND PIVOT AND THEN MOVE FORWARD.

I DON'T KNOW, TWYLLA, DO YOU HAVE OTHER POINTS OF THE BUDGET MILESTONES THAT MAYBE I'M MISSING?

>> NO, I THINK THAT CAPTURES IT REALLY, BECAUSE THE HOPE IS THAT WE USE THIS AS AN INTEGRAL PART OF THE SYSTEM AS WE BEGIN BUDGET DEVELOPMENT, WHICH IS HAPPENING VERY SOON.

SO, YES, I WOULD AGREE WITH YOUR APPROACH.

>> A WORK PLAN IS A LIVING, BREATHING DOCUMENT.

THAT'S HOW YOU KEEP THIS ALIVE IN CONVERSATIONS.

AND SO YOU DON'T ACTUALLY WANT IT TO BE ENTIRELY STATIC.

>> LEECH: COUNCILOR KASHINSKY?

>> KASHINSKY: YES, THIS IS KIND OF A HIGHER LEVEL QUESTION.

SO IF I RECALL CORRECTLY WHEN WE WERE DOING OUR RETREAT, THERE WAS A SIXTH STRATEGY THAT WE DIDN'T TALK A LOT ABOUT, BECAUSE IT WAS MORE INTERNALLY FOCUSED AND THAT WAS THE ORGANIZATIONAL EXCELLENCE STRATEGY.

WHAT HAPPENED TO THAT?

>> THAT'S ACTUALLY STILL GOING ON.

WE'RE WORKING THROUGH THAT.

TOMORROW WE HAVE AN EXECUTIVE TEAM RETREAT AND THERE WILL BE SOME TOPIC OF CONVERSATION, AND THEN WE'LL BE FOLDING IN OUR LEADERSHIP TEAM INTO MORE OF THAT DIALOGUE.

SO THAT IS DEFINITELY A WORK IN

PROGRESS, AND YOU'RE RIGHT.

THAT IS KIND OF AN UMBRELLA OR
OVERLAY OVER THIS.

>> KASHINSKY: SO PERHAPS IN FUTURE
GRAPHICS?

>> THAT WILL COME BACK TO COUNCIL,
ABSOLUTELY.

>> KASHINSKY: SO IN FUTURE GRAPHICS WE
MIGHT HAVE SIX STRATEGIES AS OPPOSED
TO FIVE?

>> YES.

>> KASHINSKY: THANK YOU.

I WAS LIKE, DID THAT JUST DISAPPEAR?

>> IT'S JUST FADED IN THE BACKGROUND.

>> KASHINSKY: OKAY.

AND IT SOUNDS LIKE WE WILL CONTINUE TO HAVE SOME DISCUSSION ABOUT THESE TACTICS THAT THEY ARE EVOLVING, BUT ONE OF THE THINGS THAT STUCK OUT TO ME WITH SOME OF THESE TACTICS, AND I THINK PARTICULARLY THE ONE WHERE IT JUMPS OUT TO ME THE MOST IS STRATEGY THREE, NUMBER TWO.

AND I THINK AS WELL IN SOME OF THE OTHERS --

>> WHICH FOCUS AREA?

>> KASHINSKY: THAT IS FINANCIAL STABILITY.

>> THANK YOU.

>> KASHINSKY: SORRY, 1.3.2.

>> WE HAVE TO WORK ON THE NUMBERING SYSTEM.

>> KASHINSKY: YES.

WE'RE -- TACTICS ARE ALSO INFLUENCED BY
SORT OF YOUR STRATEGY AND YOUR
PHILOSOPHY AND WHAT YOU THINK IS
GOING TO WORK.

AND EMBEDDED IN SOME OF THESE
TACTICS I SEE SORT OF ASSUMPTIONS
THAT I DON'T THINK COUNCIL HAS MADE
STRATEGIC DETERMINATIONS ON.

IS THAT THE ASSUMPTIONS WE WANT TO BE
GOING ON?

AND IT JUMPS OUT FOR ME WITH THIS ONE,
BECAUSE IT'S EVALUATE SHORT-TERM
REVENUE OPTIONS THAT CAN BRIDGE
FUNDING INTO LONG-TERM ECONOMIC
DEVELOPMENT IS REALIZED.

AND UNDERLINING THAT IS THE
ASSUMPTION THAT LONG-TERM ECONOMIC
DEVELOPMENT WILL CREATE A
SUSTAINABLE FINANCIAL UNDERPINNING
FOR US, WHICH THAT HAS BEEN DISCUSSED

AND THERE ARE CERTAINLY SOME MEMBERS OF COUNCIL WHO THINK THAT THAT IS GOING TO BE THE MAGIC BULLET THAT SORT OF SOLVES THIS FOR US IN THE LONG-TERM.

BUT I DON'T THINK THAT THAT HAS BEEN A FULL COUNCIL SORT OF DETERMINATION THAT THAT'S THE ASSUMPTION THAT WE WANT TO GO ON, IS THAT WE JUST NEED TO BRIDGE THE GAP UNTIL THE ECONOMIC DEVELOPMENT HAPPENS.

SO I'M WONDERING, HOW DO WE KIND OF WORK WITH SITUATIONS LIKE THAT, WHERE WE'VE -- I CAN'T SEE THE CLOCK, SO I DON'T KNOW IF I'M GOING OVER -- BUT HOW DO WE SORT OF WORK WITH SITUATIONS LIKE THAT, WHERE WE'RE SORT OF SEEING TACTICS THAT HAVE UNDERLYING ASSUMPTIONS THAT I DON'T NECESSARILY THINK WE'VE CLARIFIED AS A COUNCIL YET?

>> I THINK THAT'S AN EXCELLENT POINT, AND WE ALSO HAVE ADDITIONAL

INFORMATION TO YOU, FOR INSTANCE FOR THE COMMUNITY SAFETY PAYROLL TAX AND ECONOMIC ANALYSIS, THAT WILL ACTUALLY FURTHER INFORM SOME OF THIS CONVERSATION.

AND IT KIND OF LENT ITSELF TO THIS DIALOGUE, WHEN WE HAD THAT PROJECTS IN THE PIPELINE CONVERSATION, WHERE THAT KIND OF LAID OUT A CERTAIN LEVEL OF ASSUMPTION ON BUILDING DEVELOPMENT.

THAT IS ECONOMIC DATA THAT HASN'T BEEN PRESENTED YET TO THE COUNCIL THAT CAN FURTHER CLARIFY ASSUMPTIONS AROUND WHAT OUR LOCAL ECONOMY IS LOOKING LIKE, AND THEN THAT AGAIN CAN SHAPE THESE TACTICS.

SO I THINK TO NANCY'S POINT, THAT THESE ARE FLUID AND CAN BE ADJUSTED, THIS IS WHAT WE ARE DETERMINING AT THIS MOMENT IN TIME, BUT I THINK COUNCIL HAS TO KEEP THIS TOP OF MIND, BECAUSE IT

WILL SHIFT, AS YOU GET MORE INFORMATION PRESENTED IN FRONT OF YOU.

I DON'T KNOW IF THERE'S ANOTHER SET OF FORECASTING BEYOND THE COMMUNITY SAFETY PAYROLL TAX THAT WE'LL BE PRESENTING OTHER THAN THE FORECAST FOR THE BUDGET ITSELF AND THE GENERAL FUND.

DO YOU HAVE MORE INFORMATION TO PRESENT, MAYBE EITHER ON THE TRUST FUNDS AS WELL?

>> I WOULD SAY THERE ARE A NUMBER OF THINGS AS WE THINK ABOUT, AND I'LL TALK A LITTLE BIT ABOUT IT IN OUR NEXT SECTION, BUT WE HAVE THE DISTRUST FUNDS.

WE ALSO HAVE THINGS WHETHER EVEN IF IT'S NOT THIS STRATEGY OF LONGER-TERM ECONOMIC PROSPERITY OR ECONOMIC DEVELOPMENT, FOR EXAMPLE, WE HAVE

THE TEMPORARY STORMWATER FEE THAT WE NEED TO UNDERSTAND HOW WE'RE GOING TO MOVE FORWARD WITH.

THERE ARE A RANGE OF THINGS THAT WE MIGHT WANT TO ABRIDGE A STRATEGY IF IT'S NOT THIS EXACT PIECE, BUT THERE ARE A RANGE OF ISSUES I THINK AS WE LOOK TO THE FUTURE.

AND I'LL TALK ABOUT THOSE IN JUST A BIT.

>> KASHINSKY: THANK YOU.

>> LEECH: THANK YOU, COUNCILOR.

I'LL TURN IT TO OUR MAYOR.

>> MAYOR KNUDSON: THANK YOU, COUNCIL PRESIDENT.

I JUST WANTED TO ADD MY REFLECTION AT THIS POINT, THAT I THINK ATTACHMENT C IS AN AREA THAT REMINDS ME OF MANY CONVERSATIONS THAT I'VE HAD AROUND

OUR COMMUNITY.

PEOPLE ARE OFTEN TRYING TO UNDERSTAND WHAT THIS WORK LOOKS LIKE ON THE GROUND, AND TACTICS ARE, IN SOME CASES, THE CLEAREST WAY THAT OUR WORK CAN BE SEEN BY MEMBERS OF THE COMMUNITY, WHO ARE EVERY DAY WANTING TO KNOW HOW THE CITY IS WORKING, WHAT WE ARE DOING TO SUPPORT THEIR NEEDS AND TO SUPPORT OPPORTUNITY HERE AND THE LONG-TERM SUSTAINABILITY OF OUR COMMUNITY.

SO I JUST WANTED TO OBSERVE THAT IN READING THIS DOCUMENT AND PREPARING FOR THE MEETING TODAY, THAT THERE IS A LOT THAT IS EXPRESSED HERE, EVEN JUST IN THIS DRAFT ABOUT THE WAYS IN WHICH THE STRATEGIC FOCUS AREAS ESTABLISHED BY COUNCIL ARE GUIDING, AND THEN CAN SPECIFICALLY POINT TO INTERVENTIONS THAT I THINK COMMUNITY MEMBERS ARE QUITE INTERESTED IN, AND THAT'S TRUE IN THE EXAMPLES RELATED TO

FINANCIAL STABILITY.

IT'S ABSOLUTELY TRUE IN THE AREAS
RELATED TO COMMUNITY SAFETY AND
SOME OF THE SPECIFIC TACTICS IDENTIFIED
TO ENSURE TIMELY AND EFFECTIVE
EMERGENCY RESPONSE.

I THINK THAT IN THE CASE OF THRIVING AND
LIVABLE COMMUNITY, IT'S THE LEVEL OF
INFORMATION THAT MAKES THAT
STRATEGIC FOCUS MOST LEGIBLE TO
PEOPLE.

SO I JUST THINK THIS IS A VERY STRONG
BEGINNING POINT TO HAVE THESE ALMOST
60 DIFFERENT TACTICS TO LOOK AT, AND
THEN TO CONTINUE TO REFINE A
DISCUSSION AND I KNOW THAT A LOT HAS
GONE INTO CREATING THIS CLARITY, SO I
JUST APPRECIATE THAT AND I'LL
APPRECIATE THE CONTINUED WORK THAT
WE'RE GOING TO DO ON THIS FRONT.

>> LEECH: THANK YOU, MAYOR.

IS THERE ANY OTHER QUESTIONS FROM
COUNCIL?

>> KEATING: THANKS, COUNCIL PRESIDENT.

JUST A QUICK I GUESS
OBSERVATION/CLARIFICATION QUESTION.

I HAVE A LITTLE HEARTBURN WHEN I HEAR
THAT THESE DECISIONS ARE -- MY
INTERPRETATION, READ IT THIS WAY I'M
INTERPRETING, JUST DATA-DRIVEN, JUST
OBJECTIVE DECISION-MAKING.

I'LL USE FOR EXAMPLE A HOT POTATO
ISSUE IN SOUTH EUGENE OR WHETHER IT'S
OUR AMAZON POOL OR ECHO HOLLOW OR
SHELDON, OUR AQUATICS SYSTEM, OUR
PROGRAM, IF YOU JUST OBJECTIVELY LOOK
AT HOW MANY PEOPLE ARE UTILIZING SAID
SERVICE, YOU MIGHT MAKE A
BLACK-AND-WHITE DECISION THAT DOESN'T
NECESSARILY RECOGNIZE THE HEALTH AND
THRIVING COMPONENT OF IT, THE

SUBJECTIVE COMPONENT.

YET I RECOGNIZE THAT THERE MIGHT BE PARTNERS IN THE COMMUNITY, LIKE THE YMCA WHO MIGHT BE ABLE TO EMBRACE THE DAILY OPERATIONS, EVEN BETTER THAN OUR MUNICIPALITY DOES.

HOW DOES THIS KIND OF STRATEGY LEADING TO RESULTS THROUGH STAFF TACTICS MATRIX, HOW DOES IT, HOW DO YOU ENVISION DOING THAT DANCE, THAT OBJECTIVE, SUBJECTIVE DANCE AND THEN ULTIMATELY FINDING HOW WE PRESERVE SOME OF OUR BELOVED PROGRAM SERVICES AND INSTITUTIONS, BUT MAYBE EVEN EMPOWER AND EMBRACE A PARTNERSHIP THAT ELEVATES AND BETTER SAID PROGRAM SERVICES AND DELIVERY.

>> I REALLY THINK WE'RE GOING BACK TO THE BUDGET LENS CONVERSATION AGAIN, BECAUSE THAT WORK STARTS THERE.

SO YOU BROUGHT UP THE YMCA.

IF WE'RE GOING TO LOOK AT CONTRACTING
OPTIONS, THAT'S CLEARLY IN ALTERNATIVE
SERVICE DELIVERY.

CAN SOMEONE DO IT BETTER?

SHOULD IT BE US PROVIDING THAT
SERVICE?

THOSE ARE QUESTIONS THAT WE SHOULD
ASK.

I THINK PART OF THE CHALLENGE IS MAKING
SURE THAT IF WE HAVE THINGS THAT PULL
AT OUR PERSONAL HEART STRINGS, WE
NEED TO BE AWARE OF THAT, RIGHT,
BECAUSE WE HAVE TO BE OBJECTIVE IN
LOOKING AT EVERYTHING.

I THINK THAT'S PART OF THE EXECUTIVE
TEAM'S JOB IN WORKING WITH STAFF, THAT
NO ROCK IS LEFT UNTURNED.

AND THEN WE HAVE TO LOOK AT ALL

OPTIONS.

I THINK THE TRICK IS, AND THIS IS THE ART OF IT, VERSUS THE SCIENCE, IT'S UNDERSTANDING WHAT THOSE THINGS ARE.

AND I'M SURE IT'S PART OF THE BUDGET PROCESS, SOME OF THE THINGS THAT WE GET RIGHT WILL COME TO THE SURFACE AS WILL SOME OF THE THINGS THAT MAYBE WE DIDN'T MISS.

AND WE ARE ALSO HUMAN, SO WE MIGHT MISS SOME OF THOSE.

GOING BACK TO WHY WE DID THE STRATEGIC FOCUS AREAS, THAT'S SO THAT WE KNOW WHAT YOUR VISION IS, AND YOU'VE LAID THAT FOUNDATION FOR US THROUGH THAT DOCUMENT.

YOU'VE ALSO LAID THAT FOUNDATION THROUGH GIVING US CLEAR DIRECTION ON STRATEGY, WHICH WILL HELP INFORM HOW

WE'RE LOOKING AT THE THAT BUDGET LENS.

SO IT'S GOING TO BE MY JOB, TWYLLA'S JOB AND THE EXECUTIVE TEAM'S JOB TO MAKE SURE THAT STAFF UNDERSTAND THOSE ASSUMPTIONS AND BUILD THAT INTO THAT BUDGET LENS PERSPECTIVE.

I HOPE THAT'S HELPFUL.

>> KEATING: THANK YOU, CITY MANAGER.

WHO IS THE FINAL ARBITER?

GO AHEAD.

>> SORRY, I WAS GOING TO GO TO A DIFFERENT QUESTION.

ADDING ON TO WHAT THE CITY MANAGER MENTIONED, I THINK THAT WHAT I'M HEARING IN YOUR COMMENTS ARE ALSO A SENSITIVITY TO WHAT ARE YOU MEASURING IN TERMS OF WHAT CONSTITUTES RESULTS.

AND SO YOU KNOW, WORKING THROUGH THE STRATEGIES, DEVELOPING AND IMPLEMENTING TACTICS, YOU KNOW, THAT'S THE WORK PLAN.

RIGHT, THAT'S DELIVERING CERTAIN THINGS, BUT THEN HOW DO YOU QUANTIFY AND CAN YOU APPROPRIATELY DEVELOP METRICS THAT KIND OF REFLECT THE INVESTMENT AND THE OUTCOMES, AND DEVELOPING WHAT THOSE ARE IS A FULL ACTIVITY THAT'S INTENTIONAL AND IMPORTANT ON ITS OWN.

SO THAT YOU'RE NOT AIMING FOR THINGS, AIMING FOR RESULT METRICS THAT SOMEHOW YOU KNOW, SIGNAL A PRIORITY THAT MAY BE OUT OF ALIGNMENT WITH OTHER ELEMENTS.

SO I THINK THERE'S LOTS OF LAYERS.

THERE'S THE BUDGET CONVERSATION AND THE LENSES YOU'RE GOING TO BE USING

FOR MAKING THESE CHOICES, BUT THEN ALSO HOW YOU EVALUATE THE IMPACTS DOWN THE ROAD AND THE METRICS YOU USE CAN BE AN IMPORTANT PART OF THAT CONVERSATION AS WELL.

>> KEATING: THANK YOU.

IN DEVELOPING THOSE MATRICES, WHO IS THE FINAL ARBITER?

IF A PARTICULAR PROGRAM OR SERVICE IS PUT INTO A PARTICULAR BUCKET, I'M GOING TO GO BACK TO ANIMAL SERVICES, BECAUSE I'M LIKE A BROKEN DRUM, A BROKEN RECORD, RATHER ABOUT MY ENTHUSIASM FOR PRESERVING ANY PROGRAMS OR SERVICE DELIVERY RELATING TO ANIMALS IN OUR COMMUNITY.

WHO IS THE FINAL ARBITER IF THEY'RE PUT IN A PARTICULAR BUCKET AND THEY'RE MAKING AN ARGUMENT THAT THEY'RE ACTUALLY CHECKING OFF BOXES IN MORE THAN ONE BUCKET?

AND IF THEY CHECK OFF A BOX IN MORE THAN ONE BUCKET, IS THAT A STRONGER ARGUMENT FOR PRESERVATION THAN A PARTICULAR PROGRAM OR SERVICE THAT JUST FALLS UNDER ONE BUCKET?

>> POTENTIALLY.

BUT WE'RE NOT IN THAT PROCESS AT THIS MOMENT.

SO THAT'S A HARD ONE FOR ME TO ANSWER.

>> ULTIMATELY THE BUDGET THAT YOU ALL ADOPT TOGETHER WILL BE THE ARBITER.

>> WE GIVE YOU A RECOMMENDED BUDGET.

I'M PRESENTING YOU A RECOMMENDED BUDGET.

IT IS A STARTING POINT.

BUT IT IS YOUR POLICY DOCUMENT.

THE BUDGET IS A NUMERICAL
REPRESENTATION OF COUNCIL'S GOALS
AND PRIORITIES.

>> HOPEFULLY THAT HELPS TO CLARIFY
WITH LOTS OF "TO BE DETERMINED."

>> KEATING: GREAT, THANK YOU.

>> LEECH: THANK YOU.

AND I THINK WE ARE NOW READY TO MOVE
ON TO OUR FINAL SECTION OF OUR
PRESENTATION.

THANK YOU, NANCY.

>> OKAY.

SO THIS IS OUR FINAL PORTION OF THE
PRESENTATION FOR TODAY.

SO THIS IS REALLY THINKING ABOUT BEING

PROACTIVE, WHAT ARE THOSE THINGS COMING DOWN THE PIKE, ALL THE RANGE OF THINGS WE LOOK AT.

SO AT YOUR JUNE 8TH WORK SESSION, WE PROVIDED A FINANCIAL CONDITION UPDATE AND WE ALSO TALKED ABOUT A LOT OF THESE NEEDS, THEY'RE SHOWN HERE.

SO JUST TO WALK THROUGH THEM QUICKLY, CAPITAL, SO THAT'S INFRASTRUCTURE, SO BRIDGES, STREETS, ROADS, BUILDINGS.

THIS INCLUDES TAKING CARE OF CURRENT ASSETS BUT THEN ALSO AS WE THINK ABOUT OUR COMMUNITY GROWING, NEEDING TO EXPAND AND ADD NEW FACILITIES TO SERVE OUR COMMUNITY.

OPERATIONAL INCLUDES THE RESOURCES TO FUNCTION EFFECTIVELY AND PROVIDE SERVICE TO THE COMMUNITY, INCLUDING FUTURE GROWTH AND NEEDS TO RESPOND TO FUTURE STATE AND FEDERAL

MANDATES.

EQUIPMENT INCLUDES A WIDE RANGE OF EQUIPMENT ACROSS SERVICES, INCLUDING PUBLIC SAFETY, RECREATION, RADIOS, JUST ALL ACROSS OUR ORGANIZATION, THE TOOLS PEOPLE NEED TO DELIVER SERVICE TO THE COMMUNITY.

AND THEN WE CONTINUE TO HAVE TECHNOLOGY NEEDS, AS WE LOOK TO THE FUTURE, NOT ONLY CORE INFRASTRUCTURE, SO SERVER, SWITCHERS, ROUTERS BUT ALSO THINKING ABOUT CHANGES IN SOFTWARE AND THINGS WE CAN IMPLEMENT TO BE MORE EFFECTIVE AND EFFICIENT IN DOING OUR JOB AND PROVIDING SERVICE.

WE KNOW WE HAVE LIMITED DURATION FUNDING THROUGH A VARIETY OF SOURCES, BONDS, LEVIES AND OTHER FEES THAT WE'LL NEED TO ADDRESS AS WE LOOK TO THE FUTURE.

AND ALSO A RANGE OF DISTRESS FUNDS.

WE WENT THROUGH A NUMBER OF THOSE AT THAT WORK SESSION, BUT MANY OF THE TYPICAL FUNDS THAT WE TALK ABOUT, SO ROAD, PARKING, AMBULANCE, TRANSPORT AND THE LIKE.

SO WE HAVE A RANGE OF THINGS AS WE THINK ABOUT LOOKING TO THE FUTURE.

SO WE HAVE TAKEN AN ORGANIZATIONAL SCAN, LOOKING TO THE FUTURE ACROSS THESE CATEGORIES TO GET AN UPDATED UNDERSTANDING OF NEEDS ACROSS THE ORGANIZATION, AND THESE ARE KIND OF THE FOUR FOCUS AREAS OR THEMES THAT WE'RE SEEING AS WE KIND OF LOOK ACROSS, SO STAFFING NEEDS, EQUIPMENT REPLACEMENT AND TECHNOLOGY, LARGE FACILITY CAPITAL NEEDS AND DEFERRED MAINTENANCE.

SO EACH OF THESE HAS A NUMBER OF DIFFERENT PRESSURES AS WE LOOK

ACROSS THE SYSTEM.

SO WHEN WE LOOK AT STAFFING, THE
THEME HERE REFLECTS A WIDE RANGE OF
NEEDS, INCLUDING STATE MANDATED
REQUIREMENTS AND ADJUSTMENTS
NEEDED NECESSARY TO MEET SERVICE
LEVELS.

THIS MAY MEAN RIGHT-SIZING EXISTING
OPERATIONS OR RESPONDING TO NEW
SERVICE DEMANDS.

SOME EXAMPLES HERE INCLUDE
STATE-MANDATED HOUSING PLANNING AND
DEVELOPMENT, OR FOREST AND FUELS
REDUCTION WORK AND PUBLIC WORKS.

FOR EQUIPMENT AND TECHNOLOGY, SOME
OF THE MAJOR ITEMS TO NOTE INCLUDE
SOME MAJOR EQUIPMENT FOR OUR
COMMUNITY SAFETY PARTNERS, SO THE
REPLACEMENT OF EQUIPMENT IN EPD SO
WE'RE REQUIRED TO HAVE BODY-WORN
CAMERAS, IN-CAR VIDEO AND A RANGE OF

THINGS TO SUPPORT THAT SERVICE.

TRAFFIC SYSTEM UPGRADES AND
TRANSPORTATION IS ANOTHER AREA WE'LL
BE LOOKING TO ADDRESS IN THE FUTURE.

THEN THERE'S OTHER EQUIPMENT NEEDS, A
RANGE ACROSS LIKE THE FIRE SERVICE,
SAFETY GEAR AND SELF-CONTAINED
BREATHING APPARATUS.

THERE IS A RANGE OF EQUIPMENT ACROSS
OTHER SERVICE FUNDS AS WELL THAT WE
LOOK, WE'LL BE LOOKING TO ADDRESS.

THEN WHEN WE THINK ABOUT LARGE
FACILITY CAPITAL NEEDS, THIS CATEGORY
INCLUDES A WIDE RANGE OF
INFRASTRUCTURE, SO THINGS THAT WE
KNOW ABOUT LIKE STREETS AND BRIDGES,
AND THINGS LIKE THAT, BUT ALSO
FACILITIES.

SO NEW FIRE STATIONS TO RESPOND TO
CURRENT NEEDS OF A GROWING

COMMUNITY, THE NEED FOR A NEW FLEET FACILITY BUILDING TO SUPPORT THAT SERVICE, A POLICE SUBSTATION TO SERVE ADDITIONAL AREAS OF THE COMMUNITY, AIRPORT EXPANSION, LIBRARY FLOOR EXPANSION.

SOME ARE EXPANSION NEEDS AND SOME ARE JUST REALLY TAKING CARE OF EXISTING INFRASTRUCTURE.

AND THEN THERE'S ALSO DEFERRED MAINTENANCE, WHICH IS THAT LAST AREA, AND SO WHEN WE THINK ABOUT THE SYSTEM, WE ALREADY OWN AND MAINTAIN, WE HAVE SOME DEFERRED MAINTENANCE, WHERE WE NEED RESOURCES TO TAKE CARE OF THE ASSETS WE ALREADY OWN.

THIS INCLUDES THINGS LIKE WASTEWATER DEFERRED MAINTENANCE AND REHABILITATION, PARKS DEFERRED MAINTENANCE FOR THE PARKS WE ARE BUILDING, AND MAINTAINING ACROSS THE CITY.

AND THEN ALSO PARKING GARAGE DEFERRED MAINTENANCE AS WE THINK ABOUT THE PARKING SYSTEM AND THE GARAGES THE CITY OWNS.

SO WHEN I THINK ABOUT APPROACH, REALLY A LOT OF TIMES OVER THE LAST FEW YEARS WE'RE REALLY FOCUSING ON THE SHORT TERM.

SO WHAT'S COMING UP IN FRONT OF US IN THE NEXT BUDGET CYCLE.

SHORT TERM IT'S REALLY NEXT FOR US THE NEXT TWO-YEAR BUDGET CYCLE SO THE NEXT BIENNIUM, THE BUDGET WE'LL BUILD THIS WINTER AND BRING IT TO YOU IN THE SPRING.

MIDTERM IS JUST BEYOND THAT, THROUGH THE END OF THE FORECAST PERIOD.

SO THAT KIND OF THREE TO SIX-YEAR PERIOD KIND OF 2029 TO 2033, AND THEN

LONG-TERM IS REALLY THINKING OUT BEYOND, SO PAST THAT SIX-YEAR WE THINK 6, 10, 15 YEARS OUT.

WHAT ARE COMING DOWN THE PIKE AS WE DEVELOP OUR STABILITY PLAN SO PROACTIVELY UNDERSTANDING THE NEEDS THAT ARE FACING THE ORGANIZATION AND THE CHANGING ENVIRONMENT THAT WE'RE LIVING IN, IN DEVELOPING STRATEGIC LEVERS.

WE'LL START BY WALKING THROUGH THE CONSIDERATIONS WE'RE THINKING ABOUT FOR THE NEXT BIENNIUM.

AS WE PREPARE THE PROPOSED BUDGET WE'LL USE THE FRAMEWORKS AND BUDGET PRINCIPLES WE'VE BEEN TALKING ABOUT TODAY TO DEVELOP THE BUDGET, WHILE WE ALSO CONSIDER THE FOLLOWING CONSIDERATIONS.

SO THE FIRST IS GENERAL FUND STABILITY.

WE HAVE AN ALMOST \$5 MILLION ANNUAL GAP IN THE FUND.

WE'LL UPDATE THE FORECAST THIS FALL, GET PROPERTY TAX INFORMATION AND OTHER ASSUMPTIONS, AND SO WE'LL UPDATE OUR FORECAST AND SEE HOW THE GENERAL FUND IS LOOKING AT THAT POINT IN TIME.

DISTRESS FUNDS, A NUMBER OF FUNDS EXPERIENCING PRESSURES.

WE TALKED ABOUT THOSE BEFORE, ROAD FUND, PARKING AND A NUMBER OF OTHERS.

THOSE FUND MANAGERS ARE ACTIVELY LOOKING AT EITHER LEGISLATION WHEN WE LOOK AT THE ROAD FUND FOR THE NEXT LEGISLATIVE SESSION OR WHAT ELSE IS HAPPENING, WHAT ARE OTHER SERVICE CONSIDERATIONS WE MIGHT THINK ABOUT FOR THAT FUND AND OTHERS AS THEY TRY TO RIGHT SIZE, LOOKING TO THE COMING BUDGET CYCLE.

WE HAVE TWO LIMITED DURATION FUNDING SOURCES THAT WILL EXPIRE MID BIENNIUM UNLESS WE TAKE FURTHER ACTION.

THE FIRST IS COMMUNITY SAFETY SERVICE TAX, CSPT.

WE HAVE TWO WORK SESSIONS COMING UP IN THE NEAR FUTURE, SEPTEMBER 28TH AND THE OTHER ON OCTOBER 14TH, WHERE YOU WILL RECEIVE MORE INFORMATION ON THE SERVICE AREA, INCLUDING ECONOMIC INFORMATION AND SERVICES PROVIDED WITHIN THE SYSTEM, AND WE'LL DISCUSS NEXT STEPS.

WE ALSO HAVE THE PARK AND RECREATION LOCAL OPTION LEVY THAT WILL EXPIRE HALFWAY THROUGH THE BIENNIUM.

FY '28 IS THE LAST YEAR OF LEVY COLLECTION SO IF A LEVY WERE TO MOVE FORWARD TO CONTINUE THAT SERVICE, A MEASURE WOULD BE NEEDED ON THE MAY

2028 BALLOT IN ORDER TO ENSURE CONTINUITY OF SERVICE, IF THAT WERE THE DIRECTION THAT COUNCIL DESIRED TO GO.

THEN WE HAVE A RANGE OF FUTURE NEEDS THAT WE'LL NEED TO CONSIDER AS PART OF THIS BUDGET.

I TALKED ABOUT SOME OF THEM ON THE LAST SLIDE, BUT OTHERS ARE FUNDING FOR ITEMS SUCH AS THE HUMAN SERVICE COMMISSION OR HSC FUNDING, SAFETY EQUIPMENT FOR EQUIPMENT NEEDS ACROSS THE ORGANIZATION AND MANDATED WORK SUCH AS PUBLIC HEALTH STANDARDS AND STATE MANDATED PLANNING, AND DEVELOPED PARKS MAINTENANCE NEEDS AMONG OTHER NEEDS LOOKING TO THE ORGANIZATION.

AND THEN FINALLY, ANY ADDITIONAL CONSIDERATIONS IN RELATION TO STRATEGIC INVESTMENTS, INCLUDING FOR FUNDING FOR UNHOUSED SERVICES,

ECONOMIC PROSPERITY WORK, OR OTHER AREAS THAT TIE BACK TO THE COUNCIL FOCUS AREAS AND TACTICS.

SO NEXT WE'LL LOOK AT THE MIDTERM CONSIDERATIONS.

SO LOOKING OUT PAST THAT BIENNIUM, WE WILL CONTINUE TO WORK ON STABILITY BOTH IN THE GENERAL FUND AND ACROSS ALL FUNDING, FUNDS ACROSS THE CITY.

AS WE THINK ABOUT LIMITED DURATION FUNDING, THERE ARE SOME MORE THINGS FOR US TO THINK ABOUT AND CONSIDER.

THE LIBRARY LOCAL OPTION LEVY, SO THAT'S ABOUT \$5 MILLION A YEAR ANNUALLY, WOULD EXPIRE IN FY '31, SO THOSE ARE FIVE-YEAR MEASURES, AND SO THE OTHER PIECE THERE IS THE TEMPORARY STORMWATER FEE.

AS PART OF THIS BUDGET THIS BIENNIUM, WE HAVE THE SIX-YEAR STORMWATER FEE

THAT RAISES ALMOST \$5 MILLION A YEAR FOR ELIGIBLE PARK SERVICES.

SO AT THE END OF THAT SIX-YEAR TIMEFRAME, FY '31, PAST THIS CURRENT FORECAST PERIOD, ACTION WILL NEED TO BE TAKEN.

WITHOUT FURTHER ACTION, THOSE SERVICES WOULD EITHER REVERT TO THE GENERAL FUND, WE WOULD NEED TO FIND AN ALTERNATE SOURCE OR TAKE OTHER ACTION OR PERHAPS REDUCE SERVICES.

SO THAT WILL BE AN AREA THAT WE'LL NEED TO LOOK AT AS WELL.

AND THEN WE HAVE STREET AND PARK BOND FUNDING.

SO STREET BONDS WE'VE BEEN GOING OUT ON A CYCLE EVERY FIVE YEARS.

OUR LAST BOND AMOUNT WAS \$61.2 MILLION, AND IF WE STAY WITH THAT

FIVE-YEAR CYCLICAL CYCLE, FY '29 WOULD BE THE LAST YEAR SO A NEW BOND AUTHORIZATION NEEDS TO BE IN PLACE AT THE END OF THE BIENNIUM FOR CONTINUITY OF SERVICE.

ON THE PARKS SIDE, WE'VE GONE OUT FOR PARK BONDS RECENTLY ABOUT EVERY TEN YEARS OR SO GOING OUT FOR A PARKS BOND.

OUR LAST BOND WAS \$39 MILLION, SO THAT WOULD NEED TO BE A CONSIDERATION AS WE LOOK TO KIND OF THIS, INTO THAT MIDTERM CYCLE AS WE THINK ABOUT SOME OF THE CAPITAL NEEDS ACROSS THE ORGANIZATION.

AND THEN AGAIN WE'RE ALWAYS IN A CHANGING WORLD, SO UNDERSTANDING WHAT THOSE FUTURE NEEDS ARE, IF NEW THINGS ARE COMING DOWN THE PIKE AND ALSO THINKING ABOUT THE STRATEGIC INVESTMENTS AS COUNCIL CONTINUES TO HAVE CONVERSATIONS.

LONG-TERM CONSIDERATIONS, AGAIN.

ALL OF THE SIMILAR PIECES.

IF WE CONTINUE TO FUND SOME OF OUR SERVICES THROUGH LIMITED DURATION FUNDING, SUCH AS THE LOCAL OPTION LEVY, THAT'S AGAIN A FIVE-YEAR CYCLE WE NEED TO CONSIDER, AS WE LOOK TO THE FUTURE, AND THEN TO UNDERSTAND OTHER CAPITAL NEEDS THROUGH BONDING PROCESS.

AND AGAIN, ALL OF THAT RANGE OF NEEDS, ALL OF THE THINGS I JUST TALKED ABOUT AS WE LOOK TO THE FUTURE.

SO PROACTIVELY UNDERSTANDING THE NEEDS OF OUR ORGANIZATION IN THE COMMUNITY TO DEVELOP SHORT, MID AND LONG-TERM ACTIONS ARE REALLY WHAT LONG RANGE FINANCIAL PLAN SOMETHING ALL ABOUT.

THROUGH OUR WORK, THE SPRING AND SUMMER, WE TALKED ABOUT ALL OF THESE ELEMENTS AND HOW THEY ALL NEED TO COME TOGETHER.

SO DEVELOPING A FINANCIAL STABILITY PLAN THAT BUILDS ON THE WORK WHILE WORKING WITH OUR COMMUNITY AND REGIONAL PARTNERS IS CRITICAL AND IS A KEY STRATEGY AS WE MOVE FORWARD.

NEXT WE'LL LOOK AT POTENTIAL LEVERS.

WE HAVE A STYLE ISSUE HERE ON THIS SLIDE.

SO I WONDER IF I -- OH, NO, OKAY.

NOT SURE WHAT HAPPENED.

OKAY, SO WE'LL TALK ABOUT LEVERS.

YOU'VE SEEN A VERSION OF THIS BEFORE.

THERE ARE A RANGE OF LEVERS THAT CAN

ADDRESS NEEDS OVER TIME AND
COMBINED FOR A STRATEGIC APPROACH.

SO WHEN WE LOOK AT REVENUE
APPROACHES, THESE INCLUDE LOCAL
OPTION LEVIES, POTENTIALLY PROPERTY
TAX REFORM, WHICH WOULD NEED TO
HAPPEN AT THE STATE LEVEL, AND THEN
THERE ARE ALSO ALWAYS THE OPTION OF
TAXES AND FEES.

FOR THE LAST TWO, THESE CAN BE
ONGOING IN NATURE OR AS WE DISCUSSED
EARLIER, THEY COULD BE TEMPORARY TO
PROVIDE A BRIDGE TO SOMETHING ELSE,
AS WE LOOK TO MID AND LONG-TERM
STRATEGIES.

DEBT IS ANOTHER LEVER AS WE THINK
ABOUT OUR CAPITAL NEEDS, AND SO WE
CAN TAKE CARE OF EXISTING
INFRASTRUCTURE AND THINK ABOUT
FUTURE EXPANSION THROUGH ISSUING
DEBT.

SO GENERAL OBLIGATION BONDS OF COURSE WOULD HAVE TO GO TO THE VOTERS.

REVENUE BONDS COULD BE ISSUED FOR ITEMS THAT HAVE A REVENUE THAT HELPS PAY THE DEBT SERVICE, SO FOR AIRPORT EXPANSION POTENTIALLY WE COULD HAVE REVENUE BONDS, AND THEN A NEWER TOOLBOX IN THE LAST FIVE YEARS IS AFFORDABLE HOUSING BONDS THAT ARE NOW ALLOWED BY THE STATES FOR MUNICIPALITIES.

SERVICE DELIVERY OR SERVICE CHANGES ARE ALSO ANOTHER LEVER.

SO EFFICIENCIES IN REDUCTIONS TO ALIGN WITH EXISTING RESOURCES, AGAIN, WE'VE ALREADY TALKED ABOUT THIS A BIT TODAY, BUT LOOKING ABOUT HOW WE PROVIDE SERVICE, ARE WE PROVIDING SERVICE AT THE LEVEL WE NEED TO?

CAN WE PARTNER DIFFERENTLY?

CAN WE USE TECHNOLOGY DIFFERENTLY
TO CHANGE HOW WE DELIVER SERVICE AND
STAY WITHIN OUR EXISTING RESOURCES?

AND THEN THROUGH ALL OF THIS REALLY IS
KIND OF THAT INVESTMENT TRADEOFF.

AS WE THINK ABOUT DIFFERENT CHOICES,
WHAT ARE THOSE INVESTMENTS?

WHAT GOALS DO THEY HELP US ACHIEVE
AND WHAT ARE THE TRADEOFFS AND
IMPACTS OF THE PIECE. LAST COLUMN ARE
THE LONG-TERM OPPORTUNITIES.

THINGS THAT WE CAN START TO TAKE
ACTION ON BUT WE DON'T SEE THE
RESULTS RIGHT AWAY.

SO THOSE COULD BE THINGS AROUND
ECONOMIC PROSPERITY AND JOB GROWTH,
SO REALLY THINKING ABOUT THE VITALITY
OF THE COMMUNITY AND CREATING JOBS,
AND INFRASTRUCTURE AND THEN ALSO

ANNEXATION POTENTIALLY AS WE GROW
AND THE CITY GROWS OVER TIME.

AND SO THERE ARE MANY
CONSIDERATIONS, ALL OF THESE PIECES,
WE NEED TO THINK ABOUT, AS WE THINK
ABOUT LONG RANGE FINANCIAL PLANNING
AND PROACTIVE ABILITY DEVELOPING
FINANCIAL STABILITY.

WE HAVE SOME TACTICS IDENTIFIED FOR
STAFF OVER THE NEXT FEW YEARS TO
MOVE THIS FROM A REACTIVE STATE TO A
PROACTIVE STATE.

ONE AREA IS FINANCIAL STABILITY AND THE
STRATEGIES.

SO YOU HAVE YOUR TACTICS IN YOUR
AGENDA MATERIALS BUT REALLY AGAIN
THAT FIRST STRATEGY SORTING SERVICES
INTO THE FRAMEWORK AND ALIGNING WITH
AVAILABLE RESOURCES USING THE TOOLS,
FRAMEWORKS AND BUDGET PRINCIPLES WE
HAVE AND ALSO INCORPORATING

FRAMEWORK CONSIDERATIONS INTO YOUR DELIBERATIONS AS YOU MOVE THROUGHOUT THE YEAR.

WE'RE EMBEDDING THIS THROUGH THE CONVERSATIONS AND THE TOPICS THAT COME TO YOU AS THEY COME TO COUNCIL.

DEVELOPING THAT FINANCIAL STABILITY PLAN, AGAIN, LOOKING BEYOND THAT NEXT TWO-YEAR PERIOD BUT REALLY STARTING TO DEVELOP PLANS AND TACTICS AND STRATEGIES TO THINK SHORT, MID AND LONG-TERM, SO WE CAN BE PROACTIVE INSTEAD OF REACTIVE.

AND ALSO AS PART OF THAT, REALLY TAKING ANOTHER LOOK AT OUR GENERAL FUND RESERVE LEVELS AND UNDERSTANDING IF WE'RE RIGHT-SIZED WITH THE RESERVES AND AGAIN THAT THIRD STRATEGY ABOUT STRENGTHENING AND DIVERSIFYING REVENUE WHERE APPROPRIATE AS WE THINK ABOUT WHAT ARE THE STRATEGIES TO DEVELOP A

FINANCIALLY STABLE SYSTEM.

AS WE THINK ABOUT DEVELOPING A
FINANCIAL STABILITY PLAN, THERE WILL BE
A NEED FOR MANY ORGANIZATIONAL
CONVERSATIONS ALONG WITH
CONVERSATIONS WITH OUR PARTNERS IN
THE COMMUNITY IN THE REGION.

WE HAVE DONE A LOT OF WORK TO DATE.

WE'VE HAD MANY CONVERSATIONS OVER
THE YEAR.

MANY OF HAVE BEEN PART OF THOSE
CONVERSATIONS.

OUR MOST RECENT GROUP WAS OUR
REVENUE ADVISORS IN FISCAL YEAR '24.

COMING OUT OF THAT BUDGET PROCESS, A
ADVISOR TEAM WAS ESTABLISHED THAT
INCLUDE COUNCILLORS, BUDGET
COMMITTEE MEMBERS AND COMMUNITY
MEMBERS TO LEARN ABOUT FINANCIAL AND

FUNDING ISSUES FACING THE CITY AND TO PROVIDE ADVICE AND COMMUNITY PERSPECTIVE TO THE CITY MANAGER.

THIS GROUP LOOKED AT A RANGE OF ISSUES INCLUDING OUR GENERAL FUND GAP, UNHOUSED SERVICES, HSC FUNDINGS LEVIES AND COMMUNITY AND SAFETY PAYROLL TAX, CSPT, AND LOOKING AT NEW OR EXPANDED SERVICES NEEDED FOR THE CITY.

THAT REPORT IS A RICH RESOURCE WE CAN START WITH IF THERE'S A DESIRE TO LOOK AT A RANGE OF REVENUE OPTIONS.

IN FY '26, THE TECHNICAL ADVISORY GROUP ON FISCAL STABILITY WAS FORMED.

THEY DID THAT WORK LAST FALL AND PRESENTED A REPORT TO COUNCIL IN FEBRUARY.

THEY LOOKED AT OPERATIONAL EFFICIENCIES AND REDUCTIONS, REVENUES

AND ECONOMIC DEVELOPMENT AND HAD A LOT OF RECOMMENDATIONS AND MANY OF THOSE RECOMMENDATIONS STAFF WERE DOING.

WE ARE THINKING ABOUT OUR LONG STABILITY AND YOU ALSO AS COUNCIL FINISHED PHASE ONE OF THIS WORK.

ALL THE WORK YOU'VE DONE OVER THE SPRING AND SUMMER TO DEVELOP THE FRAMEWORK AND BUDGET PRINCIPLES ARE FOUNDATIONAL TO US MOVING FORWARD.

SO TODAY WE'RE REALLY REGROUPING TO DISCUSS OUR WORK TO DATE AND RECEIVE YOUR FEEDBACK AS WE PREPARE FOR BUDGET COMMITTEE MEETINGS THIS FALL, WHICH I'LL TALK ABOUT SHORTLY, AND BUDGET DEVELOPMENT.

THERE'S A TAKE 2.0, SO THAT GROUP IS COMING TOGETHER TO MEET AGAIN.

THEY'RE MEETING ON A QUARTERLY BASIS

TO CONTINUE THE DISCUSSION ON
ECONOMIC PROSPERITY AND STRATEGIES.

STAFF WILL BE USING THE FRAMEWORKS
WE DISCUSSED TODAY AND YOUR BUDGET
PRINCIPLES TO DEVELOP THE 2027-2029
PROPOSED BUDGET, WHICH WE WILL
PRESENT BACK TO YOU IN THE SPRING.

STAFF WILL ALSO BE DEVELOPING THE
FINANCIAL STABILITY PLAN, SO ALL OF THE
ELEMENTS I WAS JUST TALKING ABOUT AND
SHIFT US INTO A MORE PROACTIVE
APPROACH AS WE LOOK NOT ONLY TO THE
NEXT BUDGET PERIOD, BUT BEYOND AND
WILL BRING THAT PLAN BACK TO COUNCIL
FOR INPUT AND FEEDBACK.

IN THE FUTURE.

ONE MORE SLIDE.

SO NEXT STEPS, WE HAVE TWO BUDGET
COMMITTEE MEETINGS THIS FALL, OCTOBER
28TH AND NOVEMBER 18TH.

THE OCTOBER MEETING REALLY WILL FOCUS ON FINANCIAL POLICIES, SO WE HAVEN'T HAD A COMPREHENSIVE REVIEW OF OUR POLICIES, AND SO WE'LL START THAT ON THE 28TH.

IF IT SPILLS OVER, WE DON'T QUITE FINISH, WE HAVE A LITTLE TIME ON THE 18TH WE CAN FINALIZE THAT.

WE'LL ALSO BE REVIEWING BUDGET COMMITTEE BYLAWS BECAUSE WE HAVEN'T REVIEWED THOSE IN QUITE SOME TIME AND THE STAFF WILL BE PROVIDING AN UPDATE ON OUR BUDGET METHODOLOGY, SO THINKING ABOUT MOVING AWAY FROM THAT INCREMENTAL BUDGET AND HOW WILL WE CHANGE OUR BUDGET METHODOLOGY TO INCORPORATE THE FRAMEWORKS AND THE PRINCIPLES THAT WE'VE TALKED ABOUT TODAY.

WE ARE HOLDING DECEMBER 2ND FOR A POTENTIAL BUDGET COMMITTEE MEETING

ON THE SUPPLEMENTAL BUDGET.

WE WILL ONLY HAVE THAT IF WE NEED TO.

SO IF IT'S MORE ADMINISTRATIVE IN NATURE, SO IF WE'RE PROCESSING GRANTS AND OTHER THINGS, WE WON'T NEED TO BRING THAT GROUP TOGETHER.

IF THERE'S SOMETHING MORE SUBSTANTIVE, WE WOULD HAVE AN INFORMATIONAL MEETING FOR THE BUDGET COMMITTEE PRIOR TO YOUR DECEMBER 14TH CITY COUNCIL MEETING.

AT THAT MEETING YOU'LL ADOPT THE SUPPLEMENTAL BUDGET, THE DECEMBER SUPPLEMENTAL AND ADOPT FINANCIAL POLICIES THAT SERVE AS A FINANCIAL KIND OF FRAMEWORK AS PART OF YOUR LONG RANGE FINANCIAL PLANNING AND BUDGET DEVELOPMENT.

AND WITH THAT, I'LL TURN IT BACK OVER TO NANCY.

>> LEECH: OKAY, I CAN OPEN IT UP TO ROUNDS OF QUESTIONS FROM COUNCIL AND COUNCILOR EVANS?

>> EVANS: THANKS, COUNCIL PRESIDENT.

A COUPLE THINGS THAT COME TO MIND.

I REALLY APPRECIATE THE WORK THAT ALL OF YOU FOLKS HAVE DONE ON THIS, AND ONE OF THE REASONS WHY I'VE HELD BACK FROM COMMENTING EARLIER IS BECAUSE THIS IS THE AREA I REALLY WANTED TO GET TO HOW WE ARE PLANNING FOR OUR FUTURE AND WHAT ARE WE DOING RIGHT NOW TO BE ABLE TO POINT THE SHIP IN A RIGHT DIRECTION, FOR LACK OF A BETTER METAPHOR.

I THINK WE ARE GOING IN THE RIGHT DIRECTION NOW.

ONE OF THE CONVERSATIONS THAT I'VE HAD WITH BOTH CHIEF CAVEN AND CHIEF

SKINNER IS ABOUT THE STRUCTURAL NEEDS THAT OUR FIRE DEPARTMENT AND OUR POLICE DEPARTMENT ARE GOING TO NEED.

SO WHEN I HAVE MY CONVERSATION WITH CHIEF CAVEN, I HAD THE CONVERSATION LAST MONTH, WE TALKED ABOUT THE NEED FOR FACILITIES SPECIFICALLY.

A NEW FIRE STATION DOWN HERE THAT WOULD BE RIGHT HERE IN THE SAME VICINITY AS CITY HALL.

A NEW RETROFITTED STATION IN WARD 6, MY WARD.

ALSO STATION NEEDS IN WARD EIGHT.

SO WE'RE TALKING ABOUT THREE MORE FIRE STATIONS AND DEFINITELY UPGRADE IN FACILITIES AND TECHNOLOGY, AND ALL OF THAT, THAT'S GOING TO COME THROUGH A BONDING PROCESS.

SO YOU KNOW, AGAIN, WE'RE GOING TO HAVE TO BORROW -- YOU KNOW, GO TO THE VOTERS, ASK THE VOTERS TO, YOU KNOW, PASS A BOND SO THAT WE CAN BE ABLE TO CONSISTENTLY FUND THE NEEDS THAT WE NEED TO HAVE OVER TIME, AND SOME OF THE THINGS THAT WE ARE BASICALLY, FOR LACK OF A BETTER TERM, SUCKING WIND ON RIGHT NOW THAT WE NEED TO PLAY CATCH-UP WITH.

AND TRUST ME, I'M GETTING TO A QUESTION HERE.

SO YOU KNOW, YOU'LL HAVE TO FORGIVE MY STREAM OF THOUGHT ON THIS.

BUT ONE OF THE THINGS WHEN I WAS GROWING UP IN OHIO AT THAT TIME IN THE '70S AND THE EARLY '80S, WHERE MUNICIPALITIES WERE GOING BANKRUPT AND FACING INSOLVENCY, BECAUSE OF NOT DOING THE LONG RANGE PLANNING THAT NEEDED TO BE DONE.

AND I THINK THAT WHAT WE'RE DOING
RIGHT NOW IS CRITICAL TO THE FUTURE
THAT WE'RE LOOKING AT DOWN PAST 2039,
INTO THE 2040S AND '50S, AND BEING ABLE
TO UNDERSTAND THAT THE FACILITIES
THAT WE NEED TO BUILD AND CONSTRUCT
ARE FOR 50 AND 100-YEAR HORIZONS.

AND WE NEED TO HAVE A WAY THAT WE
CAN EFFECTIVELY COMMUNICATE THAT
OUR CONSTITUENCIES SO THAT WE CAN
GET THEIR SUPPORT TO MOVE FORWARD,
PARTICULARLY AT A TIME NOW AND DOWN
TIME IN THE FUTURE WHERE PEOPLE ARE
SAYING TO ME, LOOK, WE CAN'T AFFORD AN
INCREASE IN OUR TAXES.

GAS PRICES, GOOD PRICES, EVERYTHING
ELSE IS HITTING US.

AND YOU'RE GOING TO HAVE TO EXPLAIN TO
ME IN VERY CLEAR DETAIL HOW AND WHY
WE NEED THESE THINGS AND TELL US WHY
WE NEED TO MAKE THESE INVESTMENTS SO
THAT, YOU KNOW, WE DON'T END UP IN AN

INSOLVENT FUTURE.

(CAPTIONER CHANGE)

So I -- that's not a question, but it's a statement, but I just want to kind of wrap our heads around the fact that these are things that are not going to go away, and we are going to have to have continual serious conversations about how we create more revenue opportunities and also, I appreciate the other piece of this is that we have not integrated into this conversation the depend see that we have traditionally had on state and federal resources, bought we can't depend on them now.

This state is broke, like 38 other states are, and the Federal Government is in -- I don't know what it is, freefall, magic trick or whatever, but I -- I'll stop there.

All right.

>> Leech: Counselor Kashinsky.

>> Kashinsky: Yes.

Thank you, I will want to -- second one of Councilor Evans points.

As we have the discussions, I think including as part of that serious consideration about the increased lack of reliability in our federal partners in particular but also some of our state partners, and the way that's impacting some San Francisco our community partners and creating needs gaps in the community, because it's not just us as a city who is being impacted by this, our nonprofit partners and service providers in the community who are providing services, other local governments who provide services that we don't and so really looking at that bigger picture of community need just beyond what the city is doing and how that need is being impacted by some of these challenges that are outside of our little area here.

If I'm understanding correctly, sort of the fiscal year -- like the next nine months, eight months, ten months plan in both these next steps on the last slide going through December 14, and then the budget development additional means with TAG 2.0 and the start of the development of the financial stability plan, is that kind of the plan for the next -- to likened of the fiscal year, this fiscal year?

>> Yes, that's correct.

Budget development will be starting using all of the tools that we have, and we'll be meeting with budget committee, we'll continue to meet and discuss with the city manager and all of those -- all of those will come together with your budget in the spring.

>> Kashinsky: And so as you probably remember, I've been like chomping at the bit to be let's talk about what we're going to do about revenue.

And is a lot of those sort -- what are the next steps for that discussion that's going to come out of the financial stability plan?

>> That's correct.

>> Kashinsky: Can I get a sense of what the process for developing the financial stability plan is going to be?

Like is there going to be an engagement committee with citizen members, is it going to be, you know, staff driven, is it going to be -- like what's -- how much feedback can council give on it once it is drafted, like a better picture of what that process looks like?

>> I would say at this point, we'll need to come back with more.

We have been working through all of these pieces to get to this point, and that is definitely something we are going to be developing.

It definitely will be staff initiated and led, but thinking about what are the touch points with other -- other bodies or partners or things and how that comes back and we get feedback.

I don't have a clear plan to lay out in front of you today.

It is something that, as the organization starts working on budget development, our team will be pivoting to and working with the city manager on, so we can provide more information in the future.

>> Kashinsky: Okay.

I definitely think one of the things that I remember -- because I was on the 2024 revenue advisors committee and the one before that too, and I know there was a really intense effort to try to get a wide

diversity of community voices involved in that group, and the groups that are coming now, I see less of the diversity especially as we move into that financial stability plan making sure that we are hearing from a broader section of the community.

I think would be very helpful.

And then I think -- I know that like -- we group things into short, mid and long-term, but just looking at the length of time it sometimes takes to do something like, you know, develop a revenue option, I am getting nervous about our medium term limited duration items.

I think that's a little bit of the motivation for me being like, hey, because I want to make sure that we are not in sort of a crisis point, where we say this is going to disappear and we don't have a thing to fill it.

>> Yes, I would say it's a yes/and.

I think staff are also -- we are trying to move into this space where we are dealing with the budget coming up in front of us, by putting this plan together, we have a more clear roadmap so we can start these

conversations and be prepared and so we are not -- reacting but we are more proactive.

I would agree.

>> Kashinsky: Do you think that will also help, you know, when we identify a need or try to implement a new revenue option at that process going more efficiently, more speedy-like so we are not like, okay, we started talking about this in 2023 and --

>> Hopefully things are more efficient because we are being proactive and we are designing strategies kind of looking over that long-term.

You know, some of these conversations just do take some time, right?

Both at this table and with the community.

I'm not sure about the speedy part but being more proactive and more intentional and maybe starting earlier than we have in the past.

>> Kashinsky: And I just want to close up, because like -- this work in general has been amazing and I want to thank you and everyone on the staff, city manager and everyone who has been involved in this, I think this has been some amazing work that will help us really tackle, I think, one of the most difficult challenges that's facing us because this challenge is involving all of our other challenges a lot harder.

So thank you.

>> If I could add one reminder, we are working on developing a schedule so there's a regular cadence for this body to meet at a retreat level like we did before to capture some of those more timely emerging issues, and that will also allow us to weigh in on some of where we are at with some of the stability planning.

So just to let you know, we are going to develop that, and I'll need to work with twice la and her team as to when is the best time to engage you and align it with the budget process.

Then that would be an annual engagement we this council.

>> Leech: Councilor Keating.

>> Keating: I appreciate on the slide 31 the path forward.

The -- putting on the revenue hat and considering the revenue team's -- or some in part considering revenue team's suggestions from fy24, but I would submit that fiscal year 24 was a different time.

Autonomous vehicles like Waymo were less -- Waymo were less of a reality coming to Eugene.

Data center, privacy concerns were far less ubiquitous.

It was a time where we had a city manager and were under the leadership of a different mayor.

I would be very interested in resurrecting, reshaping and resuming a robust revenue advisors group 2.0.

For the reasons that have been mentioned.

Bringing more -- a wider array of voices to the table, a more diverse set of voices, having at least three Councilors and three budget committee members just to start, would be welcome.

But I think we are doing the process a disservice if we are just looking back and not finding a way to embrace the revenue conversation as it evolves moving forward.

I'd love to hear your thoughts.

>> I guess one of the things I think about when I say to start there is part of that work was very comprehensive staff report on a range of options that we have looked at over time.

With and as we have had these conversations, depending on what problem we are trying to solve, any of the -- the options are somewhat limited to be able to raise the revenue needed to solve the problems.

So I guess that's why I was suggesting to start there, not that we can't include more diverse voices and have another conversation.

So I guess that's where I was suggesting to begin with that work.

I don't know if the city manager has other thoughts.

>> No, I would degree.

I think that we have more ground to cover with you and I'd like the opportunity to present that information.

But ultimately, that's going to be a council decision.

>> Keating: I hear you, and I would just reiterate my longing to find revenue solutions that are long term, that might cost something in the short terms in order to provide that long-term stability I've made a baseball reference before and I'll do it again, why I think that government all too often wants to swing for the fences and go for the big home run rather than do the small ball approaches to get them on and over and in, and those small ball approaches, those small revenue approaches are doing little incremental bit is what I suspect will win the day.

We can't always swing for the fences.

Thanks.

>> Leech: Thank you, council.

I have Councilor --

>> I'll tag on by saying I like very much the work we have done here so far that gives us a medium term at least and the beginnings of a long term solution set or a different way to think about it.

I think that will make budgeting a better process as we go through into the future.

That's good.

The longer term solution set, I'm less concerned with creating more diverse set of voices as I am about the outcome.

I'm wondering if we have a strategy or if the manager can give -- financial staff can give a thought to a different kind of outcome, by that I mean I

appreciated the creation of the TAG in the first place because you put a group of financial experts in a room and say, here's the nature of the problem.

What do you see and what do you think about what you see.

That gives a different set of thoughts and a different set of solutions.

I wonder, is there a method or is there a strategy you're thinking of about how to come up with more creative out of the box potential future long-term solutions.

In other words the mechanism by which creativity can -- about the long term future can happen more effectively.

I'm not sure what that is, but I just throw that out there and wonder the manager's thoughts on that.

>> Oh, I have so many.

That is a really -- I appreciate that question, I think that is a million dollar question.

I also think that we are in a place, and it's a sobering statement for me to make that we need to be also asking our community what they're willing to live without and what they're willing to fund if they are not willing to live without that.

I think that is the candid conversation we are building to.

That would be my recommendation is to start those conversations so that we can enter this discussion understanding what people are willing to do and tolerate.

>> I see us having the same needs everybody sees when they look at the slides that were presented and not knowing intuitively, oh, here's the easiest path, and so it's -- these are difficult decisions in the days ahead, and any help structurally I think is a good thing.

Thank you for that.

>> Leech: Councilor Groves.

>> Groves: Thank you, council president.

I think we just got to the point I've been wondering how we're going to get there.

I do have another question, and this is probably more for the city manager, and I recognize this is a sensitive subject, a sensitive topic, but is there a space in this process, maybe just the council, I don't know if it needs to be the full budget committee, but looking at how do we do some -- deliver some services differently?

There's a bunch of ways we can get there.

But it would just be nice to have as a comparison to what we are already spending and see if there's things we can do and the way we deliver the services to reduce costs.

>> City manager: Are you asking that question in advance of the budget process because it's a little tricky in that way.

>> Groves: I think it's something I personally would like to know going into the budget process, so that we -- I don't think this is something we can do on the fly.

I mean, this is going to take some staff time and research, and some really out of the box thinking.

But it does seem like an option that we -- at least I can't recall that we have looked at.

>> City manager: I will say while the budget lenses we talked about has that noted in there, if this body would like to give some consensus direction that, hey, we really would like you to do a concerted effort, we certainly can do that.

Without getting into detail that we probably know where the largest bang for the buck is, council would specifically want us to do a larger undertaking on that.

We can look and see how we can build that into the process.

I just think it's a little hard to have that conversation outside the budget process because we are kind of dancing on a thin line there, but if there's a consensus here we you want us to do a little bit more on that, we can give it our best shot.

It will be part of a conversation, it won't be not part of a conversation.

>> Groves: I'm doing it as part of the budget process, I don't think we can halfway or 3/4 of the way through the process and say, oh, yeah, let's look at this.

I think this is something there needs to be some preparation going into it.

I don't have a good feel for where my colleagues are, but just kind of looking at alternatives to having full services going away, if there's ways we can streamline or reconfigure or in some cases, dare I say, even outsource.

Just saying it.

Thank you.

>> Leech: Councilor, I have Councilor Evans next.

>> Evans: Skip me for me moment.

>> Leech: To Councilor Kashinsky for a second round.

>> Kashinsky: Thank you.

I think this goes to both points that Councilor and Groves made, smaller scale revenue as well as service review of how we would do things differently.

My understanding is that a lot of that work happens incrementally below the council level, that when we are looking at do we need to raise the fees for this, that or the other thing, you know, we get a memo gets puts in the reg starred guard and it kind of happens, that's what kind of happens there.

Jim get the impression we have had several projects recently where there's been a deep dive look at some of -- library services and things like that.

I think -- I bring this up because I think one of the things -- it may have come up before you actually took the role or came up after you became city manager, it was like two days after you became city manager, is that I think we talked a little bit about trying to tie more of these financial discussions into our AIS's, and having a little bit more of that clear line within the AIS and the

conversations we are having these work sessions in there.

Why I think that would be really helpful for both of those items because, you know, we had the work session last week regarding the development, and like that has a clear nexus with some of these conversations because that impacts our property tax revenues, and, you know -- like one of the questions I had with that was is this a level of development that is factored into the 3.5 percent property tax rate we are getting or not?

So I think being able to draw some of those connections from our work sessions of hey, this is a change in our service delivery or hey, this is how it's impacting service revenue would be really helpful.

And so that came up a while ago, I figured I'd mention it again.

>> If I could add to your first point, fee increases, one of our tactics on our strategies for -- where is it temperature for strengthen and does I versify revenue.

To evaluate the current fee structure and cross services and consider a

master fee schedule or a couple of fee schedules so that we can systematically review fees and charges and have a kind of a systematic approach and have it be more transparent also, so instead of 100 administrative orders, we have, you know, a master schedule or two or three master schedules.

So that's part of that as well.

>> Leech: Thank you.

Are there any other comments or questions from council?

Thank you so much for that presentation.

I'm now closing the floor for council, and that concludes our agenda for the day.

And I close the September 16, 2026, city council work session.

We are adjourned.

